CONNECTICUT
GREEN BANK®

Board of Directors

MEETING DATE: FRIDAY, OCTOBER 24, 2025 • 09:00AM

Increasing and accelerating investment into Connecticut's green economy.

The Green Bank Model

A Planet Protected by the Love of Humanity

1 Attract Private Investment by Leveraging Public Funding

Public Funding
Ratepayer dollars, taxpayer dollars

CONNECTICUT GREEN BANK

Private Investment
Individuals, credit unions, banks, bond buyers

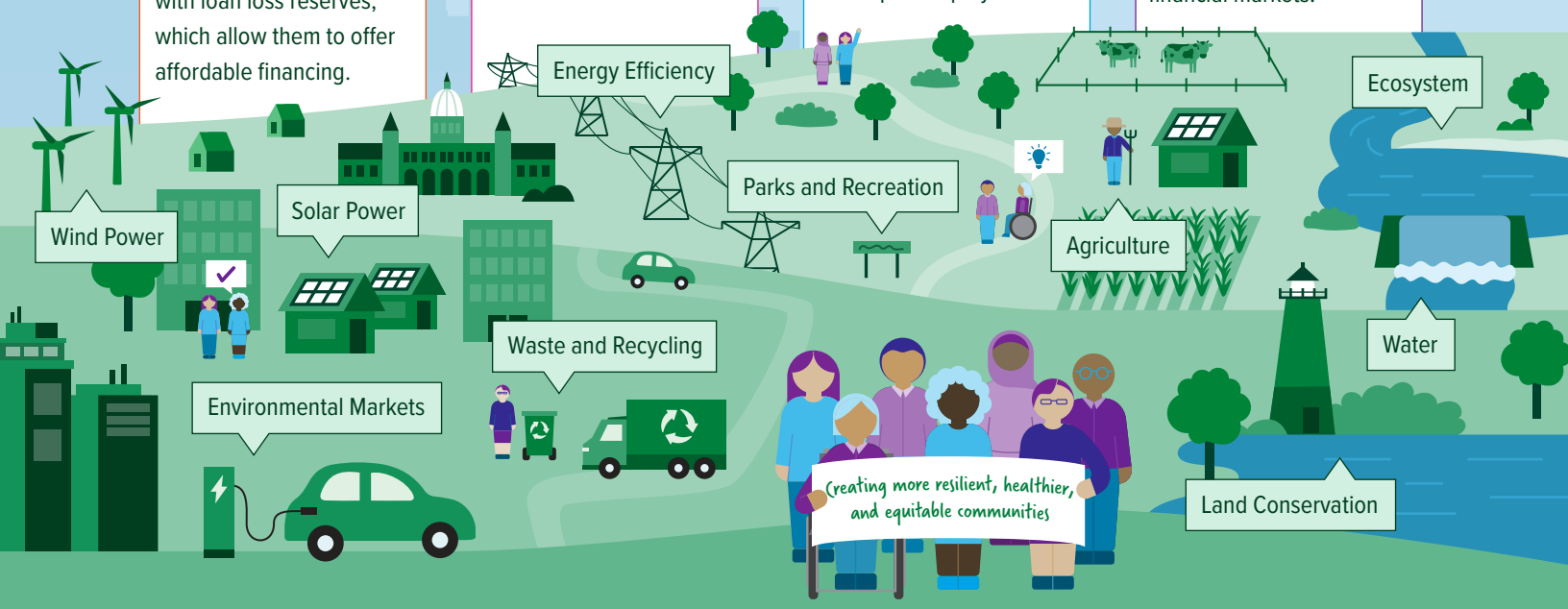
2 Apply Innovative Financial Tools to Deploy Investment Towards Our Mission

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

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

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

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



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

Economic Development

- Creating thousands of jobs
- Generating millions in tax revenue

Ecological Resilience

- Driving environmental conservation, restoration, stewardship, and resilience

Energy

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

Environmental Protection

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

Equity

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

CONNECTICUT GREEN BANK

Societal Impact Report

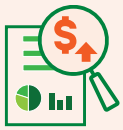
FY12 FY25

Since the Connecticut Green Bank's inception through the bipartisan legislation in July 2011, we have mobilized more than **$3.11 billion of investment** into the State's green economy. To do this, we used **$463.3 million** in Green Bank dollars to attract **$2.65 billion** in private investment, a leverage ratio of **$6.70 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 2025).*

ECONOMIC DEVELOPMENT

JOBS The Green Bank has supported the creation of more than **30,539** direct, indirect, and induced job-years.

TAX REVENUES
The Green Bank's activities have helped generate an estimated **$157.9** million in state tax revenues.



$60.6 million individual income tax

$60.6 million corporate taxes

$35.4 million sales taxes

$1.2 million property taxes

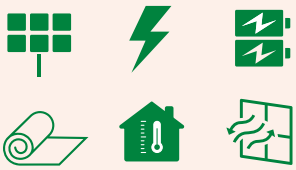
ENERGY

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

69,000+
families

8,500+
businesses

DEPLOYMENT
The Green Bank has accelerated the growth of renewable energy to more than **732.2 MW** and lifetime savings of over **93.9 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 **7.4** million pounds of SOx and **9.3** million pounds of NOx lifetime.

11.8 MILLION tons of CO_2 : EQUALS

178 MILLION tree seedlings grown for 10 years

OR

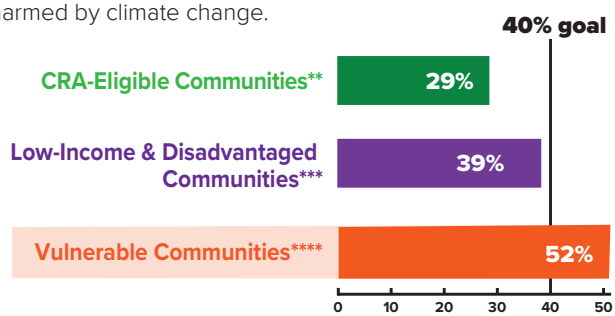
2.3 MILLION passenger vehicles driven for one year

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

$234.7 – $530.8 million of lifetime public health value created

EQUITY

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



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

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

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

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

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

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

Sources: Connecticut Green Bank Comprehensive Annual Financial Reports

Board of Directors

Lonnie Reed

Board Chair

E: Lonnie.Reed@ctgreenbank.com **P: 203-481-4474**

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

James B. Cosgrove

Board Member

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

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

Joseph DeNicola

Chair of Deployment Committee

E: Joseph.DeNicola@ct.gov **P: 203-561-2279**

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

Thomas M. Flynn

Chair of ACG Committee

E: Tom.Flynn@tomflynn.org **P: 203-209-0059**

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

Board of Directors

Dominick Grant

E: Dominick@dirtpartners.com **P: 518-225-4334**

Board Member

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

E: iamjh@sbcglobal.net **P: 860-459-5381**

Chair of BOC Committee

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

E: houel@greenteambpt.com **P: 203-212-3860**

Board Member

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

Allison Pincus

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

Board Member

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

Board of Directors

Matthew Ranelli

Board Member

E: mranelli@goodwin.com **P: 860-251-5748**

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

Erick Russell

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

Board Member

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

Brenda Watson

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

Chair of Joint Committee

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

Dr. Joanna Wozniak-Brown

Board Member

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

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

Meeting Schedules

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

*all meetings from 9am-11am

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

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

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

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

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

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

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

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

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

CONNECTICUT GREEN BANK

October 17, 2025

Dear Connecticut Green Bank Board of Directors:

We have a **regular meeting** of the Board of Directors scheduled for **Friday, October 24, 2025, from 9:00-11:00 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:
    - Special Meeting Minutes of August 20, 2025
    - *Progress to Targets for FY25 – Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Strategic Investments*
    - Board of Directors Regular Meeting Schedule for 2026
    - Audit, Compliance, and Governance Committee Regular Meeting Schedule for 2026
    - Budget, Operations, and Compensation Committee Regular Meeting Schedule for 2026
    - Deployment Committee Regular Meeting Schedule for 2026
    - Joint Committee Regular Meeting Schedule for 2026
    - Shared Clean Energy Facilities Project – Ellington: Approval Extension
    - *Under $500,000 and No More in Aggregate than $1,000,000 Board Approved Transaction Approvals, including:*
        - *Simsbury*
        - *Meriden*
        - ~~*Brookfield*~~
    - C-PACE Project Time Extension – prior board-approved transaction in East Windsor

  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 C-PACE and ESS Transactions
    - Under $100,000 and No More in Aggregate than $500,000 Staff Approved Transaction Restructurings or Write-Offs
    - *FY25 Q4 Financial Report*
    - *Progress to Targets for Q1 of FY26*
    - DEEP Renter Utilization Report (August 29, 2025)
    - IPC FY25 Q4 Report

- Public Option Solar for K-12 Schools Report (September 2025)
- Solar Cities Research Report (September 2025)

- **Audit, Compliance, and Governance Committee** – we have several items to work through as recommendations from the committee, including:

  - **Compliance and Risk Management** – overview of our risk management process and status on investment portfolio
  - **FY25 Annual Comprehensive Financial Report** – a detailed financial and non-financial statistics review and audit of the organization for FY25
  - **Employee Handbook** – proposed modifications to the employee handbook, including proposed amendments to educational assistance
  - **Legislative Review** – preparation for the 2026 legislative session

- **Financing Programs Updates and Recommendations** – transactions, including:

  - **Solar Loan** - Farmington
  - **Berlin** – C-PACE project
  - ***Colchester*** *– C-PACE project*
  - **Oxford**– C-PACE project
  - Under $500,000 and No More in Aggregate than $1,000,000 – Proposed Changes to Staff approval process
  - C-PACE for Resilience

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

  - ESS Transactions – ESS-02838, ESS-02837, and ESS-02835 – Target, Inc. (Newington, Torrington, Windsor)
  - ESS Transactions – ESS-02507 and ESS-02506 – Winstanley (Windsor Locks)
  - ESS Transactions – ESS-02362, ESS-02356, ESS-02342 – Lowe's (Plainville)

- **Investment Updates and Recommendations** – updated on several transactions, including:

  - **Green Liberty Bonds** – bond issuance
  - **Green Liberty Notes** – 14th issuance

- **Executive Session** – for Trade Secrets and Commercial Information Given in Confidence (PosiGen), and *Personnel Related Matters, 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 Tuesday, October 21, 2025.

And, please note, immediately following the conclusion of the meeting, representatives from the Office of State Ethics will provide a virtual State Ethics training for Green Bank Staff and Board members. A reminder that this is a required annual training.

If you cannot participate, we ask that you please complete the online “Ethics 101” training (available here: https://portal.ct.gov/Ethics/Online-Ethics-Training/Training/Online-Training) and email a copy of your Certificate of Completion to Joe.Buonannata@ctgreenbank.com prior to December 31, 2025. If you have already completed the training in calendar year 2025, please email your Certificate of Completion at your earliest convenience.

Have a great weekend.

Appreciatively,

Bryan Garcia
President and CEO

REVISED AGENDA

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

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

Dial in: +1 860-924-7736
Phone Conference ID: 460 715 278#
+1 860-924-7736,,460715278#

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

1. Call to Order
2. Public Comments – 5 minutes
3. Consent Agenda – 5 minutes
4. Committee Updates and Recommendations – ~~40~~ 35 minutes
    a. Audit, Compliance, and Governance Committee – ~~40~~ 35 minutes
        i. Follow up on Risk Management and Compliance - 10 minutes
        ii. FY25 Annual Comprehensive Financial Report – 15 minutes
        iii. Employee Handbook – Proposed Revisions – ~~10~~ 5 minutes
        iv. Legislative Process – 2026 in Preparation – 5 minutes
5. Financing Programs Updates and Recommendations – ~~35~~ 40 minutes
    a. Solar Loan – Farmington – 10 minutes
    b. C-PACE Transaction – Berlin – 5 minutes
    c. C-PACE Transaction – Colchester – 5 minutes
    d. C-PACE Transaction - Oxford – 5 minutes
    ~~d.~~e. Under $500,000 and No More in Aggregate than $1,000,000 – Staff Approved Transactions: Proposed Process Change – 5 minutes
    ~~e.~~f. C-PACE for Resilience – 10 minutes
6. Incentive Programs Updates and Recommendations – 15 minutes
    a. ESS Transaction – Target Stores (3 locations)

i. ESS-02838 – Newington
ii. ESS-02837 – Windsor
iii. ESS-02835 – Torrington

b. ESS Transaction – Winstanley – Windsor Locks (2 meters on-site)
i. ESS-02507
ii. ESS-02506

c. ESS Transaction – Lowes – Plainville (3 meters on-site)
i. ESS-02362
ii. ESS-02356
iii. ESS-02342

7. Investment Updates and Recommendations – 10 minutes

a. Green Liberty Bonds – Update – 5 minutes
b. Green Liberty Notes – Update – 5 minutes

8. Executive Session – Trade Secrets and Commercial Information Given in Confidence (PosiGen) and Personnel Related Matters – 10 minutes

9. Adjourn

Click here to join the meeting
Teams Meeting ID: 281 808 048 76
Passcode: KdpYow
+1 860-924-7736,,460715278#
Phone Conference ID: 460 715 278#

Next Regular Meeting: Friday, December 19, 2025 from 9:00-11:00 a.m.
Colonel Albert Pope Room at the
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford

RESOLUTIONS

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

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

Dial in: +1 860-924-7736
Phone Conference ID: 460 715 278#
+1 860-924-7736,,460715278#

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 August 20, 2025.

Resolution #2

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

WHEREAS, the Act directs the Green Bank to 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;

WHEREAS, on June 20, 2025, the Board of Directors ("Board") of the Green Bank approved of the annual budgets, targets, and investments for FY 2026;

WHEREAS, on July 25, 2025, the Board approved a Comprehensive Plan for FY 2026; and,

WHEREAS, on July 25, 2025, the Board of Directors of the Connecticut Green Bank approved of the draft Program Performance towards Targets for FY 2026 memos for the Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Strategic Investments.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the restated Program Performance towards Targets for FY 2025 memos dated October 24, 2025, which provide an overview of the performance of the Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Strategic Investments with respect to their FY 2025 targets.

Resolution #3

Motion to approve the Regular Meeting Schedules for 2026 for the Board of Directors, ACG Committee, BOC Committee, Deployment Committee, and Joint Committee.

Resolution #4

WHEREAS, pursuant to the Capital Solutions Open RFP program ("Capital Solutions"), the Connecticut Green Bank Board of Directors (the "Board") approved and authorized the President of the Green Bank and any other duly authorized officer to execute the credit facilities in an amount not to exceed $5,000,000 for the project described in this Memo submitted on October 17, 2025;

WHEREAS, the credit facilities were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board and executed no later than 180 days from the date of such Board approval; and,

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

NOW, therefore be it:

RESOLVED, that the Board of Directors extends authorization of the credit facilities to no later than 90 days from October 24, 2025 and consistent in every other manner with the original Board authorization for the credit facilities.

Resolution #5

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

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

WHEREAS, the Green Bank seeks to provide construction and term loans ("Loans") under the C-PACE program as outlined in the memorandum and related exhibits submitted to the Green Bank Board of Directors dated October 17, 2025 (the "Memo") 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 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 Loans in an amount not to be greater than one hundred ten percent of the individual 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 Loans, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; and

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

Resolution #6

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

WHEREAS, pursuant to the C-PACE program, the Connecticut Green Bank Board of Directors (the "Board") or the Connecticut Green Bank Deployment Committee ("DC"), as may be applicable, approved and authorized the President of the Green Bank to execute financing agreements for the C-PACE projects described in this Memo submitted to the Board on September 10, 2025 (the "Finance Agreements");

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

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

NOW, therefore be it:

RESOLVED, that the DC extends authorization of the Finance Agreements to no later than 120 days from October 24, 2025, and consistent in every other manner with the original Board or DC authorization for the Finance Agreement.

4. Committee Updates and Recommendations – 40 minutes

    a. Audit, Compliance, and Governance Committee – 40 minutes

        i. Follow up on Risk Management and Compliance - 10 minutes
        ii. FY25 Annual Comprehensive Financial Report – 15 minutes

Resolution #7

WHEREAS, Article V, Section 5.3.1(ii) of the Connecticut Green Bank ("Green Bank") Operating Procedures requires the Audit, Compliance, and the Governance Committee (the "Committee") to meet with the auditors to review the annual audit and formulation of an appropriate report and recommendations to the Board of Directors of the Green Bank (the "Board") with respect to the approval of the audit report;

WHEREAS, the Committee met on October 7, 2025 and recommends to the Board the approval of the proposed draft Annual Comprehensive Financial Report ("ACFR") contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

NOW, therefore be it:

RESOLVED, that the Board approves of the proposed draft Annual Comprehensive Financial Report ("ACFR") contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

iii. Employee Handbook – Proposed Revisions – 10 minutes

Resolution #8

WHEREAS, pursuant to Section 5.2.1 of the Connecticut Green Bank (Green Bank) Bylaws, the Audit, Compliance, & Governance Committee recommends that the Board of Directors (Board) approve of the above noted revisions to the Green Bank Employee Handbook;

NOW, therefore be it:

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

iv. Legislative Process – 2026 in Preparation – 5 minutes

5. Financing Programs Updates and Recommendations – 35 minutes

a. Solar Loan – Farmington – 10 minutes

Resolution #9

WHEREAS, the Green Bank, utilizing a subsidiary thereof, seeks to provide a $1,879,037 construction and term loan as a solar loan to New Horizons, Inc., the building owner of 414 Berlin Turnpike, Berlin, CT 06037, Berlin, Connecticut ("Loan"), to finance the purchase and installation 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 October 17, 2025 ("Memo"); and

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the

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

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

b. C-PACE Transaction – Berlin – 5 minutes

Resolution #10

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

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

WHEREAS, the Green Bank seeks to provide a $1,879,037 construction and term loan under the C-PACE program to BT 2008 LLC, the building owner of 414 Berlin Turnpike, Berlin, CT 06037, Berlin, Connecticut ("Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated October 17, 2025 ("Memo"); and

NOW, therefore be it:

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

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

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

c. C-PACE Transaction – Colchester – 5 minutes

Resolution #11

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

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

WHEREAS, the Green Bank seeks to provide a $556,128 construction and term loan under the C-PACE program to Sharr Realty, LLC, the building owner of 119 South Main Street Colchester, CT, Municipality, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated October 20, 2025 (the “Memo”); and

NOW, therefore be it:

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

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

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

d. C-PACE Transaction - Oxford – 5 minutes

Resolution #12

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

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

WHEREAS, the Green Bank seeks to provide a $567,587 construction and term loan under the C-PACE program to Huizinga Properties, LLC, the building owner of 97 Willenbrock Road, Oxford, CT 06478, Oxford, Connecticut ("Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated October 17, 2025 (“Memo”); and

NOW, therefore be it:

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

no later than 120 days from the date of authorization by this resolution;

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

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

e. Under $500,000 and No More in Aggregate than $1,000,000 – Staff Approved Transactions: Proposed Process Change – 5 minutes

Resolution #13

WHEREAS, the Connecticut Green Bank (the "Green Bank") Board of Directors (the "Board") has authorized Green Bank staff to evaluate and approve funding requests under $500,000, provided such requests are made pursuant to an established approval process, require the signature of a Green Bank officer, are consistent with the Green Bank's Comprehensive Plan, fall within the approved fiscal budget, and remain within an aggregate limit not to exceed an amount updated from time to time (the "Staff Approval Policy for Projects Under $500,000"); and

WHEREAS, the Deployment Committee and the Audit, Compliance, and Governance Committee have recommended approval to the Board to increase the aggregate not to exceed limit;

NOW, therefore be it:

RESOLVED, that the Board approves an increase of the aggregate not to exceed limit of the Staff Approval Policy for Projects Under $500,000 from $1,000,000 to $2,000,000.

f. C-PACE for Resilience – 10 minutes

Resolution #14

WHEREAS, Conn. Gen. Stat. Section 16a-40g (the "Authorizing Statute") authorizes what has come to be known as the Commercial Property Assessed Clean Energy Program ("C-PACE"), the Authorizing Statute designates the Connecticut Green Bank ("Green Bank") as the state-wide administrator of the program;

WHEREAS, the Authorizing Statute charges Green Bank to develop program guidelines (the "Program Guidelines") governing the terms and conditions under which state and third-party financing may be made available to C-PACE;

WHEREAS, Green Bank staff is seeking a recommendation from the Deployment Committee to the Board of Directors to expand Green Bank C-PACE financing from energy measures to include resilience and a proposed Green Bank lending policy for resilience projects; and,

WHEREAS, the update to the Program Guidelines to include resilience improvements and the addition of Appendix O, was formalized at the Board of Directors meeting on June 21, 2024.

NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors approves the expansion of Green Bank C-PACE financing from energy measures to include resilience and a proposed Green Bank lending policy for resilience, as mentioned herein.

6. Incentive Programs Updates and Recommendations – 15 minutes

    a. ESS Transaction – Target Stores (3 locations)
        i. ESS-02838 – Newington
        ii. ESS-02837 – Windsor
        iii. ESS-02835 – Torrington

Resolution #15

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

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

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

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by Scale Microgrid Systems for three non-residential projects totaling a not-to-exceed amount of $1,256,892.00 consistent with the approved Procedures; and,

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

    b. ESS Transaction – Winstanley – Windsor Locks (2 meters on-site)
        i. ESS-02507
        ii. ESS-02506

Resolution #16

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

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

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

NOW, therefore be it:

RESOLVED, that the Board approves the estimated upfront incentives sought by Scale Microgrid Systems for two non-residential projects totaling a not-to-exceed amount of $954,044.00 consistent with the approved Procedures; and,

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

c. ESS Transaction – Lowes – Plainville (3 meters on-site)
    i. ESS-02362
    ii. ESS-02356
    iii. ESS-02342

Resolution #17

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

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

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

NOW, therefore be it:

RESOLVED, that the Board hereby approves the estimated upfront incentives sought by Scale Microgrid Systems for three non-residential projects totaling a not-to-exceed amount of $1,188,642.00 consistent with the approved Procedures; and,

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

7. Investment Updates and Recommendations – 10 minutes

a. Green Liberty Bonds – Update – 5 minutes
b. Green Liberty Notes – Update – 5 minutes

8. Executive Session – Trade Secrets and Commercial Information Given in Confidence (PosiGen) and Personnel Related Matters – 10 minutes

Resolution #18

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

WHEREAS, on June 20, 2025, the Board approved a 5.0% merit pool in its FY 2025 budget for annual merit adjustments that can range from 0.0% to 8.0%;

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

WHEREAS, the President and C.E.O. of the Green Bank recommends a 5% merit increase for the Officers other than himself and authorizing the Chair to determine the President and C.E.O.

NOW, therefore be it:

RESOLVED, that all Officers other than the President and C.E.O. shall receive a 5.0% merit increase for Fiscal Year 2025; and

RESOLVED, that the Board authorizes the Chair of the Green Bank to determine the merit compensation adjustment for the President and C.E.O. for FY25 based on the (i) feedback of the Board members, (ii) performance towards meeting the Organizational and Team Goals for FY25, (iii) his Individual Goals for FY25, and (iv) his Individual 360 for FY25

9. Adjourn

Click here to join the meeting
Teams Meeting ID: 281 808 048 76
Passcode: KdpYow
+1 860-924-7736,,460715278#
Phone Conference ID: 460 715 278#

Next Regular Meeting: Friday, December 19, 2025 from 9:00-11:00 a.m.
Colonel Albert Pope Room at the
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford

Announcements

- **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

October 24, 2025

CONNECTICUT GREEN BANK®

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #1
Call to Order

PROPOSE MOVING SECTION 5 ON FINANCING PROGRAMS TO FOLLOW SECTION 7 ON INVESTMENTS AND BEFORE SECTION 8 ON EXECUTIVE SESSION

Board of Directors

Agenda Item #2
Public Comments

Board of Directors

CONNECTICUT GREEN BANK®

Agenda Item #3
Consent Agenda

Consent Agenda
Resolutions #1 through #6

CONNECTICUT GREEN BANK®

1. **Meeting Minutes** – approve meeting minutes of August 20, 2025
2. **Progress to Targets for FY25** – final year-end results used for the merit review process in summer and fall
3. **2026 Regular Meeting Schedule** – including Board of Directors, and the ACG, BOC, Deployment, and Joint Committees
4. **SCEF Project Extension** – extension of time to close on Shared Clean Energy Facilities project in Ellington, CT
5. **C-PACE Transactions** – under $500,000 C-PACE transactions (i.e., Simsbury, Meriden) that would be have been approved through "…and No More in Aggregate than $1,000,000" staff approved transaction process, but no more room under the cap
6. **C-PACE Transaction Extension** – time extension to close for prior BOD approved transaction for East Windsor

Consent Agenda (cont'd)
Report Outs

- **Under $500,000 and No More in Aggregate than $1,000,000** – staff approved transactions of nearly $970,000 in two (2) C-PACE projects (i.e., Trumbull, Waterbury) and over $190,000 in one (1) ESS project (i.e., Danbury)
- **Under $100,000 and No More in Aggregate than $500,000** – staff approved restructurings or write-offs of zero ($0) since last report out until October 17, 2025
- **Q4 of FY25 Financial Report** – regular quarterly financial statements, including development and inclusion of new section on Risk Management within the memo
- **Q1 Progress to Targets for FY26** – report out on Incentive, Financing, and Environmental Infrastructure programs, and Programmatic and Strategic investments
- **Renter Utilization Study** – PA 25-125 requirement for DEEP study
- **IPC Q4 of FY25** – quarterly report out from IPC
- **Public Option for Solar K-12 Schools Report** – research report by several nonprofits on solar on schools in Connecticut (#1 in U.S., including EJ Communities)
- **Solar Cities Report** – research report on "Solar for All" efforts in Hartford (#1 in U.S.)

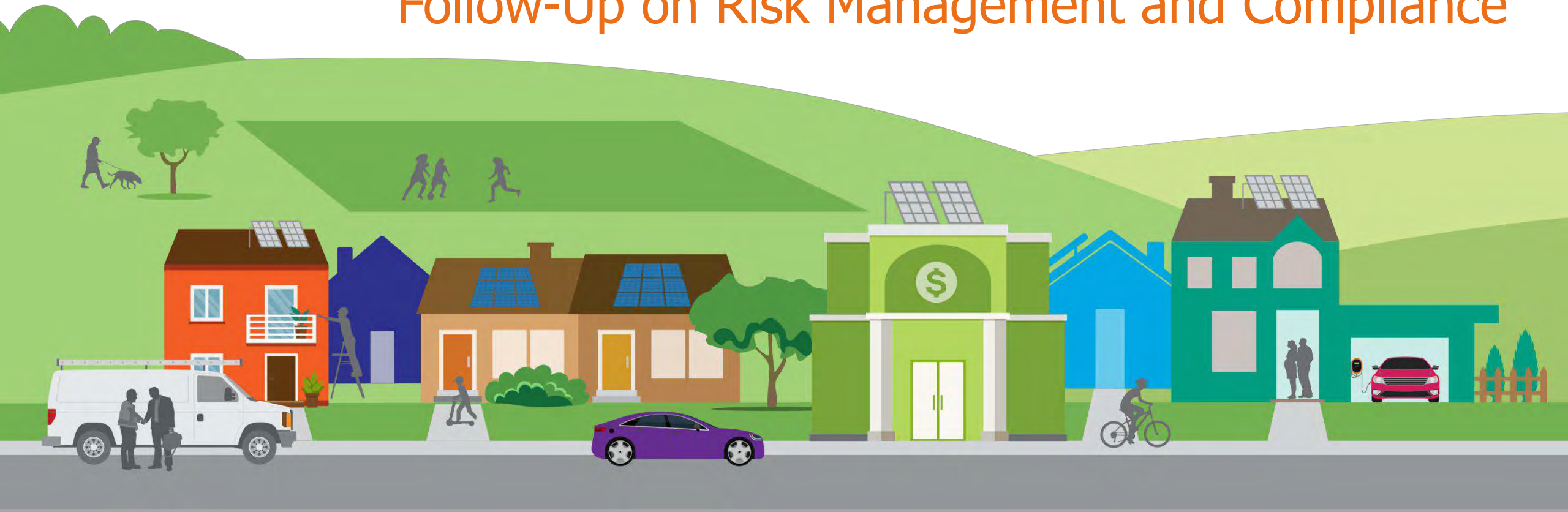
Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #4ai

Audit, Compliance, and Governance Committee

Follow-Up on Risk Management and Compliance



Internal Staff Management
Compliance Review Process

- **Annual Portfolio Risk Rating** – conducted annually during CY Q3. Challenged credits will be risk rated more frequently. Implementation is currently in progress.
  - **Project Finance Loans**: Monitor financial metrics, repayment history, collateral adequacy and any guarantor strength.
  - **C-PACE**: No ongoing financial reporting (standard industry practice). Monitor insurance coverage and track LiTV on an annual basis based off outstanding loan amount and municipal appraised property value.
- **Monthly Delinquency Review Meeting** – Monthly meeting to strategize next steps on delinquent customers.
- **Quarterly Compliance Monitoring** – Review of compliance certificates, financials metrics (e.g., DSCR), financial statements and energy production reports.
- **Reporting Overhaul** – Data analytics team is in the process of dashboard redesign which will allow for bespoke, timely and accurate reporting.

Portfolio Snapshot

Loan Classification	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding
Residential	37,683,004	20,464,983	54%
Commercial	50,677,355	2,892,471	6%
C-PACE	71,988,172	2,076,817	3%
Capital Assets (Leases & PPAs)	65,455,000	-	0%
Total:	**225,803,531**	**25,434,271**	**11%**
as of 6/30/2025			

Loan Classification	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding
Senior & Capital Assets	195,475,488	4,617,302	2%
Subordinated	30,328,043	18,058,380	60%
Total:	**225,803,531**	**22,675,682**	**10%**
as of 6/30/2025			

Technology Type	Loan Outstanding	%
Solar	165,741,665	73.4%
Fuel Cell	25,509,207	11.3%
Various	20,787,318	9.2%
Hydro	12,187,787	5.4%
Wind	1,089,554	0.5%
Anaerobic Digester	488,002	0.2%
Total:	**225,803,531**	**100%**
as of 6/30/2025		

Portfolio Snapshot

Top Exposure (Overall)	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding	# of Projects
PosiGen	22,213,402	19,508,589	88%	42000*
FuelCell Energy, Inc	21,860,915	1,791,288	8%	9
Capital for Change Inc.	14,547,186	879,719	6%	4,617
Cargill Falls	11,534,612	403,711	4%	1
Skyview Ventures	8,173,858	358,236	4%	54
Inclusive Prosperity Capital, Inc	6,607,380	118,648	2%	25
Scale Microgrids	3,983,606	381,595	10%	34
Total:	**88,920,959**	**23,441,786**	**26%**	

as of 6/30/2025

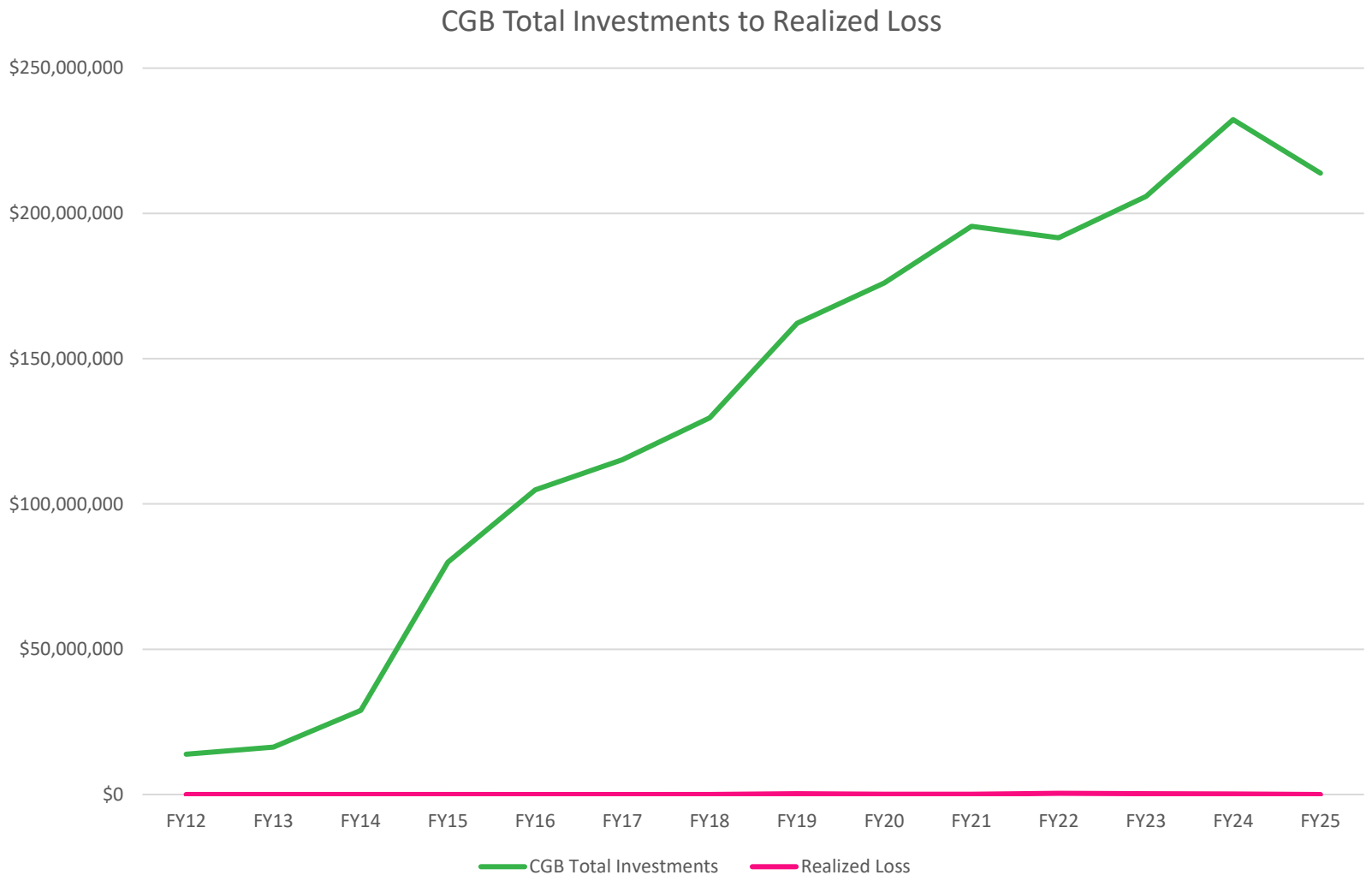
**Estimate*

Top Exposure (Subordinated)	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding	# of Projects
PosiGen	16,750,000	16,750,000	100%	42000*
FuelCell Energy, Inc	11,500,000	1,150,000	10%	9
Wind Colebrook	1,089,554	108,955	10%	1
Canton Hydro	653,175	32,659	5%	1
Scale Microgrids	335,315	16,766	5%	1
Total:	**30,328,043**	**18,058,380**	**60%**	

as of 6/30/2025

**Estimate*

Portfolio Snapshot



Year	CGB Total Investments	Realized Loss
FY12	$13,866,000	$0
FY13	$16,302,000	$0
FY14	$28,919,000	$0
FY15	$79,906,000	$0
FY16	$104,801,000	$9,058
FY17	$115,174,000	$24,049
FY18	$129,674,000	$0
FY19	$162,178,000	$298,404
FY20	$176,061,000	$65,401
FY21	$195,573,000	$51,409
FY22	$191,565,000	$404,665
FY23	$205,848,000	$289,345
FY24	$232,279,000	$151,194
FY25	$213,886,000	$29,122
Total:		**1,322,644**

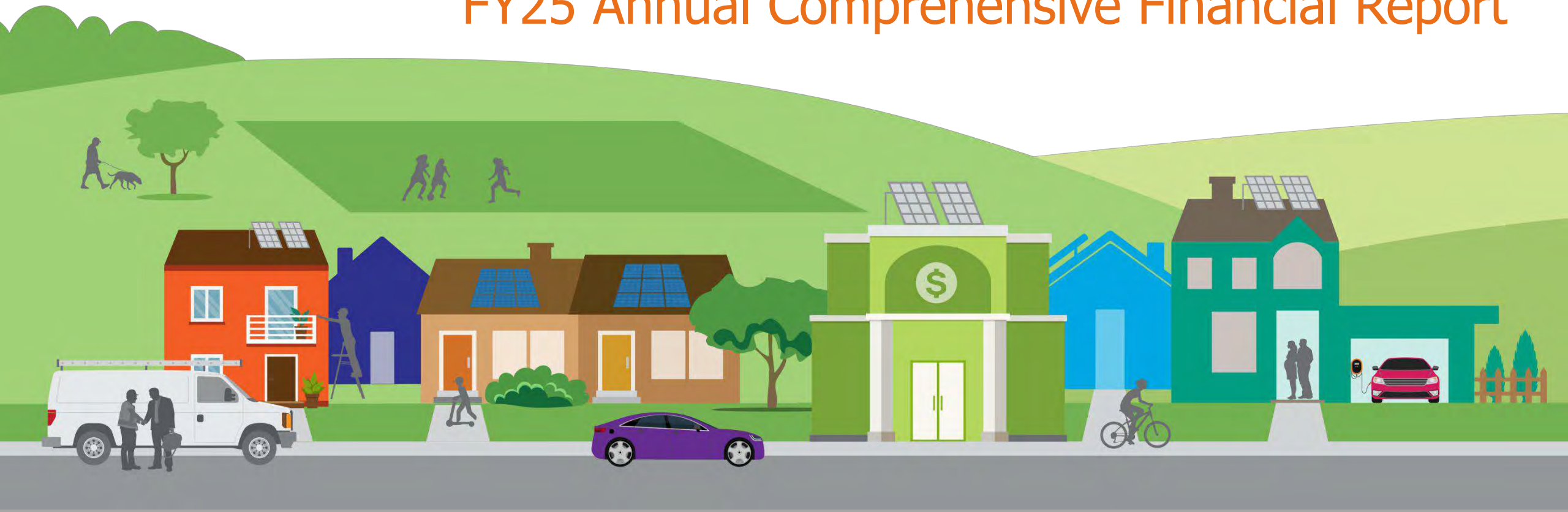
Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #4aii

Audit, Compliance, and Governance Committee

FY25 Annual Comprehensive Financial Report



Annual Comprehensive Financial Report
Agenda

- **2025 Highlights**
- **Financial highlights of 2025 Annual Comprehensive Financial Report (ACFR)**
- **Required audit communications**
- **Contact**

Annual Comprehensive Financial Report
2025 Highlights

- Provision for loan losses increased $9.5 million and programs loans receivable decreased $12.7 million – primarily due to one borrower experiencing significant financial difficulties
- Restricted cash increased $98.5 million and unearned revenue increased $94.8 million primarily due to the $94.6 million balance related to the frozen NCIF grant
- GASB 101 "Compensated Absences" was implemented – no significant change from the prior year, no prior period adjustment necessary
- No Federal Single Audit was necessary since federal expenditures were less than $750,000

Annual Comprehensive Financial Report
2025 Financial Highlights

- **Opinion on Financial Statements**

  Unmodified opinion

- **Level of auditor responsibility for other ACFR information:**
  - Required Supplementary Information (RSI) (limited)
  - Other information:
    - Introductory section (no responsibility)
    - Statistical section (no responsibility)

Annual Comprehensive Financial Report

2025 Financial Highlights

Statement of Revenues, Expenses & Changes in Net Position

	June 30, 2025	June 30, 2024	Variance
Operating Revenues			
Utility remittances	$ 24,860,166	$ 24,597,356	$ 262,810
Interest income - promissory notes	9,646,426	8,667,604	978,822
RGGI auction proceeds	5,200,000	5,200,000	-
Energy system sales	5,814,698	2,884,201	2,930,497
REC sales	16,350,224	17,089,576	(739,352)
Leases	1,567,359	1,828,970	(261,611)
Other	7,789,933	4,189,971	3,599,962
Total operating revenues	71,228,806	64,457,678	6,771,128
Operating Expenses			
Cost of goods sold - energy systems	5,814,698	2,884,201	2,930,497
Provision for loan losses	11,753,879	2,282,946	9,470,933
Grants and incentive programs	7,728,472	6,853,788	874,684
Program administration expenses	20,433,620	17,138,749	3,294,871
General and administrative expenses	7,018,672	5,360,723	1,657,949
Depreciation/Amortization	3,497,941	3,486,070	11,871
Total operating expenses	56,247,282	38,006,477	18,240,805
Operating Income (Loss)	14,981,524	26,451,201	(11,469,677)

Operating Revenues increased $6.8M year over year.

- $2.9M increase in **Energy system sales** due to sales of the Department of Corrections PPA projects.
- $1.0M increase in **Interest income** due to increased FY25 investment in program loans and capitalized interest on CPACE projects in construction.
- $3.6M increase in **Other** due to an increase ESSOL reimbursements and CPACE closing fee income.
- $0.7M decrease in **REC sales** due to lower non-SHREC REC market pricing.

Annual Comprehensive Financial Report

2025 Financial Highlights

Statement of Revenues, Expenses & Changes in Net Position

	June 30, 2025	June 30, 2024	Variance
Operating Revenues			
Utility remittances	$ 24,860,166	$ 24,597,356	$ 262,810
Interest income - promissory notes	9,646,426	8,667,604	978,822
RGGI auction proceeds	5,200,000	5,200,000	-
Energy system sales	5,814,698	2,884,201	2,930,497
REC sales	16,350,224	17,089,576	(739,352)
Leases	1,567,359	1,828,970	(261,611)
Other	7,789,933	4,189,971	3,599,962
Total operating revenues	71,228,806	64,457,678	6,771,128
Operating Expenses			
Cost of goods sold - energy systems	5,814,698	2,884,201	2,930,497
Provision for loan losses	11,753,879	2,282,946	9,470,933
Grants and incentive programs	7,728,472	6,853,788	874,684
Program administration expenses	20,433,620	17,138,749	3,294,871
General and administrative expenses	7,018,672	5,360,723	1,657,949
Depreciation/Amortization	3,497,941	3,486,070	11,871
Total operating expenses	56,247,282	38,006,477	18,240,805
Operating Income (Loss)	14,981,524	26,451,201	(11,469,677)

Operating Expenses increased $18.2M year over year.

- $9.5M increase in **Provision for loan losses** primarily due to one borrower experiencing significant financial difficulties.
- $5.0M increase in **Program and General administration expenses** due to increased headcount and increases in CGBs share of actuarially determined OPEB and Pension expenses.
- $2.9M increase in **Cost of goods sold-energy systems** for sales of the Department of Corrections PPA projects.
- $0.9M increase in **Grants and incentive programs** due increases in residential upfront incentives for our Energy Storage Solutions program.

Annual Comprehensive Financial Report

2025 Financial Highlights

Statement of Revenues, Expenses & Changes in Net Position

	June 30, 2025	June 30, 2024	Variance
Nonoperating Revenue (Expenses)			
Interest income - deposits	2,083,768	1,423,754	660,014
Interest expense	(2,216,308)	(2,439,449)	223,141
Debt issuance costs	(5,125)	(10,000)	4,875
Distributions to member	-	(286,755)	286,755
Gain (loss) on disposal of assets	(339,306)	(427,056)	87,750
Net change in fair value of investments	(233,484)	111,838	(345,322)
Unrealized gain on interest rate swap	(161,176)	(133,520)	(27,656)
Total nonoperating revenue (expenses)	(871,631)	(1,761,188)	889,557
Change in Net Position	14,109,893	24,690,013	(10,580,120)
Net Position - July 1	166,093,579	141,403,566	
Net Position - June 30	$ 180,203,472	$ 166,093,579	

Nonoperating Revenue (Expenses) increased $0.9M year over year.

- $0.7M increase in **Interest income – deposits** due to higher balances in the State of CT Short Term Investment Fund from loan principal and interest repayments.
- $0.3M decrease in **Distributions to member** due to the close out of our CTSL2 tax equity program in FY24.
- $0.2M decrease in **interest expense** due to continued paydown of long-term debt.
- $0.3M increase in **Net change in fair value of investment** due to a reduced valuation for one investment where the company is experiencing severe financial difficulties.

Annual Comprehensive Financial Report
2025 Financial Highlights
Statement of Net Position

	June 30, 2025	June 30, 2024	Variance
Assets			
Current assets			
Cash and cash equivalents	$ 52,246,093	26,065,154	26,180,939
Other current assets	39,858,877	36,528,036	3,330,841
Total current assets	92,104,970	62,593,190	29,511,780
Noncurrent assets			
Restricted assets	126,280,144	27,782,421	98,497,723
Program loans, notes receivable & other investments	123,586,509	145,408,081	(21,821,572)
Capital assets, net	65,455,470	69,517,800	(4,062,330)
Total noncurrent assets	315,322,123	242,708,302	72,613,821
Total assets	$ 407,427,093	305,301,492	102,125,601
Liabilities			
Current liabilities	$ 116,792,791	20,848,839	95,943,952
Noncurrent liabilities			
Asset retirement obligation	5,100,744	4,345,686	755,058
Long-term debt			
Notes payable	6,033,059	7,273,800	(1,240,741)
Bonds payable	50,490,399	55,874,962	(5,384,563)
Lease liability, less current maturities	1,605,468	1,853,851	(248,383)
Total long-term debt	58,128,926	65,002,613	(6,873,687)
Pension & OPEB liabilities	50,290,724	41,228,205	9,062,519
Total noncurrent liabilities	113,520,394	110,576,504	2,943,890
Total liabilities	$ 230,313,185	131,425,343	98,887,842
Deferred inflows of resources, (net)	(3,089,555)	7,782,569	(10,872,124)
Total net position	$ 180,203,463	166,093,580	14,109,884

Assets increased $102.1M year over year.

- $98.1M increase in **Restricted assets** due to frozen NCIF funds.
- $26.2M increase in **Cash and cash equivalents** due to principal and interest repayments on program loans.
- $21.8M decrease in **Program loans, notes receivable and other investments** due to principal repayments as well as an increase in provision for loan loss due to one borrower experiencing significant financial difficulties.

Annual Comprehensive Financial Report
2025 Financial Highlights
Statement of Net Position

	June 30, 2025	June 30, 2024	Variance
Net Position			
Investment in capital assets	$ 48,862,300	50,634,366	$ (1,772,066)
Restricted net position:			
Restricted for energy programs	31,021,578	27,047,825	3,973,753
Unrestricted (deficit)	100,319,594	88,411,388	11,908,206
Total Net Position	$ 180,203,472	$ 166,093,579	$ 14,109,893

Net Position increased $14.1M year over year.

- $11.9M increase in **Unrestricted net position** due to $15.0M operating income.
- $4.0M increase in **Restricted for energy programs** due to:
  - $2.0 million increase in assets restricted for maintaining loan loss reserves
  - $1.4 million increase in assets restricted by contractual bond obligations
- $1.8M decrease in **Investment in capital assets** due to declining net book values of solar assets as they are depreciated.

Annual Comprehensive Financial Report
Required Communications

Communication with those charged with governance

- Estimates
  - ✓ Net pension and OPEB liabilities
  - ✓ Allowance for uncollectible accounts
  - ✓ Asset retirement obligation
- Disclosures are neutral, consistent, and clear
- Management representations were requested
- No material uncorrected misstatements
- Independence

Annual Comprehensive Financial Report
Contact

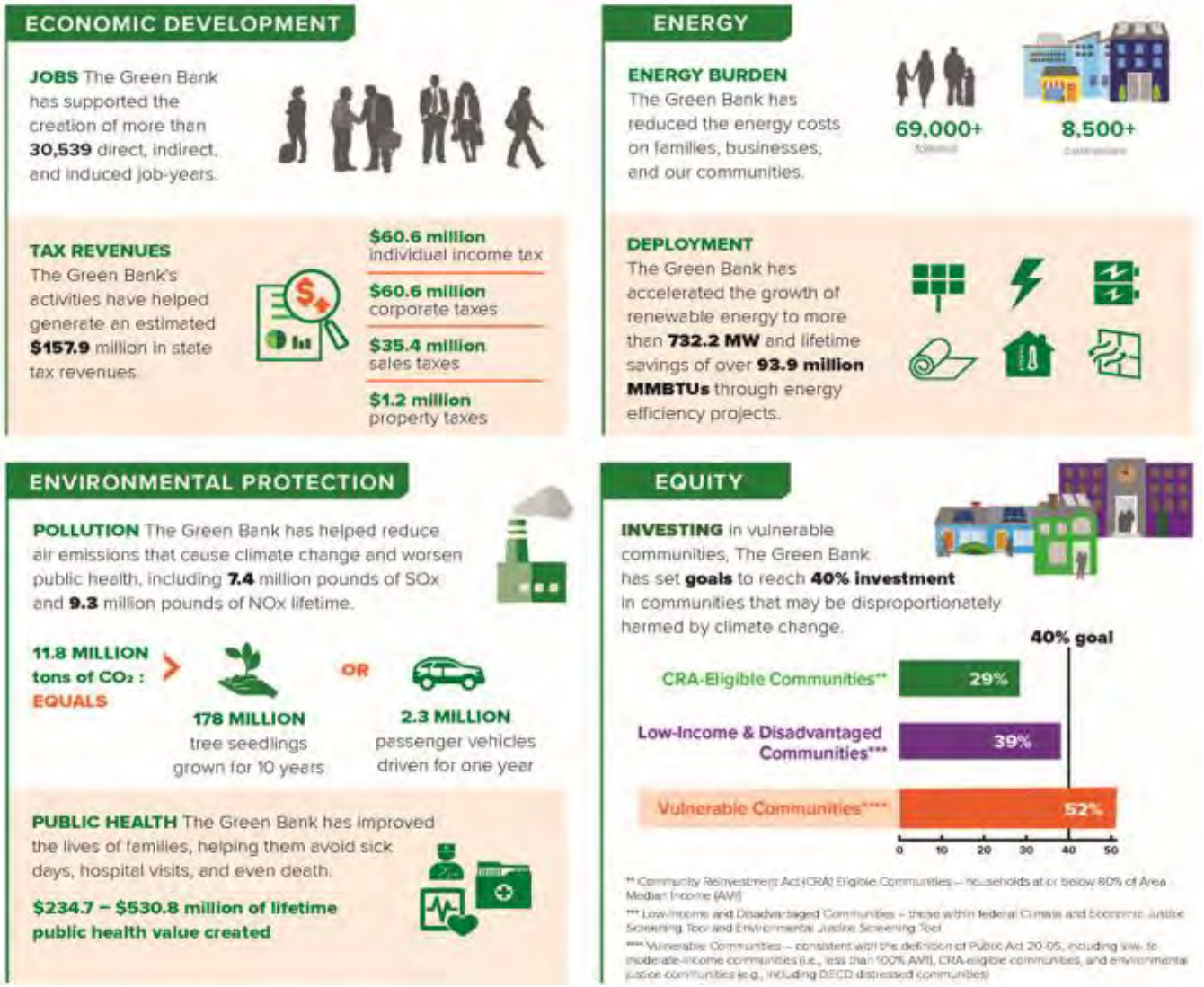
Key Engagement Contact

Katherine Patnaude

Phone:(860)-419-3404

Email: kpatnaude@pkfod.com

Annual Comprehensive Financial Report
Non-Financial Statistics (Impact Report)



Since Inception we have mobilized more than $3 Billion of investment in Connecticut's green economy by leveraging our public funds at a rate of $6.70 private for every $1.00 Green Bank

Resolution #7

NOW, therefore be it:

RESOLVED, that the Board approves of the proposed draft Annual Comprehensive Financial Report ("ACFR") contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

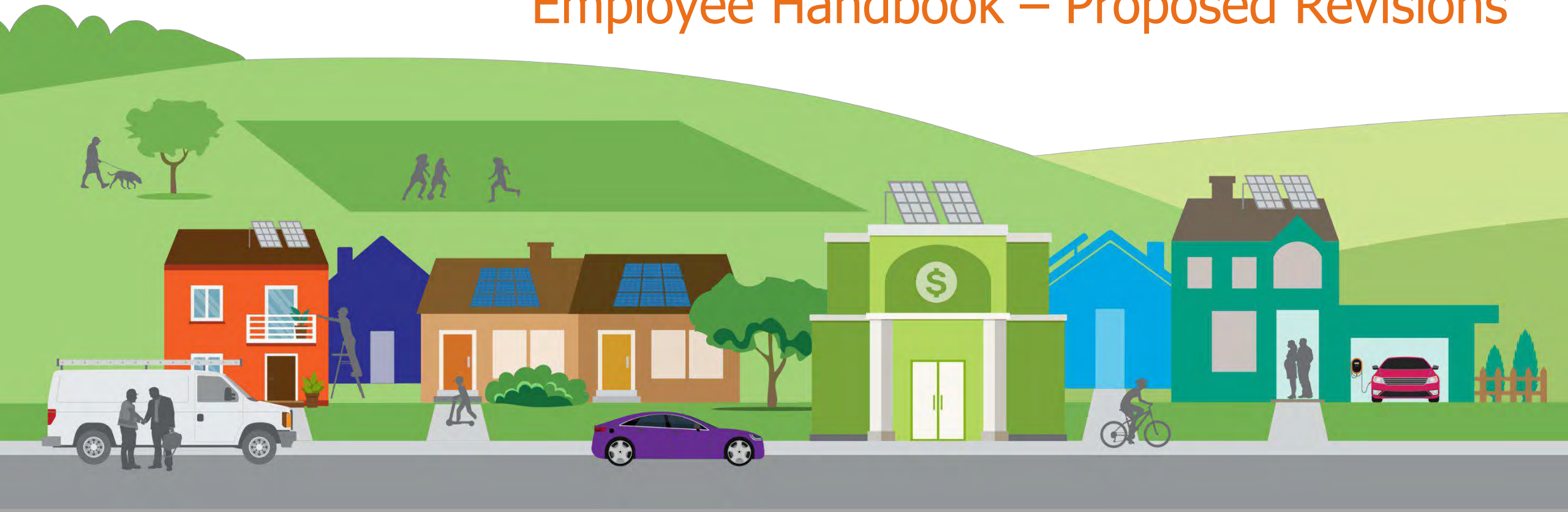
Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #4aiii

Audit, Compliance, and Governance Committee

Employee Handbook – Proposed Revisions



Employee Handbook Revisions
Educational Assistance Policy

- Since 2021, Internal Revenue Code ("IRC") provision 127 has allowed employers to make tax-exempt payments of up to $5,250 per calendar year towards employees' student loans, with a scheduled end date of December 31, 2025.

- Since 2021, the Connecticut Green Bank has offered an Educational Assistance Policy that allows for employees to receive up to $10,000 for continuing education and student loan reimbursements (capped at $5,250).

- The "One Big Beautiful Bill Act" of 2025 made IRC provision 127 permanent and requires that it be inflation adjusted each calendar year. **We are seeking Board approval to remove the 12/31/25 end date in the student loan reimbursement section of our policy and continue its alignment with federal policy.**

- Educational assistance, in the form of both student loan reimbursement and tuition assistance for continuing education, has proven to be an important employee benefit and tool for employee development and retention.

Resolution #8

NOW, therefore be it:

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

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #4iv

Audit, Compliance, and Governance Committee

Legislative Update

Legislative Update

Legislative Process Document
In adherence with Legislative Process Document - (1: PRE-SESSION)
Meetings underway with Senior Staff to determine proactive issues to propose in 2026 Legislative Session.

Executive Branch Agencies
Agencies had an October 1st deadline to submit proposed legislation to OPM for review.
Thus far, there has been nothing proposed that would negatively impact the Green Bank or it's mission.
Legislative concepts are currently being shopped around. No language.

PURA
Governor Lamont appointed 4 Commissioners to PURA on October 20th
- Thomas Wiehl (D): Chairman – Formerly of OCC as Director of Legal & Regulatory Affairs
- David Arconti (D): Current Commissioner, will remain.
- Janice Beecher (I): University of Michigan Professor. Editor of trade journal "Utilities Policy"
- Holly Cheeseman (R): Former Republican State Representative from East Lyme
- David Everett (R): CEO of GoldenSet Capital (Mike Caron will remain on for transition)

Special Session
Tentatively planned for November 12th or November 13th.
HB 5002 (2025 Housing Bill that was vetoed). Utilization of budget surplus to cover gap due to Federal Shutdown.

Board of Directors

Agenda Item #6a

Incentive Programs Updates and Recommendations

ESS Transactions – Target Inc.

ESS-02838 (Newington), ESS-02837 (Windsor), ESS-02835 (Torrington)

Target Inc.
ESS-02838, ESS-02837, ESS-02835

Customer: Target, Inc.

Developer / Third-Party Owner: Scale Microgrid Systems

Locations: Newington, Windsor, Torrington CT

Operations: retail department store

System Size: 1.927 MW / 3.854 MWh

Equipment: Tesla Megapack 2XL

Total of **5.78 MW / 11.562 MWh** across 3 stores

Target Newington, CT
Image: JeepersMedia via flickr

Project Summary – Target Inc.

Project Number	City	Priority Customer Adder	Total Energy Capacity (kWh)	Total Power (kW)	Install Year (Est)	Performance Incentive (Estimate to be paid by Eversource over 10-year term)	Upfront Incentive
ESS-02835	Torrington	No	3,854	1,927	2028	$1.3MM	$418,964.00
ESS-02837	Windsor	No	3,854	1,927	2028	$1.3MM	$418,964.00
ESS-02838	Newington	No	3,854	1,927	2028	$1.3MM	$418,964.00

Resolution #15

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by Scale Microgrid Systems for three non-residential projects totaling a not-to-exceed amount of $1,256,892 consistent with the approved Procedures; and,

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

Board of Directors

Agenda Item #6b

Incentive Programs Updates and Recommendations

ESS Transactions – Winstanley Enterprises

ESS-02507 and ESS-02506 (Windsor Locks)

Winstanley Enterprises
ESS-02506, ESS-02507

Customer: Winstanley Enterprises

Developer / Third-Party Owner: Scale Microgrid Systems

Location: Windsor Locks, CT

Operations: 1M+ ft^2 facility for CS Grocery Distributors

System Size: 1.927 MW / 3.854 MWh

Equipment: Tesla Megapack 2XL

Total of **3.85 MW / 7.7 MWh** across 2 meters

500 North St., Windsor Locks
Image: Winstanley Enterprises

Project Summary – Winstanley

Project Number	City	Priority Customer Adder	Total Energy Capacity (kWh)	Total Power (kW)	Install Year (Est)	Performance Incentive (Estimate to be paid by Eversource over 10-year term)	Upfront Incentive
ESS-02506	Windsor Locks	Yes	3,854	1,927	2028	$1.3MM	$535,080.00
ESS-02507	Windsor Locks	No	3,854	1,927	2028	$1.3MM	$418,964.00

Resolution #16

NOW, therefore be it:

RESOLVED, that the Board approves the estimated upfront incentives sought by Scale Microgrid Systems for two non-residential projects totaling a not-to-exceed amount of $954,044 consistent with the approved Procedures; and,

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

Board of Directors

Agenda Item #6c

Incentive Programs Updates and Recommendations

ESS Transactions – Lowe's

ESS-02362, ESS-02356, ESS-02342 (Plainville)

Lowe's Distribution Center

ESS-02342, ESS-02356, ESS-02362

Customer: Lowe's

Developer / Third-Party Owner: Scale Microgrid Systems

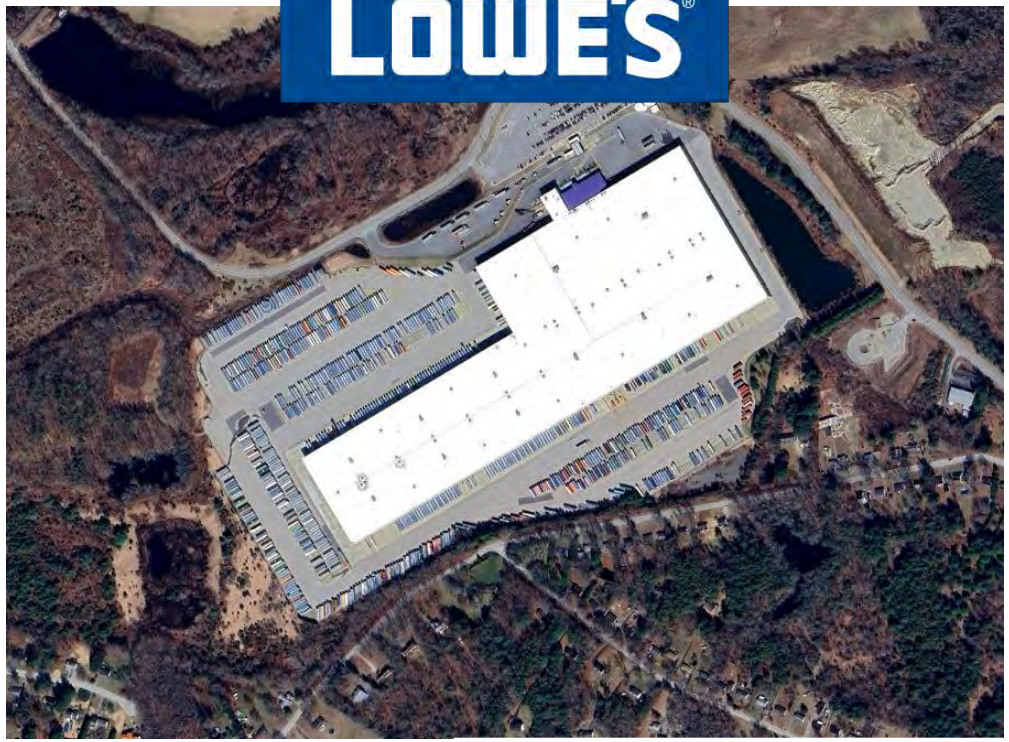
Location: Plainfield, CT

Operations: 1.35M ft^2 distribution center for chain of retail home improvement stores

System Size: 1.927 MW / 3.854 MWh

Equipment: Tesla Megapack 2XL

Total of **5.78 MW / 11.562 MWh** across 3 meters



Lowe's Distribution Center Plainfield
Image: Google Maps

Project Summary – Lowe's

Project Number	City	Priority Customer Adder	Total Energy Capacity (kWh)	Total Power (kW)	Install Year (Est)	Performance Incentive (Estimate to be paid by Eversource over 10-year term)	Upfront Incentive
ESS-02342	Plainfield	No	3,854	1,927	2028	$1.3MM	$418,964.00
ESS-02356	Plainfield	No	3,854	1,927	2028	$1.3MM	$350,714.00
ESS-02362	Plainfield	No	3,854	1,927	2028	$1.3MM	$418,964.00

41

Resolution #17

NOW, therefore be it:

RESOLVED, that the Board hereby approves the estimated upfront incentives sought by Scale Microgrid Systems for three non-residential projects totaling a not-to-exceed amount of $1,188,642 consistent with the approved Procedures; and,

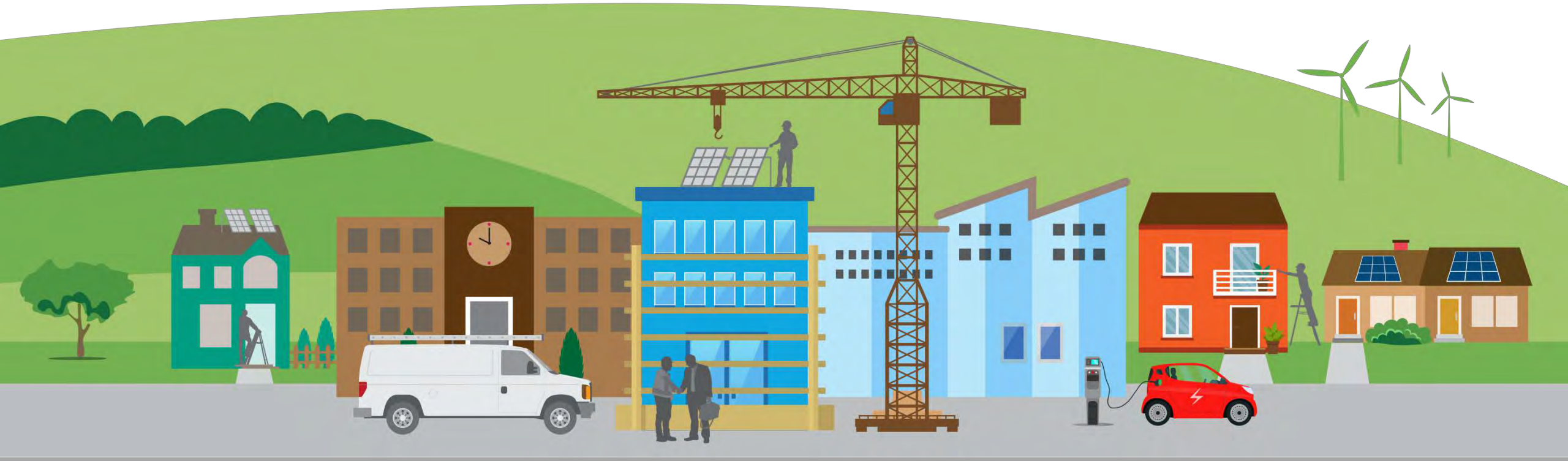
RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver any and all documents and regulatory filings as they shall deem necessary and desirable to effect the above-mentioned incentives consistent with the Procedures.

CONNECTICUT GREEN BANK

Agenda Item #7a

Investment Updates and Recommendations

Green Liberty Bonds – Issuance Summary



2025 Green Liberty Bonds
$18,884,000 – S&P AA-

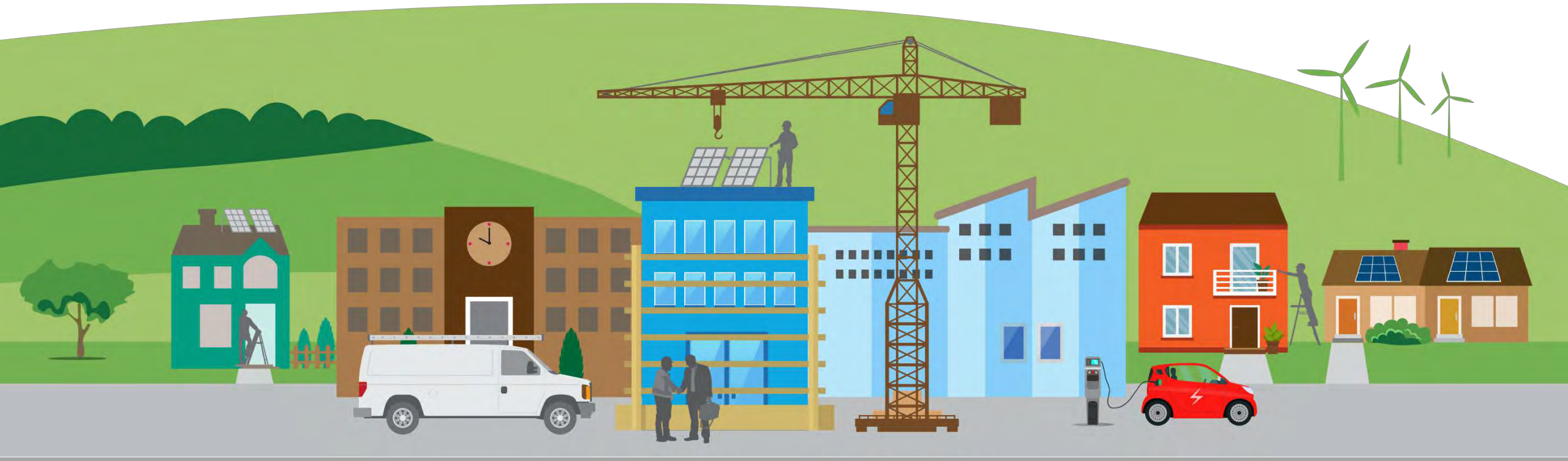
- **$8.4 million of retail orders** – 21% Connecticut Residents
- **Climate Bond** certification attracted strong institutional support
- Retail support and "Greenium" resulted in a **yield reduction for 11 of 12 maturities**
- More than **$16 million of proceeds** to the Green Bank after SCRF reserve and issuance costs

CONNECTICUT GREEN BANK

Agenda Item #7b

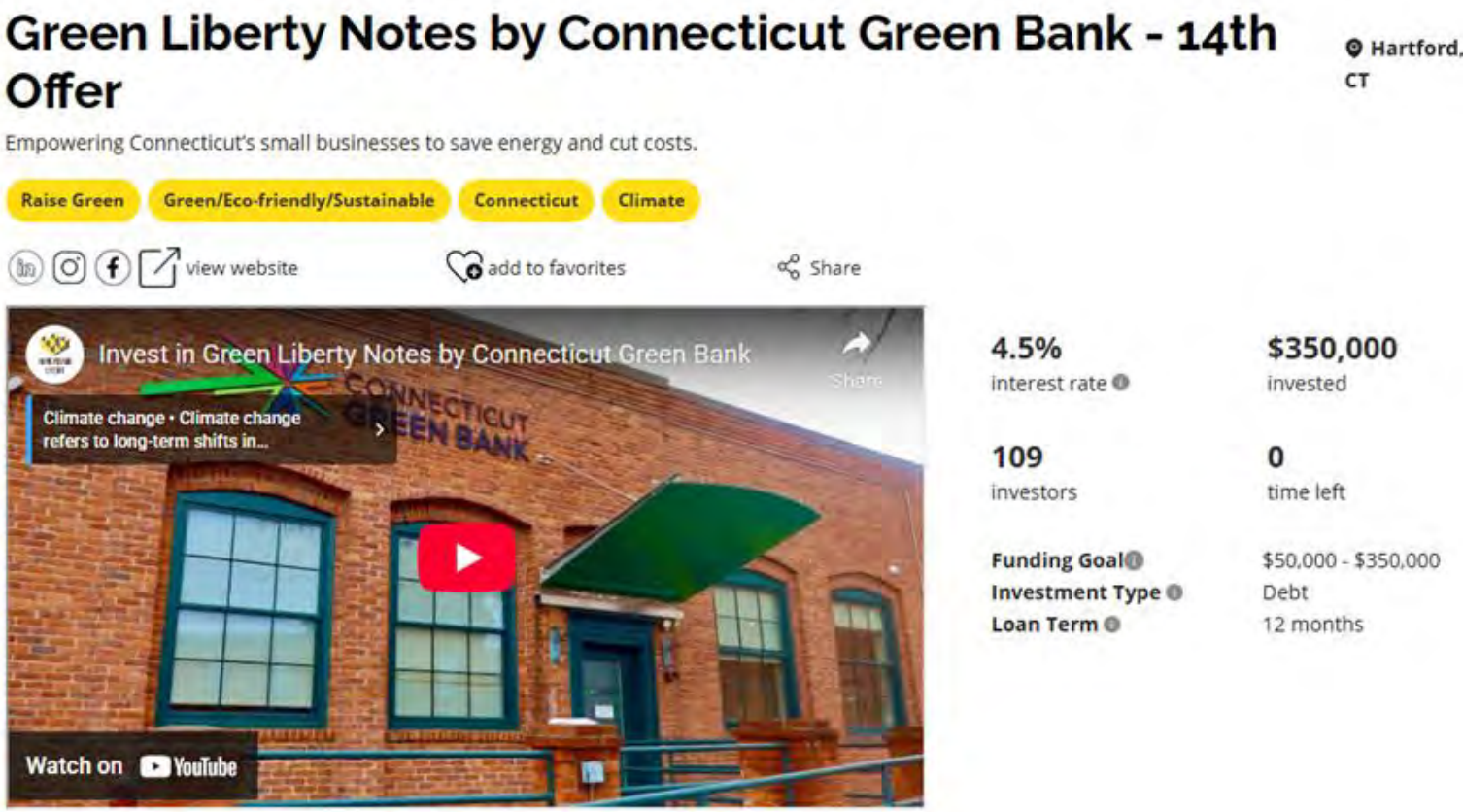
Investment Updates and Recommendations

Green Liberty Notes – Issuance Summary



12th Consecutive Sold Out Issuance

- More than 1,300 investments from 525 investors
- 835 in original increments of $1,000 or less
- Investments from 40 states and territories
- A strong foundation to expand offerings to drive further community investment consistent with our Comprehensive Plan



Hearing from our Investors!

Investing in Green Liberty Notes lets us contribute to the greening of our state on a larger scale.

I really want my investments to make a calculable difference in the world

Love being able to invest in solutions!

I want my investments to support my values

Glad to support green projects in CT !

I have invested prior and they've always repaid on time.

Expanding the impact is amazing and we need more investment in energy transition now!

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #5a

Financing Programs Updates and Recommendations

Solar Loan – Farmington

AMFH Solar Loan
Product Primer

- **Market Gap:** AFMH properties typically encumbered with complex financing limiting ability to further encumber with benefit assessment for solar (i.e. CPACE)

- **Product Solution:** AMFH solar loan provides debt to the property owner to install solar (+ storage) repaid through the project revenues. The property owner designates their portion of the RRES tariff to be paid to the Green Bank to serve as repayment for the loan, which provides a layer of security that allows the Green Bank to offer attractive terms not normally found in loans without greater security. If the tariff payments are not enough to cover the debt payments, the property owner is still responsible for making those payments.

    - Terms: 18-year max term, Minimum 5.4% interest rate
    - Security: secured with a purchase money security interest (PMSI) lien giving CGB priority just on equipment over existing liens, requires lender consent but not subordination
    - Can be used to finance eligible improvement to the property as required by RRES for owner paid electric bills
    - Debt Service & Maintenance Reserve Accounts: funded through project revenues to cover shortfalls in DSCR or unexpected maintenance activities, unused reserves later returned to project owner

37 Bliss Memorial Road, Farmington
Introduction & Overview

CONNECTICUT GREEN BANK

Overview

Property Owner:
New Horizon, Inc.

Property Type:
Affordable Multifamily

Contractor:
[redacted]

Project Description:
1,108.4 kW DC rooftop solar installation

Year Built:
1986/2021

[redacted]

37 Bliss Memorial Road, Farmington
Transaction Summary

CONNECTICUT GREEN BANK

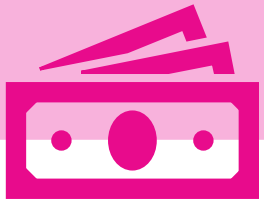
Loan Terms

Loan Size:
$4,070,224

Debt Term:
18 Year

Term Loan Interest:
5.40%

Construction Interest:
5.40%



Financial Metrics

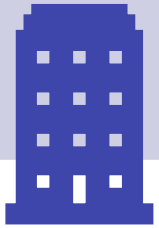
Solar Project Cost:
$2,815,336

Total Hard Cost: $4,013,650

Estimated Equity Down Payment:
$122,261

Avg DSCR over the term: [redacted]

Mortgage Lender: [redacted]

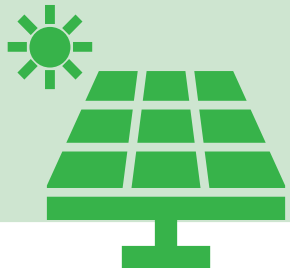


Energy Metrics

Upfront Tenant Improvement:
$1,198,314

Net Cash After Sweeps
$520,818

Incentives:
RRES - AMFH



37 Bliss Memorial Road, Farmington
Cash Flow

Size (kW DC)	1,108.40
EPC $/w	$2.540
Solar Project Cost ($)	$2,815,336
Upfront Tenant Improvement	$1,198,314
Total Hard Cost	$4,013,650
Closing Fee	$67,636.50
Estimated Construction Interest	$111,198.17
Project Costs + Est Construction Int + Closing Costs	$4,192,484
Term Loan Size	**$4,070,224**
Estimated Equity Down Payment	$122,260
Advance Rate	101%

Resolution #9

NOW, therefore be it:

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

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

CONNECTICUT GREEN BANK

Agenda Item #5b

Financing Programs Updates and Recommendations

C-PACE Transaction – Berlin

414 Berlin Turnpike, Berlin
Introduction & Overview

Overview

Property Owner:
BT 2008 LLC

Property Type:
Multifamily

Contractor:
[redacted]

Project Description:
Five rooftop solar systems
(140 kW DC each)

Year Built:
2025

414 Berlin Turnpike, Berlin
Transaction Summary

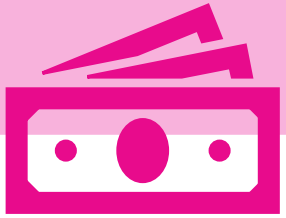
Loan Terms

Benefit Assessment:
$1,879,037

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5%



Financial Metrics

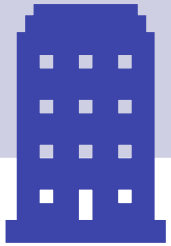
Property Value: [redacted]

Loan to Value: [redacted]

Lien to Value: [redacted]

DSCR: [redacted]

Mortgage Lender: [redacted]



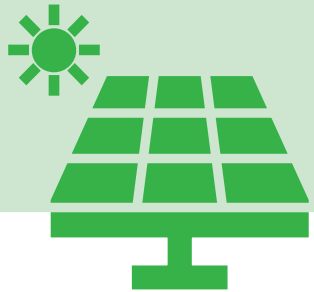
Energy Metrics

SIR: 1.34

Savings / EUL:
$4,100,836

Annual Savings:
$205,042

Incentives:
NRES



414 Berlin Turnpike, Berlin

Cash Flow - Standard

Resolution #10

NOW, therefore be it:

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

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

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

CONNECTICUT GREEN BANK

Agenda Item #5c

Financing Programs Updates and Recommendations

C-PACE Transaction – Colchester

119 South Main Street, Colchester
Introduction & Overview

Overview

Property Owner:
Sharr Realty, LLC

Property Type:
Retail

Contractor:
[redacted]

Project Description:
185.15 kW DC rooftop solar installation

Year Built:
1960

[redacted]

119 South Main Street, Colchester

Transaction Summary

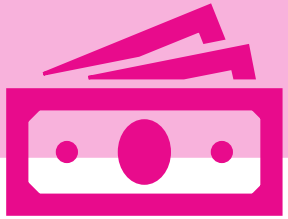
Loan Terms

Benefit Assessment:
$556,128

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5.25%



Financial Metrics

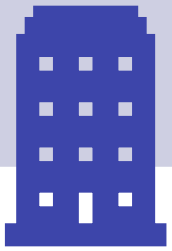
Property Value:
$[redacted]

Loan to Value: [redacted]

Lien to Value: [redacted]

DSCR: [redacted]

Mortgage Lender:
[redacted]



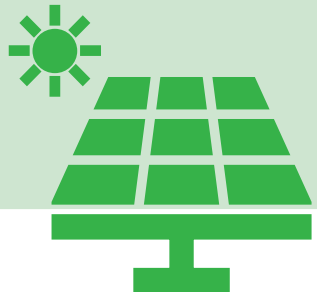
Energy Metrics

SIR: 1.14

Savings / EUL:
$1,041,087

Annual Savings:
$185,030

Incentives:
NRES



119 South Main Street, Colchester

Cash Flow - Standard

119 South Main Street, Colchester

Cash Flow - Sculpted

Resolution #11

NOW, therefore be it:

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

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

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

CONNECTICUT GREEN BANK

Agenda Item #5d

Financing Programs Updates and Recommendations

C-PACE Transaction – Oxford

97 Willenbrock, Oxford
Introduction & Overview

Overview

Property Owner:
Huizinga Properties, LLC

Co-Borrower:
Eastern Mechanical Services

Property Type:
Industrial / Mixed Use Office

Contractor:
[redacted]

Project Description:
114.24 kW (Building A)
84.49 kW (Building B)
198.73 kW DC total

Year Built:
2004 (Bldg A) / 2008 (Bldg B)

97 Willenbrock, Oxford
Transaction Summary

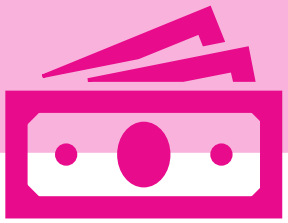
Loan Terms

Benefit Assessment:
$567,587

Loan Term:
10 Year

Term Loan Interest:
4.75%

Construction Interest:
4.75%



Financial Metrics

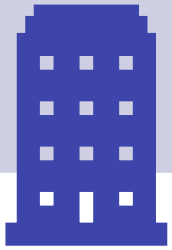
Property Value:
$[redacted]

Loan to Value: [redacted]

Lien to Value: [redacted]

DSCR: [redacted]

Mortgage Lender:
[redacted]



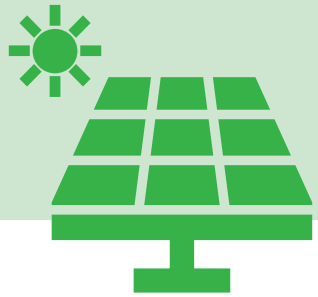
Energy Metrics

SIR: 1.85

Savings / EUL:
$1,349,467

Annual Savings:
$229,601

Incentives:
NRES



97 Willenbrock, Oxford

Cash Flow - Standard

97 Willenbrock, Oxford

Cash Flow - Sculpted

Resolution #12

NOW, therefore be it:

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

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

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

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #5e

Financing Programs Updates and Recommendations

Under $500,000 and No More in Aggregate than $1,000,000 Staff Approved Transactions: Proposed Process Change

Financing Programs Staff Aggregate Approval Authority

- Currently staff has the authority to approve individual C-PACE projects up to $500,000 for an aggregate total of $1,000,000
- Staff is requesting an increase the aggregate total authority to $2,000,000
- In many cases the existing authority has limited project approvals. The staff authority queue has been cleared 53 times and there was not room for another "full-sized" project 18 of those times.
- Staff is concerned about the timing of approving and closing projects due to recent changes to the Investment Tax Credit ("ITC"). Many borrowers will look to have their financing in place soon so they can make the necessary equipment purchases to start construction this year and avoid restrictions that start in 2026. There are currently dozens of solar projects in the C-PACE pipeline under $500,000 that will be looking for timely approval.

Resolution #13

NOW, therefore be it:

RESOLVED, that the Board approves an increase of the aggregate not to exceed limit of the Staff Approval Policy for Projects Under $500,000 from $1,000,000 to $2,000,000.

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #5e

Financing Programs Updates and Recommendations

C-PACE for Resilience – Green Bank Lending Policy

Public Act 22-6
C-PACE Inclusion of Resilience

"Resilience" means the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents or naturally occurring threats or incidents, including, but not limited to, threats or incidents associated with the impacts of climate change.

Updates to C-PACE Guidelines

The guidelines & appendices that were approved by the Board in June 2024 are designed to help us understand the need for resilience financing in CT by:

- Collecting intel & data from projects to understand the market needs
- Identifying common Climate Change Adaptation & Nature-based solutions as examples
- Utilizing existing resilience standard programs to help streamline access to C-PACE (FORTIFIED)
- Allowing other resilience measures to be submitted for review/consideration, as long as all program standards are met

New Additions & Exemptions

- **Exemptions**:
  - SIR>1 is not required
- **All other standard C-PACE eligibility requirements are still applicable**:
  - retrofit or new construction
  - commercial property
  - participating municipality
  - lender consent (if applicable)
- **New Requirement:**
  - Resilience Study w/assessment of cost savings included

- **Pre-Study Worksheet**
- **Resilience Study**
  - Property overview
  - Identification of vulnerabilities
  - Adaptation proposal
  - Assessment of cost savings
  - Implementation timeline
- **FORTIFIED** supporting documentation, applicable forms and back-up documentation submitted to the project's evaluator for review and determination of compliance.

Public Act 21-115
Environmental Infrastructure Scope Expansion

CONNECTICUT GREEN BANK
BUILDING SOLUTIONS

"…"Environmental infrastructure" **means…(C) climate adaptation and resilience**…"

"…to be deposited into the fund [EIF] and may receive any federal funds as may become available to the state for environmental infrastructure investments, **except that the fund shall not receive: (i) Ratepayer or Regional Greenhouse Gas Initiative funds**,…"

Green Bank Lending Policy

Staff focused on 2 areas to define a specific lending policy for property owners seeking to make resilience improvements to their commercial properties with C-PACE financing:

Financial Underwriting

- Review of previous three years and current year financials for the property owner entity
- Lien & Loan-to-value maximums
- DSCR requirements
- Environmental due diligence
- Lender consent

Resilience Measures

- Projects that help to mitigate and adapt to climate change through:
  - Projects seeking to makes nature-based resilience improvements
  - Projects seeking a FORTIFIED designation

Nature-based Solutions

Actions to protect, sustainably manage, or restore natural or modified ecosystems to address societal challenges while providing measurable co-benefits to people and nature.

- Increasingly used to reduce **climate risks**, such as coastal & inland flooding, drought, wildfire, and urban heat
- Can deliver cheaper, easier, long-term climate risk solutions
  - *Oyster reefs can cost **up to 6× less** than seawalls and provide similar or better shoreline protection in moderate wave environments.*
- Can also deliver cheaper, easier, more durable GHG emissions offset or reductions
  - *99.9% of all current CO2 removal (2 GtCO2/ year) comes from nature-based mechanisms (per IPCC)*

Flood & Stormwater Management

Designed building or site retrofits—**such as bioswales, pervious pavement, rain gardens, or green roofs**—that capture, slow, and filter stormwater using natural or hybrid infrastructure, reducing flood and drainage risk while enhancing property resilience.

Benefits: Bioswales and permeable surfaces can reduce localized flooding and extend the life of drainage infrastructure—at a lower lifecycle cost than conventional hardscape retrofits.

Example: C-PACE project in Darien (closed by Counterpointe) will manage 650,000+ gallons/year, easing drainage burden and preventing surface pooling (as described in required resilience study)

Rendering of C-PACE New Construction project in Darien, CT
(1st closed project to incorporate resilience + largest CT C-PACE project to-date)

Extreme Heat

Designed natural or hybrid systems—**like urban tree canopies, vegetated green roofs, and shade structures**—that reduce building heat, lower local air temperatures, and cut cooling energy demand, offering durable, cost-effective protection against extreme heat.

Benefits: Urban trees & green infrastructure can reduce surface and air temperatures by up to 5–15 F, lower building cooling costs by 20–30%, and extend roof life—with co-benefits like improved air quality, carbon storage, and stormwater management

Example: a living roof at Laurel Hall at the University of Connecticut, Storrs

Laurel Hall

Urban tree canopy

Sea Level Rise

Designed natural or hybrid systems—**like living shorelines and coastal wetlands**—that reduce flooding, storm impacts, erosion, and land loss, offering durable, cost-effective protection

Benefits: Living shorelines can be significantly cheaper than seawalls with in managing erosion and storm surge—with co-benefits of water filtration, carbon storage, and biodiversity habitat

Example: Mystic Maritime Museum —19 acres, 150 structures, marina for 900 boats/yr

A Seaport Museum Faces an Unlikely Threat: The Sea Itself

The New York Times
Apr 22, 2025

Rising sea levels are forcing the Mystic Seaport Museum in Connecticut to address the long-term sustainability of its campus.

FORTIFIED

FORTIFIED The Insurance Institute for Business & Home Safety (IBHS) developed FORTIFIED™- a voluntary, resilient construction and re-roofing standard and designation/compliance program- in an effort to reduce damage to residential, commercial and multifamily structures and help businesses re-open more quickly following severe weather. FORTIFIED employs an incremental approach with three levels of designations available to help meet resilience goals.

FORTIFIED

The National Standard for Resilience	FORTIFIED Roof	FORTIFIED Silver	FORTIFIED Gold
Enhanced Roof Deck Attachment	✓	✓	✓
Sealed Roof Deck	✓	✓	✓
Locked Down Roof Edges	✓	✓	✓
Impact-resistant Shingles Rated by IBHS**	✓	✓	✓
Wind and Rain-Resistant Attic Vents	✓	✓	✓
Impact Protection for Windows & Doors*		✓	✓
Impact* & Pressure-Rated Garage Doors		✓	✓
Chimney Bracing		✓	✓
Reinforced Soffits*		✓	✓
Anchored Attached Structures		✓	✓
Gable End Bracing		✓	✓
Pressure-rated Windows & Doors*			✓
Stronger Exterior Sheathing*			✓
Engineered Roof-to-Wall Connections			✓
Engineered Story-to-Story Connections			✓
Engineered Wall-to-Foundation Connections			✓

* Required in Hurricane Prone Areas Only
** Required for the optional Hail Supplement to a FORTIFIED designation.

Find a Professional

Future considerations

- Contractor/developer recruitment & training
  - Lead generation
- Capturing the 'value'
  - Insurance premium and/or deductible reductions
  - Expanded insurance coverage
  - Avoided maintenance costs
  - Ability to keep businesses open & operating
- Possibility to work with appraisers re: commercial property value increases due to resilience improvements
- Will understand and adapt our policy as we review projects

Resolution #14

NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors approves the expansion of Green Bank C-PACE financing from energy measures to include resilience and a proposed Green Bank lending policy for resilience, as mentioned herein.

Board of Directors

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

PosiGen
Financial Position

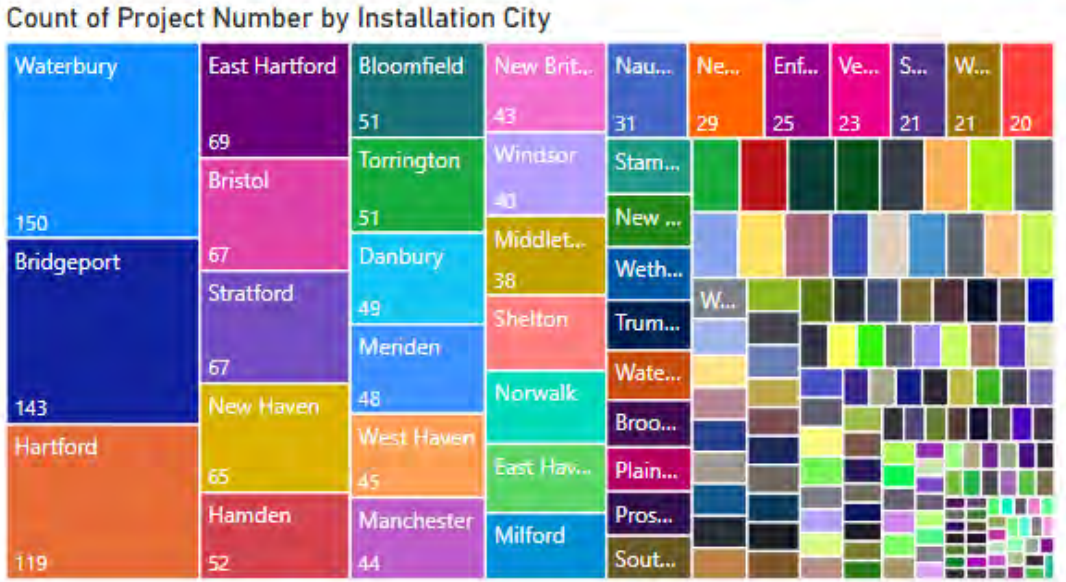
- Engagement of independent financial adviser - Riveron
- Brookfield funding
- Tax Equity conversations
- Notifications to (discussions with) Participants
- Our focus is on recovery where we have a senior position (PBI and battery loan) & ensuring that Connecticut customers are serviced
    - Battery Loan has (we understand) ~140 customers – attempting to determine how many are installed & contracted
- Bankruptcy is likely – but a necessary step to stabilizing the overall situation

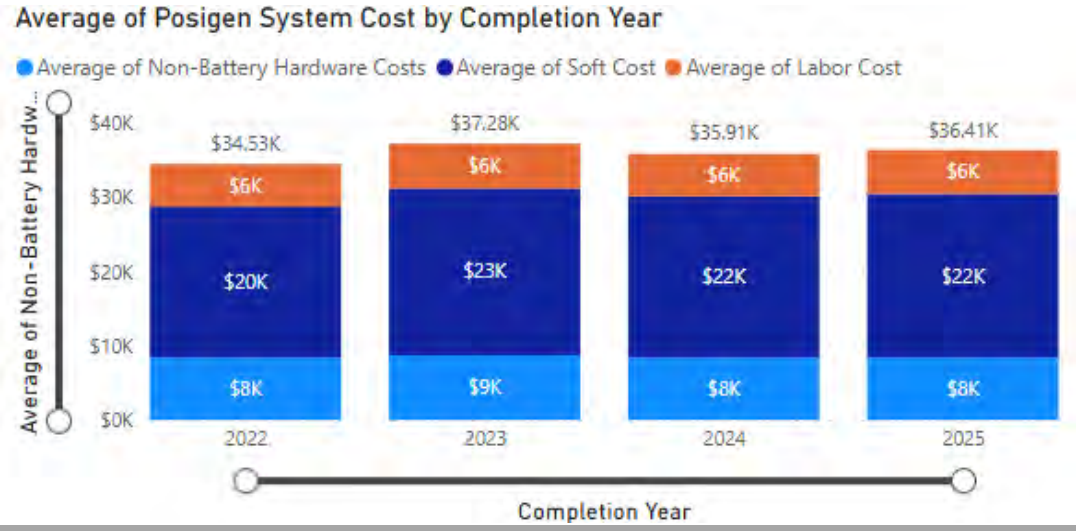
PosiGen
Financial Position (2)

- Immediate goals of the stakeholders/creditors/tax equity
  - Stabilize the portfolio
    - Hire an O&M manager
    - Hire a collections manager (or retain existing)
    - Re-establish customer service (similar to Sunnova)
    - Determine how to proceed forward to limit damages to tax equity and maximize recovery to lenders (Brookfield 1st lien, Green Bank & participants 2nd lien)
    - Chances for recovery by Green Bank & participants 2nd lien remote (working on "equity structure" for the 1st & 2nd lien)

PosiGen
Connecticut Customers Overview

- **Connecticut Customers** – 3,394 through RSIP and 2,230 through RRES (i.e., 1,674 in Eversource and 556 in UI service territory) – 5,624 through incentive programs. Estimate an additional ~1,200 non-RSIP or non-RRES. Estimate about 50±5 MW of solar in CT. 132 ESS projects approved
- **Customer Type** – greater than 60% of projects in less than 100% AMI census tracts (i.e., LMI families)
- **Customer Complaints** – keep a log…very light to Green Bank (e.g., "Solar for All" town, BASA customer), but have connected with Department of Consumer Protection for monthly meetings of respective teams not solely on PosiGen, but also the residential solar industry





REFERENCES

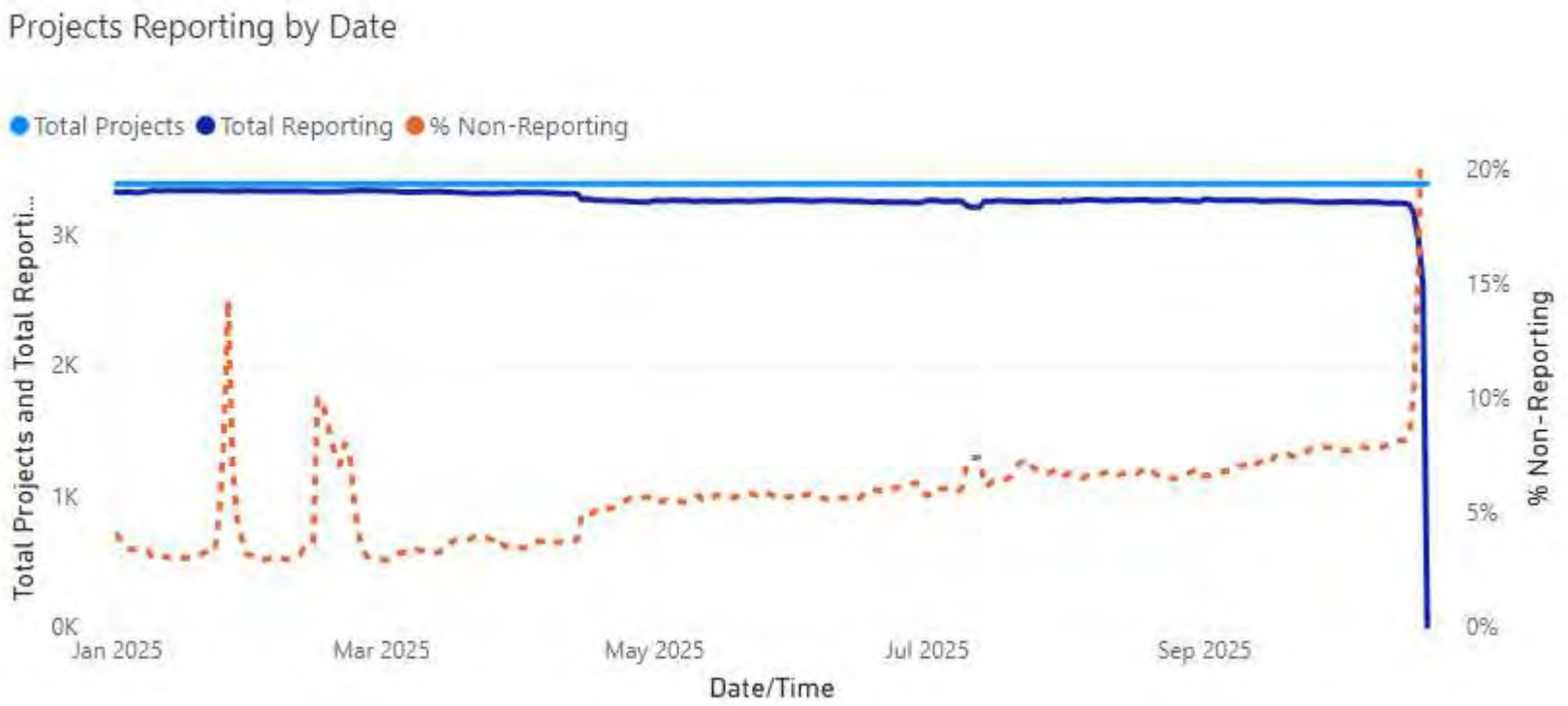
Unique Contractors by Year – RSIP and RRES (Connecticut Green Bank PowerBI)
Energy Storage Solutions Performance Report

PosiGen
RSIP System Monitoring

- **RSIP PosiGen Summary**
  – Slow attrition of projects, but generally reporting at levels similar to balance of fleet

Projects Reporting in Last 7 Days

Has No Reporting Last 7 Days	150
Under-Reporting Last 7 Days	140
Reporting Last 7 Days	3104
Total Projects	3394
% Reporting Last 7 Days	91.46%
% Non-Reporting Last 7 Days	8.54%



Data as of 10/22/25

Merit Review Process
Goal and Weights

- Investments
- Financial and HR Resource Management
- Impact
- Other Areas (e.g., Legislative, Process, Data)
- GGRF – NCIF and SfA

Goals	Weights
Organization	20%
Team	30%
Individual	30%
Individual 360	20%
Total	**100%**

- Incentive Programs
- Financing Programs
- EI Programs
- Innovation

- Business Competency (i.e., 5 factors)
- Managerial Competency
- (i.e., 3 factors)

Merit Review Process
Scoring to Target

1. **Unacceptable** – less than 50% of target
2. **Below Expectations** – 50-90% of target
3. **Meets Expectations** – 90-100% of target
4. **Meets+** – 100-110% of target
5. **Exceeds Expectations** – more than 110% of target

Organizational Goals
Overall Score (20% of 5% Merit Pool)

Goals	Weights	Score
Goal 1 - To leverage limited public resources to scale up and mobilize private capital investment in the green economy of Connecticut.		
Goal 1ai – Investment (i.e., $413.9MM vs. target of $163.1MM – 254%)	10%	5
Goal 1aii – Projects (i.e., 1,853 vs. target of 2,392 – 77%)	10%	2
Goal 1aiii – Deployment (i.e., 39.5 MW vs. target of 19.9 MW – 199%)	10%	5
Goal 2 – To strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.		
Goal 2a – Vulnerable Communities ($183.7 MM in FY25 – 79% vs. target of ≥40%)	30%	5
Goal 3 – To pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.		
Goal 3a – Sustainability (↑ Earned Revenues) ($20.9MM vs. target of $16.8MM for interest income; $16.4MM vs. target of $14.5MM present value – 119%)	20%	5
Goal 3b – Sustainability (↓ Realized Losses) – see next slide!!!	10%	3
Goal 3c – Sustainability (↑ Assets) – closed $93.5MM of GGRF-NCIF in bank account	10%	5

Organizational Goals
Goal 3b – Sustainability (↓ Realized Losses)

As of July 1, 2024, the Green Bank had a **Loan Portfolio Balance of $161.2 MM** with an associated Loan Loss Reserve Balance of $13.7 MM. In FY25, there were no write-offs for this portfolio **– 0.00% of the portfolio.**

As of July 1, 2024, the Green Bank owned **Solar and Hydro Capital Assets** with a **net book value of $75.0 MM**. In FY25, there were five (5) write-offs (i.e., from SL2) totaling nearly $65,000 **– 0.09% of the asset net book value.**

Since its inception in July of 2011, the Green Bank has **experienced only $1.3 million of loan losses and write-offs**.

On August 25, 2025, PosiGen issued a WARN Act notice communicating the cessation of most of its operations throughout the United States including closure of three (3) facilities in Connecticut (i.e., Danbury, Shelton, Wethersfield) and the termination of 90% of its Connecticut staff as the result of regulatory uncertainty (i.e., cancellation of federal renewable energy tax credits) making it difficult for the company to secure financing. Of the **$56.7 million of investment** the Green Bank has made in PosiGen since 2015, **$34.4 million of the principal has been repaid**, **earning $10.0 million in interest**, with an **outstanding balance of $22.2 million** (including **$16.8 million subordinated debt in solar deployment**, **$2.0 million in senior debt in storage deployment**, and **$3.4 million in senior debt in PBI payments**)…

Officer Merit Compensation
Recommendation of the President and CEO

- **Recommendation** – provide 5.0% merit for FY 2025 performance
  - ✓ **Merit-Focused Organization** – Green Bank is a merit-focused organization (i.e., approved 5.0% merit pool for FY25 performance in FY26 budget – merit can be 0.0-8.0%), however, with continuing inflation rates in 2025 we did a COLA in FY25 (i.e., 3.0%)
  - ✓ **Strong Performance** – organization had strong performance in FY25 in terms of social and environmental impact, as well as sustainability
  - ✓ **Strong 360 Degree Reviews** – 360-degree review assessments, as well as staff feedback, is strong
  - ✓ **Confidence in Continued Leadership** – trust and confidence by the Board of Directors and the President and CEO in the officers is high

President and CEO
Performance Assessment Process

- **Self Assessment** – provided my self-assessment for FY25 performance (i.e., Organization, Teams, Individual, and Individual 360) in mailing
- **Individual 360** – staff quantitative and qualitative review of business and managerial competencies, including feedback on strengths and improvement opportunities; and
- **Board Review** – will request and seek reviews:
  - ✓ Chair to seek feedback from the Board
  - ✓ Chair to work with the VP of Operations and Associate Director of Operations to consolidate feedback
  - ✓ Board to authorize Chair to finalize review and determine merit

Resolution #18

NOW, therefore be it:

RESOLVED, that all Officers other than the President and C.E.O. shall receive merit consistent with the recommendation made within the memo dated October 24, 2025 for Fiscal Year 2025; and

RESOLVED, that the Board authorizes the Chair of the Green Bank to determine the merit compensation adjustment for the President and C.E.O. for FY25 based on the (i) feedback of the Board members, (ii) performance towards meeting the Organizational and Team Goals for FY25, (iii) his Individual Goals for FY25, and (iv) his Individual 360 for FY25

Board of Directors

CONNECTICUT GREEN BANK

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

Resolution #18

NOW, therefore be it:

RESOLVED, that all Officers other than the President and C.E.O. shall receive merit consistent with the recommendation made within the memo dated October 24, 2025 for Fiscal Year 2025; and

RESOLVED, that the Board authorizes the Chair of the Green Bank to determine the merit compensation adjustment for the President and C.E.O. for FY25 based on the (i) feedback of the Board members, (ii) performance towards meeting the Organizational and Team Goals for FY25, (iii) his Individual Goals for FY25, and (iv) his Individual 360 for FY25

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #11
Adjourn

BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK
Special Meeting Minutes

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

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

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

Board Members Absent: Joanna Wozniak-Brown

Staff Attending: David Beech, Sergio Carrillo, Catherine Duncan, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Cheryl Lumpkin, Jane Murphy, Ariel Schneider, Eric Shrago, Dan Smith, Barbara Waters, Leigh Whelpton

Others present: CT-N, Manuel Angeles, Tom Beckett, Peter Lahny IV, Al Quintero, Bruce Chudwick from Shipman & Goodwin, Brad Friedman from Ramirez & Co, Bob Lamb and Autumn Qiu from NW Financial

1. Call to Order

- Lonnie Reed called the meeting to order at 10:02 am.

2. Public Comments

- No public comments.

3. Consent Agenda
a. Meeting Minutes of the July 25, 2025 meeting

Resolution #1

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

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

4. Investment Updates and Recommendations

a. Green Liberty Bonds Issuance (Solar Home Renewable Energy Credits)

i. Special Capital Reserve Fund – Self Sufficiency Determination

ii. Bond Documents Package

- Bert Hunter and Bryan Garcia introduced the Green Liberty Bonds program concept and history of the program. David Beech reviewed the financing schedule which is built around the State's General Obligation Bonds and noted the bonds have a Green Verification through Kestrel Verifiers. He summarized the transaction overview of how the bonds are supported and the financing details. He reviewed the use of funds, statutory requirements, self-sufficiency findings, energy production protections, project validation, performance to date, and structure. Bert Hunter added that the Green Bank met with the Treasurer's Office and OPM, and they need to approve the use of the Special Capital Reserve Fund and the questions from the Treasurer's Office were addressed in the memorandum.
    - Matthew Ranelli asked if the production exceeds the P90 or P99 level, does it mean there is additional revenue from the systems that are in that tranche and if so, what happens to the extra funds. David Beech answered that as long as the SCRF reserve is fully funded then extra funds do end up at the Green Bank, though they may sit in the trustee in interest rate bearing accounts. Bryan Garcia added that the proceeds that come back from the sale of the SHRECs is to support the incentives, administrative costs, and financing costs of the RSIP program per CGS 16-245ff. The group discussed the flow of the funds further.
- Bruce Chudwick from Shipman & Goodwin summarized the clauses of the Resolution.

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.

Upon a motion made by Matthew Ranelli and seconded by Adrienne Farrar Houël and Joseph DeNicola, the Board of Directors voted to approve Resolution 2. None opposed and Kimberly Mooers abstained. Motion approved.

b. Green Liberty Notes – Extension

- David Beech summarized the expansion request for 1 year to do 4 additional issuances at $350,000 each. He noted there is a strong interest rate spread between the purchase discount rate that the loans are being purchased at and the interest rate being offered to investors, and then reviewed the total investments so far, which have been very successful.

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.

Upon a motion made by John Harrity and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 3. None opposed or abstained. Motion approved unanimously.

5. Incentive Program Recommendations and Updates

a. Smart-E Loan – Heat Pump IRB

- Barbara Waters summarized the Heat Pump IRB in partnership with Eversource, noting that no Green Bank funds are involved, instead being supported by up to $1 million from CEEF funding. The plan is to have a mid-September launch in conjunction with the Battery Storage IRB. She reviewed the promotional details which are similar to the Battery Storage 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 affect the IRB promotion with terms and conditions consistent with the Program.

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

6. Executive Session – Trade Secrets and Commercial Information Given in Confidence - Posigen

Upon a motion made by Matthew Ranelli and seconded by John Harrity, the Board of Directors voted to enter Executive Session at 10:47 am. None opposed or abstained. Motion approved unanimously.

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Allison Pincus left the meeting at 11:56 am.

Upon a motion made by Matthew Ranelli and seconded by John Harrity, the Board of Directors voted to return from Executive Session at 12:06 pm. None opposed or abstained. Motion approved unanimously.

7. Adjourn

Upon a motion made by Adrienne Farrar Houël and seconded by John Harrity, the Board of Directors voted to adjourn at 12:08 pm. None opposed or abstained. Motion approved unanimously.

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Eric Shrago (VP of Operations)

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

Date: October 24, 2025

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

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

Organization

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

Table 1. CGB Totals Project Progress to Targets[2][3]

Green Bank Programs Actuals vs Targets

FY Closed	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2025	1,853	2,392	77%	$413,859,643	$163,085,715	254%	39.5	19.9	199%	$64,172,220	$353,365,562	$417,537,782
Total	**1,853**	**2,392**	**77%**	**$413,859,643**	**$163,085,715**	**254%**	**39.5**	**19.9**	**199%**	**$64,172,220**	**$353,365,562**	**$417,537,782**

Table 2. CGB Totals Vulnerable Communities (excluding SBEA)

Green Bank Programs Activity in Vulnerable Communities by Number of Projects (excluding SBEA and Investment)

Vintage Vulnerable Community	Vulnerable						Not Vulnerable						Total					
FY Closed	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	**Capital Deployed**	**% of Total**	**# of Projects**	**% of Total**	**MW**	**% of Total**
2025	$183,739,503	79%	475	35%	24.7	62%	$50,044,586	21%	891	65%	14.8	38%	**$233,784,088**	**100%**	**1,366**	**100%**	**39.5**	**100%**
Total	**$183,739,503**	**79%**	**475**	**35%**	**24.7**	**62%**	**$50,044,586**	**21%**	**891**	**65%**	**14.8**	**38%**	**$233,784,088**	**100%**	**1,366**	**100%**	**39.5**	**100%**

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

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

[3] The capital deployed number here considers the third-party capital invested in bespoke financing deals which is not included in the ACFR as it has not been tracked historically. We are in the process of updating these records for prior years and will work to include in the ACFR going forward.

Financing Programs

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

Table 3. Financing Programs Progress to Targets

Financing Programs Actuals vs Targets

FY Closed	Program Name	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2025	Commercial Lease	6	4	150%	$5,342,197	$3,060,000	175%	1.9	0.0		$2,599,169	$2,743,028	$5,342,197
2025	CPACE	24	23	104%	$42,950,301	$32,200,000	133%	2.9	0.0		$9,482,782	$33,467,519	$42,950,301
2025	MAP	13	8	163%	$9,404,634	$8,797,520	107%	3.6	3.5	103%	$5,642,780	$3,761,854	$9,404,634
2025	SBEA	479	518	92%	$13,105,243	$12,600,000	104%	0.0	0.0		$2,417,166	$10,688,077	$13,105,243
Total		**522**	**553**	**94%**	**$70,802,375**	**$56,657,520**	**125%**	**8.3**	**3.5**	**240%**	**$20,141,897**	**$50,660,478**	**$70,802,375**

Table 4. Financing Programs Vulnerable Communities (excluding SBEA)

Financing Programs Activity in Vulnerable Communities by Number of Projects (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total				
FY Closed	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	**Capital Deployed**	**% of Total**	**# of Projects**	**% of Total**	**MW**	**% of Total**
2025	**$22,850,177**	**40%**	**18**	**42%**	**4.8**	**58%**	**$34,846,955**	**60%**	**25**	**58%**	**3.5**	**42%**	**$57,697,132**	**100%**	**43**	**100%**	**8.3**	**100%**
Commercial Lease	$3,867,887	72%	3	50%	1.5	77%	$1,474,310	28%	3	50%	0.4	23%	**$5,342,197**	**100%**	**6**	**100%**	**1.9**	**100%**
CPACE	$16,335,280	38%	13	54%	2.1	74%	$26,615,021	62%	11	46%	0.8	26%	**$42,950,301**	**100%**	**24**	**100%**	**2.9**	**100%**
MAP	$2,647,010	28%	2	15%	1.2	34%	$6,757,624	72%	11	85%	2.3	66%	**$9,404,634**	**100%**	**13**	**100%**	**3.6**	**100%**
Total	**$22,850,177**	**40%**	**18**	**42%**	**4.8**	**58%**	**$34,846,955**	**60%**	**25**	**58%**	**3.5**	**42%**	**$57,697,132**	**100%**	**43**	**100%**	**8.3**	**100%**

Incentive Programs

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

Table 5. Incentive Programs Progress to Targets

Incentive Programs Actuals vs Targets

FY Closed	Program Name	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2025	Energy Storage Solutions - Commercial	6	5	120%	$14,751,756	$12,500,000	118%	11.4	10.0	114%	$2,609,394	$12,142,362	$14,751,756
2025	Energy Storage Solutions - Residential	472	500	94%	$12,521,059	$16,000,000	78%	6.5	4.3	152%	$3,692,510	$8,828,549	$12,521,059
2025	Smart-E	844	1,325	64%	$20,514,141	$26,812,195	77%	3.6	2.1	170%	$0	$24,192,280	$24,192,280
Total		**1,322**	**1,830**	**72%**	**$47,786,956**	**$55,312,195**	**86%**	**21.5**	**16.4**	**131%**	**$6,301,904**	**$45,163,191**	**$51,465,095**

Table 6. Incentive Programs Vulnerable Communities

Incentive Programs Activity in Vulnerable Communities by Number of Projects

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
FY Closed	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	**Capital Deployed**	**% of Total**	**# of Projects**	**% of Total**	**MW**	**% of Total**
2025	**$27,194,409**	**57%**	**873**	**66%**	**10.0**	**47%**	**$20,592,547**	**43%**	**449**	**34%**	**11.5**	**53%**	**$47,786,956**	**100%**	**1,322**	**100%**	**21.5**	**100%**
Energy Storage Solutions - Commercial	$4,170,680	28%	4	67%	2.4	21%	$10,581,076	72%	2	33%	9.0	79%	**$14,751,756**	**100%**	**6**	**100%**	**11.4**	**100%**
Energy Storage Solutions - Residential	$7,609,443	61%	287	61%	4.7	72%	$4,911,616	39%	185	39%	1.8	28%	**$12,521,059**	**100%**	**472**	**100%**	**6.5**	**100%**
Smart-E	$15,414,286	75%	582	69%	2.9	81%	$5,099,855	25%	262	31%	0.7	19%	**$20,514,141**	**100%**	**844**	**100%**	**3.6**	**100%**
Total	**$27,194,409**	**57%**	**873**	**66%**	**10.0**	**47%**	**$20,592,547**	**43%**	**449**	**34%**	**11.5**	**53%**	**$47,786,956**	**100%**	**1,322**	**100%**	**21.5**	**100%**

Table 7. Current Reporting Periods for Smart-E Lenders

Smart-E Lender Name	Latest Lender File Upload Date
Capital For Change	6/30/2025
CorePlus Federal Credit Union	7/31/2025
Eastern Connecticut Savings Bank	7/31/2025
First National Bank of Suffield	7/31/2025
Ion Bank	6/30/2025
Liberty Bank	12/31/2023
Mutual Security Credit Union	6/30/2025
Nutmeg State Financial Credit Union	6/30/2025
Patriot Bank	7/31/2025
Thomaston Savings Bank	6/30/2025
Union Savings Bank	6/30/2025
Workers Federal Credit Union	7/31/2025

Environmental Infrastructure Programs

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

Table 8. Environmental Infrastructure Programs Progress to Targets

Environmental Infrastructure Programs Actuals vs Targets

FY Closed	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2025	40	21	190%	$1,181,765	$2,100,000	56%	0.2	0.0		$0	$1,366,197	$1,366,197
Total	**40**	**21**	**190%**	**$1,181,765**	**$2,100,000**	**56%**	**0.2**	**0.0**		**$0**	**$1,366,197**	**$1,366,197**

It should be noted that although Table 8 doesn't include the Deployment Committee's approval of the Bright Feeds transaction (i.e., thermal oxidizer on an organic waste upcycling facility) on May 16, 2025, Table 17 below captures the $1.3MM transaction, which is expected to close in Q1 of FY26.

Table 9. Environmental Infrastructure Programs Progress by Project Type[4]

ProgramSegment & Project Type	Project Counter Actual	Capital Deployed Actual	MW Actual
⊟ **Incentive**	**40**	**$1,181,765**	**0.2**
CR	21	$467,434	0.0
EE/CR	3	$37,562	0.0
RE/CR	16	$676,770	0.2
Total	**40**	**$1,181,765**	**0.2**

Table 10. Environmental Infrastructure Programs Progress by Measure

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

Table 11. Environmental Infrastructure Programs Vulnerable Communities

Environmental Infrastructure Programs Activity in Vulnerable Communities by Number of Projects

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total				
FY Closed	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	Capital Deployed	% of Total	# of Projects	% of Total	MW	% of Total	**Capital Deployed**	**% of Total**	**# of Projects**	**% of Total**	**MW**	**% of Total**
⊟ **2025**	**$828,341**	**70%**	**26**	**65%**	**0.1**	**63%**	**$353,424**	**30%**	**14**	**35%**	**0.1**	**37%**	**$1,181,765**	**100%**	**40**	**100%**	**0.2**	**100%**
Smart-E	$828,341	70%	26	65%	0.1	63%	$353,424	30%	14	35%	0.1	37%	**$1,181,765**	**100%**	**40**	**100%**	**0.2**	**100%**
Total	**$828,341**	**70%**	**26**	**65%**	**0.1**	**63%**	**$353,424**	**30%**	**14**	**35%**	**0.1**	**37%**	**$1,181,765**	**100%**	**40**	**100%**	**0.2**	**100%**

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

Investments

The following is progress to targets for Investments and Strategic Programs – see Tables 12 through 16.

Table 12. Investments and Strategic Progress to Targets[5]

Strategic Programs Actuals vs Targets

FY Closed	Program Name	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2025	Investment	$166,970,312			0.0			$27,828,419	$139,141,893	$166,970,312
2025	Strategic	$128,300,000	$51,116,000	251%	9.7	0.0		$9,900,000	$118,400,000	$128,300,000
Total		**$295,270,312**	**$51,116,000**	**578%**	**9.7**	**0.0**		**$37,728,419**	**$257,541,893**	**$295,270,312**

Table 13. Capital Investment Activity

Activity Type	Actual Amount	Target - Amount	Acutal Rate	Target Rate	Actual Term (months	Target Term
Investments	$ 37,728,418.99	$ 45,916,000.00	6.1%	4%	112.8	120
Programmatic	$ 25,882,058.00	$ 29,384,000.00	4.3%	4%	179.1	120
Total	$ 63,610,476.99	$ 75,300,000.00	5.3%	4%	139.8	120

These investments will generate $20.9 MM in interest income over their lives or $16.4 MM on a present value basis.

Table 14. Strategic Investments Progress to Targets

Investments	Target	Closed Amount	Closed Target
8	9	$ 37,728,419	$ 45,916,000.00

Table 15. Investment Transactions Detail

Investment	Facility Type	CGB Capital	CGB Interest Rate	Fund Term (Months)	Fund Term (Years)	3rd Party Capital	Leverage Ratio
Skyview, (DHD Candlewood LLC) 2025 term loan	Term	$ 1,628,419	5%	216	18.0	$ 2,101,581	2.290565262
Skyview Construction Facility SV Bantam LLC	Construction	$ 2,000,000	7%	18	1.5	$ -	
IPC Term Loan Facility 2024	Term (addition to existing facility)	$ 5,000,000	5%	240	20.0	$ -	
Downeast (owned by MVCP LLC) Debt Facility	Term	$ 6,000,000	5%	216	18.0	$ 8,555,431	2.425905167
Scale Fuel Cell and Thermal Loop - Construction Loan	Construction & Term	$ 9,900,000	8%	21	1.8	$ 128,300,000	13.95959596
MSCU Smart-E Linked Deposit	Term Deposit	$ 3,200,000	3%	120	10.0	$ -	
Scale Solar and Storage Portfolio	Bridge Loan and term	$ 5,099,361	7%	78	6.5	$ 122,484,881	25.01965285
Scale Solar and Storage Portfolio	Construction Loan and term	$ 4,900,639	7%	78	6.5		
		$ 37,728,419	**6.1%**	**112.8**	**9.4**	**$ 261,441,892.98**	**17.67486808**

[5] Non-project associated financing transactions have not been included in our total capital deployed numbers in the past. With recent progress we have made in data tracking we are measuring these against targets and will be updating our overall methodology going forward.

Table 16. Investment Approved but not closed transactions

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

Resolutions

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

WHEREAS, the Act directs the Green Bank to 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;

WHEREAS, on June 20, 2025, the Board of Directors ("Board") of the Green Bank approved of the annual budgets, targets, and investments for FY 2026;

WHEREAS, on July 25, 2025, the Board approved a Comprehensive Plan for FY 2026; and,

WHEREAS, on July 25, 2025, the Board of Directors of the Connecticut Green Bank approved of the draft Program Performance towards Targets for FY 2026 memos for the Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Strategic Investments.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the restated Program Performance towards Targets for FY 2025 memos dated October 24, 2025, which provide an overview of the performance of the Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Strategic Investments with respect to their FY 2025 targets.

BOARD OF DIRECTORS

REGULAR MEETING SCHEDULE FOR 2026

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Board of Directors through 2026

- Friday, January 16, 2026 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, March 20, 2026 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, April 24, 2026 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, June 19, 2026 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, July 17, 2026 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, October 23, 2026 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, December 18, 2026 – Regular Meeting from 9:00 to 11:00 a.m.

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular and special meetings will take place at the:

Connecticut Green Bank
75 Charter Oak Avenue, Building #1-103
Albert Pope Board Room
Hartford, CT 06106

AUDIT, COMPLIANCE AND GOVERNANCE COMMITTEE

REGULAR MEETING SCHEDULE FOR 2026

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Audit, Compliance and Governance Committee through 2026.

- Tuesday, January 13, 2026 – Regular Meeting from 8:30am – 9:30am
- Tuesday, April 7, 2026 – Regular Meeting from 8:30am - 9:30am
- Tuesday, October 6, 2026 – Regular Meeting from 8:30am - 9:30am

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular meetings will take place at:

Connecticut Green Bank
75 Charter Oak Avenue, Building 1-103
Albert Pope Board Room
Hartford, CT 06106

BUDGET, OPERATIONS AND COMPENSATION COMMITTEE

REGULAR MEETING SCHEDULE FOR 2026

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Budget, Operations and Compensation Committee through 2026.

- Wednesday, January 14, 2026 – Regular Meeting from 2:00 to 3:30 p.m.
- Wednesday, May 6, 2026 – Regular Meeting from 2:00 to 3:30 p.m.
- Wednesday, June 3, 2026 – Regular Meeting from 2:00 to 3:30 p.m.
- Wednesday, June 10, 2026 – Regular Meeting from 2:00 to 3:30 p.m.

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular meetings will take place at:

Connecticut Green Bank
75 Charter Oak Avenue, Building 1-103
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Hartford, CT 06106

DEPLOYMENT COMMITTEE

REGULAR MEETING SCHEDULE FOR 2026

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Deployment Committee through 2026.

- Wednesday, February 18, 2026 – Regular Meeting from 2:00pm – 3:00pm
- Wednesday, May 20, 2026 – Regular Meeting from 2:00pm – 3:00pm
- Wednesday, September 16, 2026 – Regular Meeting from 2:00pm – 3:00pm
- Wednesday, November 18, 2026 – Regular Meeting from 2:00pm – 3:00pm

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular meetings will take place at:

Connecticut Green Bank
75 Charter Oak Avenue, Building 1-103
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Hartford, CT 06106

Joint Committee of the CT Energy Efficiency Board and the Connecticut Green Bank Board of Directors

REGULAR QUARTERLY MEETING SCHEDULE FOR 2026

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank and the Connecticut Energy Efficiency Board through 2026

- **March 19, 2026** – Thursday from 1:30-3:30 p.m.
  Location: TBD
- **June 18, 2026** –Thursday from 1:30-3:30 p.m.
  Location: TBD
- **September 17, 2026** – Thursday from 1:30-3:30 p.m.
  Location: TBD
- **December 17, 2026** – Thursday from 1:30-3:30 p.m.
  Location: TBD

Should a **special meeting** be needed to address other issues that arise, a meeting will be scheduled accordingly.

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: David Beech, Senior Manager

CC: Bryan Garcia, President & CEO; Bert Hunter, Executive Vice President and CIO; Brian Farnen, General Counsel and CLO;

Date: October 24, 2025

Re: Extending timeline for closing Ellington SCEF Credit Facilities

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Summary

The Connecticut Green Bank Board of Directors (the "Board") has previously approved and authorized financing for the following property:

Project Address	Project Description	Approved	Expired	Project Not to Exceed Amount
24 Middle Road, Ellington, CT 06029	5.8MW DC Ground Mount Solar PV	3/21/2025	9/17/2025	$5,000,000

The Credit Facilities for the project listed above (the "Credit Facilities") were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board and made no later than 180 days from the date of Board approval.

Due to delays in fulfilling pre-closing requirements, the Capital Solutions Open RFP program staff requests more time from the Board to close and execute the Credit Facilities. Staff confirms that all conditions to the original credit approval will be attained including a bring-forward financial review of the project sponsor: Community Power Group, LLC. With these conditions, staff requests an additional 90 days from the date of this meeting to execute the Credit Facilities for the transaction listed above.

Resolutions

WHEREAS, pursuant to the Capital Solutions Open RFP program ("Capital Solutions"), the Connecticut Green Bank Board of Directors (the "Board") approved and authorized the President of the Green Bank and any other duly authorized officer to execute the credit facilities in an amount not to exceed $5,000,000 for the project described in this Memo submitted on October 17, 2025;

WHEREAS, the credit facilities were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board and executed no later than 180 days from the date of such Board approval; and,

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

NOW, therefore be it:

RESOLVED, that the Board of Directors extends authorization of the credit facilities to no later than 90 days from October 24, 2025 and consistent in every other manner with the original Board authorization for the credit facilities.

Submitted by: Bryan Garcia, President & CEO; Bert Hunter, Executive Vice President and CIO; David Beech, Senior Manger; Louise Della Pesca, Consultant; Brian Farnen, General Counsel and CLO;

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CONNECTICUT GREEN BANK

Memo

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

From: Mackey Dykes (VP of Incentive Programs and Officer)

CC: Bryan Garcia (President and CEO), Bert Hunter (EVP and CIO), and Brian Farnen (General Counsel and CLO)

Date: October 17, 2025

Re: Approval of Financing Programs Projects Funding Requests below $500,000

The Board of Directors ("Board") of the Connecticut Green Bank ("Green Bank") has authorized 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. Due to the large volume of C-PACE projects, this $1,000,000 staff approval authorization has been fully utilized. Given the number of transactions on the Board agenda, staff is including three under $500,000 C-PACE projects that would normally be approved at the staff level on the consent agenda.

Table 1 below outlines the two projects and the standard underwriting memos are included as exhibits to this memo.

Table 1

Name	Address	Municipality	Amount	Measure	Memo
Covenant Presbyterian Church	124 Old Farms Road	Simsbury	$ 252,041	Solar	Exhibit A
LB3 Real Estate	130 Research Parkway	Meriden	$ 279,812	Solar	Exhibit B

Resolutions

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

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

WHEREAS, the Green Bank seeks to provide construction and term loans ("Loans") under the C-PACE program as outlined in the memorandum and related exhibits submitted to the Green Bank Board of Directors dated October 17, 2025 (the "Memo") 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 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 Loans in an amount not to be greater than one hundred ten percent of the individual 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 Loans, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; and

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel, and Priyank Bhakta, Associate Director Investments of Clean Energy Finance

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CONNECTICUT GREEN BANK

124 Old Farms Road, West Simsbury, CT 06092

C-PACE Project Diligence Memo

October 17, 2025

Document Purpose: This document contains background information and due diligence on a potential C-PACE transaction described herein. This information is provided to the Connecticut Green Bank ("Green Bank") officers and senior staff for the purposes of reviewing and approving recommendations made by staff of the Connecticut Green Bank. In some cases, this package may contain among other things, trade secrets, and commercial or financial information given to the Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

To: Bert Hunter, EVP and CIO
From: Priyank Bhakta, Associate Director (Investments)
Date: October 17, 2025
Re: C-PACE Project Located at 124 Old Farms Road, West Simsbury, CT 06092

Summary

Property Information		
Property Address	124 Old Farms Road, West Simsbury, CT 06092	
Municipality	West Simsbury	
Property Owner	Covenant Presbyterian Church of Simsbury Inc.	
Type of Building	Place of Worship	
Building Size *(sf)*	20,695 sf	
Year of Build / Most Recent Renovation	1964 / 2023	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	84.24 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	27.78 kBTU / ratepayer dollar at risk	
Tariff	Net Metering (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	367
	Over EUL	7,002
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One (AVG)	$25,179
	Over EUL	$503,589
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$252,041	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$20,506	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	1.28	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*	[redacted]	
Appraisal Value	[redacted]	
Mortgage Lender Consent	[redacted]	
Co-Borrower	N/A	

130 Research Parkway, Meriden

C-PACE Project Diligence Memo

October 10, 2025

Document Purpose: This document contains background information and due diligence on a potential C-PACE transaction described herein. This information is provided to the Connecticut Green Bank ("Green Bank") officers and senior staff for the purposes of reviewing and approving recommendations made by staff of the Connecticut Green Bank. In some cases, this package may contain among other things, trade secrets, and commercial or financial information given to the Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

To: Bert Hunter
From: Larry Campana, Associate Director
CC: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel
Date: October 10, 2025
Re: C-PACE Project Located at 130 Research Parkway, Meriden

Summary

Property Information				
Property Address	130 Research Parkway, Meriden			
Municipality	Meriden			
Property Owner	LB3 REAL ESTATE LLC			
Type of Building	Office			
Building Size *(sf)*	16,932			
Year of Build / Most Recent Renovation	1983			
Environmental Screening Report	[redacted]			
Project Information				
Proposed Project Description	105.60 kW (DC) rooftop PV system			
Energy Contractor	[redacted]			
Objective Function	26.42 kBTU / ratepayer dollar at risk			
		EE	RE	Total
Projected Energy Savings (mmBTU)	Per Year		388	388
	Over EUL		7,394	7,394
Estimated Cost Savings (incl. ZRECs/Tariff and tax benefits)	Per Year		32,979	32,979
	Over EUL		659,579	659,579
Financial Metrics				
Proposed C-PACE Assessment	$279,812 of Proposed Assessment			
Term Duration *(years)*	20			
Term Rate	5.25% annually			
Construction Rate	5.00% annually			
Annual C-PACE Assessment	22,765			
Average DSCR	[redacted]			
Savings-to-Investment Ratio	1.46 (Mortgage Style)			
Lien-to-Value *(LiTV)*	[redacted]			
Loan-to-Value *(LTV)*	[redacted]			
Appraisal Value[1]	[redacted]			
Mortgage Lender Consent	[redacted]			

[redacted]

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Deployment Committee

From: Catherine Duncan, Director, Financing Programs; Mackey Dykes, Executive Vice President, Financing Programs;

CC: Bryan Garcia, President & CEO; Emma Ellis, Counsel, Alex Kovtunenko, Deputy General Counsel, Financing Programs; Brian Farnen, General Counsel and CLO

Date: October 22, 2025

Re: Extending timeline for closing certain C-PACE transactions

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Summary

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

Project Address	Approved	Expired	Project Amount
74 Bridge Street, East Windsor, CT 06801	6/20/2025	10/18/25	$745,625.00

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

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

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Resolutions

WHEREAS, pursuant to Conn. Gen. Stat. 16a-40g (the "Act") the Connecticut Green Bank ("Green Bank") is directed to, amongst other things, establish a commercial sustainable

energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

WHEREAS, pursuant to the C-PACE program, the Connecticut Green Bank Board of Directors (the "Board") or the Connecticut Green Bank Deployment Committee ("DC"), as may be applicable, approved and authorized the President of the Green Bank to execute financing agreements for the C-PACE projects described in this Memo submitted to the Board on September 10, 2025 (the "Finance Agreements");

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

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

NOW, therefore be it:

RESOLVED, that the DC extends authorization of the Finance Agreements to no later than 120 days from October 24, 2025, and consistent in every other manner with the original Board or DC authorization for the Finance Agreement.

Submitted by: Bryan Garcia, President & CEO; Brian Farnen, General Counsel and CLO; Alex Kovtunenko, Deputy General Counsel, Financing Programs; Emma Ellis, Counsel

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CONNECTICUT
GREEN BANK

Memo

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

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

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

Date: October 17, 2025

Re: Approval of Financing Programs and Energy Storage Solutions Projects Funding Requests below $500,000 and No More in Aggregate than $1,000,000 – Update

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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, 2 projects were evaluated and approved for funding in an aggregate amount of approximately $967,730 for Financing Programs. And, during this period, 1 project was evaluated and approved for funding in an aggregate amount of approximately $190,759 for Commercial 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.

Energy Storage Solution Program
Upfront Incentive Application

Project Description	Installation of a 250 kW / 860 kWh ELM Fieldsight battery for demand reduction / backup power.

Customer / Site information

Customer Name	Preferred Utilities
Address	31-35 South St., Danbury, CT
Business Purpose	Manufacturing (industrial boilers and components)
Incentive Application No.	ESS-02505
Customer Peak Demand (kW)	125 kW
Customer Class (S / M / L)	Large
Project Developer / Installer	[redacted]
System Owner	Customer

Program Eligibility

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

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with solar PV
Expected Program Participation	Passive and Active Dispatch
BESS Make / Model	ELM Fieldsight / Dynapower
BESS Power Rating (kW)	250 kW
BESS Energy Capacity (kWh)	860 kWh
BESS Technology Approval Status	Pre-Approved
Interconnection Application Filed	Yes
Interconnection Study Required	No
Estimated Project Cost	$1,433,874.00

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

RIM – Ratepayer Impact Measure	1.64
RIM CT – Ratepayer Impact Measure (CT)	1.14
PCT – Participant Cost Test	0.52
PACT – Program Administrator Cost Test	1.99
SCT – Societal Cost Test	0.52
TRC – Total Resource Cost Test	0.52
CTET – CT Efficiency Test	1.99

Upfront Incentive Information

Incentive Application Status	Application Submitted
Estimated Upfront Incentive	**$190,758.75**
Incentive Calculation Method	Tiered Rate using Peak Demand – Tranche 3 Step 1

Summary

Property Information		
Property Address	360 Chase River Road, Waterbury, CT 06704	
Municipality	City of Waterbury	
Property Owner	7 Star Associates, LLC	
Type of Building	Industrial	
Building Size *(sf)*	22,808 sf	
Year of Build / Most Recent Renovation	1987 / 2020	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	241 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	18.41 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	938
	Over EUL	17,897
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$54,922
	Over EUL	$1,047,795
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$498,311	
Term Duration *(years)*	10	
Term Rate	4.75% annually	
Construction Rate	4.75% annually	
Annual C-PACE Assessment (Average over Term)	$62,409	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	2.21	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
Co-Borrower	Lorenzo Import, LLC	

Summary

Property Information		
Property Address	30 Nutmeg Drive, Trumbull, CT 06611	
Municipality	Trumbull	
Property Owner	30 Nutmeg Associates, LLC	
Type of Building	Industrial / Commercial	
Building Size *(sf)*	88,500	
Year of Build / Most Recent Renovation	1967 / 2024	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	276.21 kW DC rooftop solar installation and EV charging station	
Contractor	[redacted]	
Objective Function	17.89 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1,218
	Over EUL	23,240
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$71,319
	Over EUL	$1,360,612
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$469,419	
Term Duration *(years)*	7	
Term Rate	4.6% annually	
Construction Rate	4.6% annually	
Annual C-PACE Assessment	$79,197	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	2.79	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
Co-Borrower	N/A	

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GREEN BANK

Memo

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

From: Bryan Garcia (President and CEO)

CC:

Date: October 17, 2025

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

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At its June 13, 2018 meeting, the Board of Directors authorized Green Bank staff to evaluate and approve loan loss restructurings or write-offs under $100,000, pursuant to a formal process, with an aggregate limit of $500,000 between Deployment Committee meetings. At the April 24, 2020 meeting, the Board approved temporary repayment modification authority in response to the COVID-19 pandemic, followed by an expansion on June 26, 2020 to include Green Bank subsidiaries. Most recently, at the June 20, 2025 meeting, the Board approved revisions to the policy to improve clarity and consistency, eliminate redundancies, and broaden its scope to include capital assets and projects terminated before completion.

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

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: Bryan Garcia (President and CEO)

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

Date: October 18, 2025

Re: Q4 of FY25 Financial Package (Abridged)

Overview

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

In addition to these four sections, we are adding a fifth section to the quarterly financial package called "Managing Risk – Loans and Loan Loss Reserve Analysis". In addition to presenting the strength of our financial position through the balance sheet, we are now including a summary of our loans and loan loss reserves to help us manage risks to the earned revenue producing loans that are assets on our balance sheet. Given the ongoing lessons we learn from the varying risks of our investments, this addition helps us better present the risks to some assets – so that we can better protect those assets to continue to serve the mission of the organization.

Making an Impact – Board Member Dashboards (Board Impact - CT Green Bank | Accelerating Green Energy Adoption in CT)

Given a primary goal of the Green Bank is to continuously deliver benefits to our communities, and need to communicate that impact to our stakeholders, we have created dashboards for each member of the board that shows the organization's impact to your community or is most relevant to your appointer. For

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[1] Tom Flynn

[2] May 17, 2022 ACG Committee meeting – click here

[3] June 24, 2022 BOD meeting – click here

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

[5] Goal 1 – to leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.

[6] Goal 3 – to pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

example, with First Selectman Jamie Cosgrove's interests not only in Branford, but also House District 86, we have provided a link to the impact metrics the Green Bank has made for Branford and the district of his appointer (i.e., Minority Leader Vincent Candelora):

> *"The Green Bank has **enabled $14,722,821 of investment** in clean energy in **House District 86 helping 415 families and businesses** reduce the burden of energy costs while **creating 153 job years** in our communities and **avoiding 62,406 tons of CO2** emissions causing global climate change."*[7]

Given our goal to ensure that "no less than 40 percent of investment and benefits are directed to vulnerable communities by 2025," you will see that we also include those breakdowns, including 42% of projects, 53% of investments, and 50% of deployment are in vulnerable communities.

For a link to the Green Bank's Societal Impact Report – click here.

Mobilizing Private Investment – Balance Sheet

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

There is a decrease in total assets from $415.4 million to $407.4 million (i.e., decrease of $8.0 million) in FY25 from Q3 to Q4 of FY25. This decrease in total assets is due to the increase in loan loss reserves of $10.8 million (i.e., from $14.6 million to $25.4 million) due to significant financial difficulties being experienced by a borrower serving the low-to-moderate income residential solar market the Green Bank has an investment in. The total liabilities increased $219.3 million to $230.3 million (i.e., increase of $11.0 million). This increase in total liabilities is the result of $9.1 million combined increase in actuarily determined pension and OPEB liabilities that are updated at the end of each fiscal year.

Managing Risk – Loans and Loan Loss Reserve Analysis

Within the Program Loans, Notes, and Loan Loss Reserve Analysis, there are a number of observations to point out, including:

- **Loan Portfolio Balance** – from the beginning of the fiscal year to the end, the loan portfolio balance has decreased by $0.9 million – investments of $26.2 million were exceeded by repayments of $27.1 million;

- **Loan Loss Reserve Balance** – from the beginning of the fiscal year to the end, the loan loss reserve balance increased by $11.8 million for a total loan loss reserve balance as of June 30, 2025 of $25.4 million. This increase is within the "vulnerable communities" (e.g., low-to-moderate income ("LMI")) aspect of our loan portfolio, where a borrower is experiencing significant financial difficulties; and

- **Carrying Value of Loan Portfolio** – with 15.9% of the loan portfolio balance set aside as loan loss reserve balance, with a majority of the reserve balance set aside within the "vulnerable communities" aspects of our loan portfolio, the carrying value of the loan portfolio as of June 30, 2025 was $134.9 million in assets.

[7] October 8, 2025 using www.ctgreenbank.com/maya and presentation of data by "State House" district

As of June 30, 2025 the Green Bank's loan portfolio of 9,794 loans[8] totaling $236.7 million in principal outstanding is performing– including 22 loans totaling $1.4 million in principal is currently in delinquent status[9].

Achieving Sustainability – Organizational P&L

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

The key observation from FY25 is that earned revenues through Q4 (i.e., $43.2 million) were below budget (i.e., by $5.3 million). However, despite earned revenues being less than budget, they are $13.2 million greater than public revenues (i.e., $30.0 million), demonstrating the steady achievement of financial sustainability of the organization (i.e., relying less and less on public revenues). In addition to that important sustainability milestone, earned revenues continue to exceed personnel-related operating expenses (i.e., $16.1 million), as well as total operating expenses (i.e., $36.5 million). These are continuing trends as the Green Bank makes steady progress towards organizational sustainability as planned in FY18.[10]

Monitoring State Budget Allocation

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

The key observation from Q4 of FY25 is that the Green Bank paid the State of Connecticut nearly $2.5 million more than it would have paid in a competitive environment for pension and healthcare benefits for its employees. This additional payment slows down progress of the Green Bank towards organizational sustainability.

Conclusion

For those interested in further details beyond the "Abridged" version of the Q4 of FY25 financial package, see the "Comprehensive" version attached.

[8] Including loans from Solar Loan 1, CPACE, Smart-E and non-programmatic project finance loans

[9] This number includes 14 Smart-E loans for $190K in outstanding principal and 8 CPACE loans for $1.2Million. It does not include outstanding CPACE loans where payments are deferred.

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

Connecticut Green Bank

June 2025 Quarterly Financial Package

(Abridged)

Connecticut Green Bank

June 2025 Financial Package

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Connecticut Green Bank:

Connecticut Green Bank
Mobilizing Private Investment
Balance Sheet

		As of 6/30/2025	As of 6/30/2024	vs 6/30/24 $ Change
Assets				
Current Assets				
Cash and Cash Equivalents (1)	{a}	52,246,093	26,065,154	26,180,939
Other Current Assets	{b}	39,858,877	36,528,036	3,330,841
Total Current Assets		92,104,970	62,593,190	29,511,780
Noncurrent Assets				
Restricted Assets (1) (2)	{c}	126,280,144	27,782,421	98,497,723
Program Loans/Notes Receivable and Other Investments	{d}	123,586,509	145,408,081	(21,821,572)
Capital Assets, net	{e}	65,455,470	69,517,800	(4,062,330)
Total Noncurrent Assets		315,322,123	242,708,302	72,613,821
Total Assets		**407,427,093**	**305,301,492**	**102,125,601**
Liabilities				
Current Liabilities	{f}	116,792,791	20,848,839	95,943,952
Noncurrent Liabilities				
Asset Retirement Obligation		5,100,744	4,345,686	755,058
Long-term debt				
Notes Payable		6,033,059	7,273,800	(1,240,741)
Bonds Payable-SHREC ABS 1	{g}	14,608,845	16,472,663	(1,863,818)
Bonds Payable-CREBs	{h}	7,120,554	7,849,299	(728,745)
Bonds Payable-Green Liberty Bonds	{i}	28,761,000	31,553,000	(2,792,000)
Lease Liability, less current maturities	{j}	1,605,468	1,853,851	(248,383)
Long-term debt		58,128,926	65,002,613	(6,873,687)
Pension & OPEB Liabilities	{k}	50,290,724	41,228,205	9,062,519
Total Noncurrent Liabilities		113,520,394	110,576,504	2,943,890
Total Liabilities		**230,313,185**	**131,425,343**	**98,887,842**
Deferred Inflows of Resources	{l}	**(3,089,555)**	**7,782,569**	**(10,872,124)**
Total Net Position		**135,151,741**	**166,093,579**	**(30,941,838)**

(1) The $52.2M unrestricted balance at 6/30/2025 was mostly due to the issuance of two series of Special Capital Reserve Fund (SCRF) backed Green Liberty Bonds in FY21. The purpose of these issuances was to refinance expenditures of the Green Bank related to its Residential Solar Incentive Program (RSIP) per CGS 16-245ff. As of 6/30/25, unfunded and committed Solar PV incentives related to the RSIP program totaled approximately $12.5M, to be paid to third parties through 2028 using the proceeds from these two bond issuances. Additionally, $2.4M of RGGI funds are committed to Class 1 Renewable projects under the Regional Greenhouse Gas Initiative and not yet spent as of 6/30/25.

	Actual	Adj for RSIP/RGGI Commitments	Total
Cash - Unrestricted	$ 52,246,093	$ (14,900,000)	$ 37,346,093
Cash - Restricted	126,280,144	14,900,000	141,180,144
Total Cash	**$ 178,526,237**	**$ -**	**$ 178,526,237**

(2) The restricted assets balance includes $94.5M of NCIF grant funds which are currently frozen to due pending litigation with the EPA as it relates to the grant.

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

Appendix

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

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

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

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

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

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

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

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

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

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

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

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

Connecticut Green Bank
Managing Risk
Program Loans, Notes and Loan Loss Reserve Analysis
As of June 30, 2025

Loan Program / Type	Loan Portfolio Balance 7/1/2024	FY25 YTD Investments	FY25 YTD Repayments	Loan Portfolio Balance As of June 30, 2025	Loan Loss Reserve Balance 7/1/2024	FY25 YTD Increase / Decrease to Reserve	Loan Loss Reserve Balance As of June 30, 2025	Reserve as a % of Portfolio Balance	Loan Portfolio Carrying Value As of June 30, 2025
CPACE Program	62,089,641	13,201,928	(3,303,396)	71,988,172	(4,940,148)	2,863,331	(2,076,817)	2.9%	69,911,356
Fuel Cell Projects	23,183,629	3,648,292	(1,322,714)	25,509,207	(2,318,363)	162,246	(2,156,117)	8.5%	23,353,090
Multifamily / Affordable Housing / Credit Challenged / LMI	46,491,280	2,372,509	(12,103,202)	36,760,588	(4,649,128)	(15,739,180)	(20,388,308)	55.5%	16,372,280
Third Party Solar Loans	13,924,235	4,066,791	(1,293,739)	16,697,286	(510,244)	(42,390)	(552,634)	3.3%	16,144,652
Residential Solar	1,758,746	-	(836,330)	922,416	(153,602)	76,927	(76,675)	8.3%	845,741
SBEA Loans	5,243,434	2,833,354	(2,181,366)	5,895,422	-	-	-	0.0%	5,895,422
Other Loans	8,533,769	-	(5,958,328)	2,575,441	(1,108,912)	925,193	(183,719)	7.1%	2,391,721
	$ 161,224,733	**$ 26,122,873**	**$ (26,999,075)**	**$ 160,348,531**	**$ (13,680,397)**	**$ (11,753,873)**	**$ (25,434,271)**	**15.9%**	**$ 134,914,261**

Connecticut Green Bank
Achieving Sustainability
Organizational P&L

		Consolidated 7/1/2024 Through 6/30/2025				
		Actual	Budget	Variance	Prior Year Actual	Variance
Total Revenues						
Public Revenues	{a}	30,060,166	29,388,144	672,022	29,797,356	262,810
Earned Revenues (**)	{b}	43,223,450	48,517,188	(5,293,738)	36,017,528	7,205,922
Total Revenues		**73,283,616**	**77,905,332**	**(4,621,716)**	**65,814,884**	**7,468,732**
Total Operating Expenses						
Personnel Related Operating Expenses	{c}	16,093,344	19,795,625	(3,702,281)	11,221,016	4,872,328
Non-Personnel Related Operating Expenses (**)	{d}	20,427,618	18,834,255	1,593,363	17,532,101	2,895,517
Total Operating Expenses		**36,520,962**	**38,629,880**	**(2,108,918)**	**28,753,117**	**7,767,845**
Margin ($) - All Revenues		**36,762,654**	**39,275,452**		**37,061,767**	
Margin (%) - All Revenues		**50.2%**	**50.4%**		**56.3%**	
Margin ($) - Pre Public Revenues		**6,702,488**	**9,887,308**		**7,264,411**	
Margin (%) - Pre Public Revenues		**9.1%**	**12.7%**		**11.0%**	
Total Non-Operating Expenses						
Program Incentives and Grants	{e}	7,728,472	9,834,391	(2,105,919)	6,840,787	887,685
Non-Operating Expenses	{f}	14,924,297	4,541,391	10,382,906	5,244,212	9,680,085
Total Non-Operating Expenses		**22,652,769**	**14,375,782**	**8,276,987**	**12,084,999**	**10,567,770**
Total Expenses		**59,173,731**	**53,005,662**	**6,168,069**	**40,838,116**	**18,335,615**
Net Margin ($) - All Revenues (*)		**14,109,885**	**24,899,670**	**(10,789,785)**	**24,976,768**	**(10,866,883)**
Net Margin (%) - All Revenues		**19.3%**	**32.0%**		**38.0%**	

-

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

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

Appendix

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

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

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

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

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

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

Connecticut Green Bank
Monitoring State Benefit Allocation
June 30, 2025

		FYE 6/30/25 Actual	FYE 6/30/24 Actual	FYE 6/30/23 Actual	FYE 6/30/22 Actual	FYE 6/30/21 Actual	FYE 6/30/20 Actual
	Compensation:	**$ 9,756,075**	**$ 7,655,056**	**$ 5,902,859**	**$ 4,813,293**	**$ 4,476,214**	**$ 3,931,596**
	Employee Benefits:						
	State Retirement Plan Contributions	$ 4,711,476	$ 4,547,141	$ 3,995,132	$ 3,317,054	$ 2,903,780	$ 2,411,864
	Medical Dental Rx Premiums	1,195,441	970,135	791,620	610,627	625,480	553,908
	Total Employee Benefits	**5,906,917**	**5,517,276**	**4,786,752**	**3,927,681**	**3,529,260**	**2,965,772**
	Total Compensation and Benefits	**$ 15,662,992**	**$ 13,172,331**	**$ 10,689,611**	**$ 8,740,974**	**$ 8,005,474**	**$ 6,897,368**
*	**Retirement Plan Contributions as a % of Salary**	48.29%	59.40%	67.68%	68.91%	64.87%	61.35%
	Medical Dental Rx Premiums as a % of Salary	12.25%	12.67%	13.41%	12.69%	13.97%	14.09%
	Total Benefits and Taxes as a % of Salary	60.55%	72.07%	81.09%	81.60%	78.84%	75.43%
**	**State of CT Comptroller Employer SERS Rate**	47.48%	59.57%	67.40%	65.90%	64.14%	59.99%

* Retirement Plan Contributions include Pension & OPEB, included Employer contributions to the Tier IV Defined Contribution for associated employees in that plan.
** State of CT Comptroller Employer SERS Rate provided via the annual "Fringe Benefit Recover Rate" memo issued 7/1 of each year by the State Comptroller.

Total Benefits Cost @ Hypothetical Benefits Rate	**35%**	3,414,626	2,679,270	2,066,001	1,684,653	1,566,675	1,376,059
Actual Total Compensation and Benefits		15,662,992	13,172,331	10,689,611	8,740,974	8,005,474	6,897,368
Less Total Compensation and Benefits @ Hypothetical Rate		(13,170,702)	(10,334,325)	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)
Incremental HR cost due to State Benefits Charge		2,492,290	2,838,006	2,720,751	2,243,028	1,962,585	1,589,713

Connecticut Green Bank

June 2025 Quarterly Financial Package

(Comprehensive)

Connecticut Green Bank

June 2025 Financial Package

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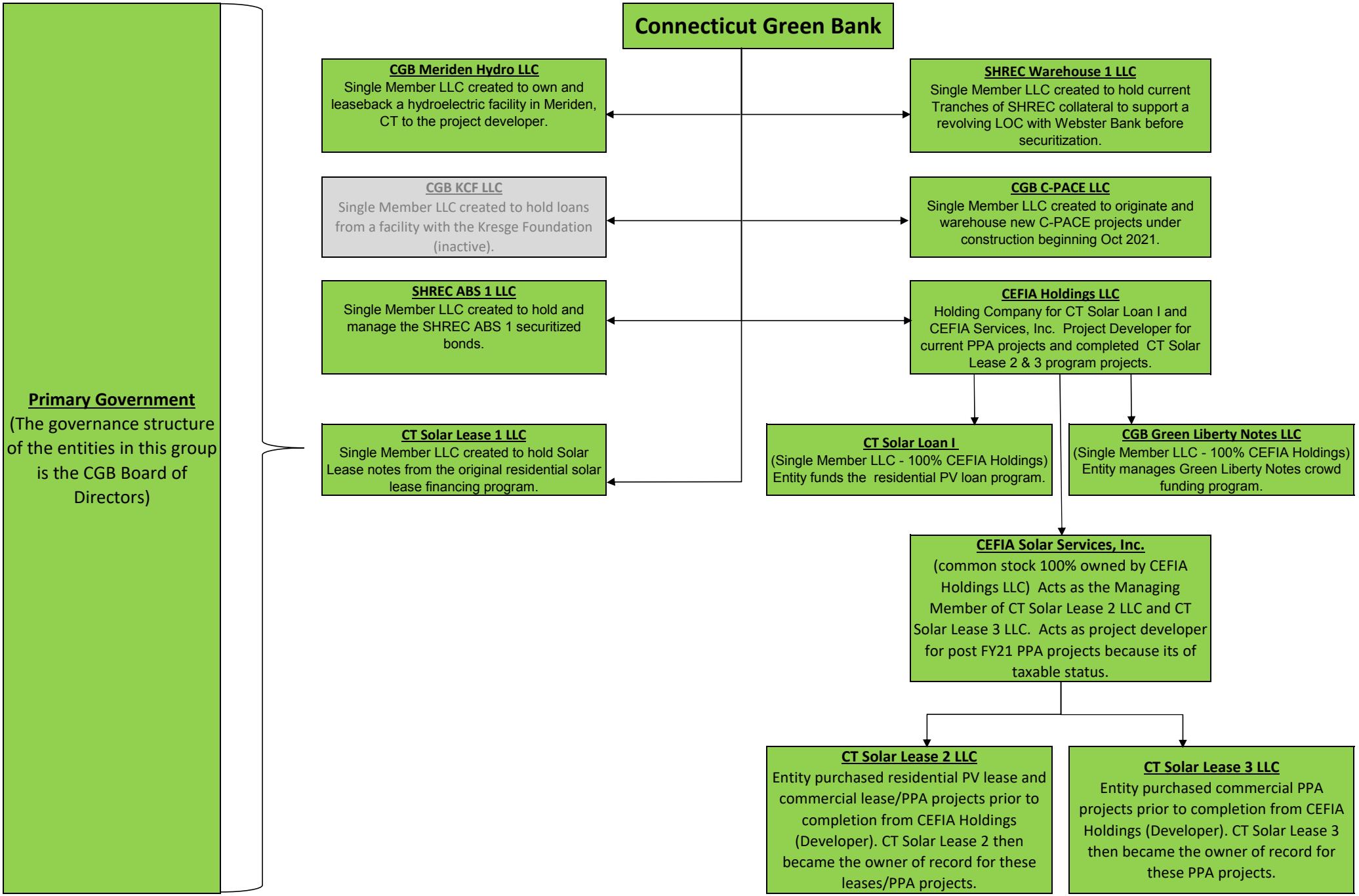
Connecticut Green Bank:

Consolidated Financial Statements:

The Connecticut Green Bank and its Component Units (as of 6/30/2025)

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



Connecticut Green Bank

Executive Summary

June 2025

Overview

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

Balance Sheet vs. Prior Year End

- ✓ CGB's current assets increased by $29.5M compared to June 2025, which is mostly due to an increase in cash and cash equivalents of $26.2M. The increase is largely due to the approx. $14.1M net income combined with approx. $26.9M of return of principal on program loans during the year. See consolidated Cash Flow statement for further details on the current period change.
- ✓ Noncurrent assets increased $102.1M compared to June 30, 2024, mostly due to the receipt of restricted cash in the amount of $93.5M (from the NCIF grant). CGB's allocated NCIF grant funds are frozen at the bank and litigation between the grantees and the EPA is ongoing.
- ✓ As of June 30, 2025, 90.51% of accounts receivable is aged 30 days or lower, and only 4.4% of accounts receivable are aged 60+ days, - showing no significant collectability issues on accounts receivable. Utility Remittance receivables are all aged under 30 days, and Other Receivables represent disbursements made for development of projects and don't have specific aging/invoice due dates at any given time.
- ✓ Liabilities have increased $98.9M compared to June 30, 2024, mostly attributable to the $94.8M increase in unearned revenue due to the receipt and freeze of NCIF grant funds as mentioned above. As of this writing, these funds are frozen at the bank due to ongoing litigation with the EPA. Additionally, there is an approx. $6.6M decrease in long term debt due to payments made during the year, offset by a $5.7M increase in pension liability and $3.3M in OPEB liability for the period ended June 30, 2025.
- ✓ Net Position has increased $14.1M from the prior year due to the period's income as seen on Statement of Revenues and Expenditures below.

Statement of Revenues and Expenditures vs. Prior Year

Change in Net Position for FY25 was approximately $14.1M of Income.

- ✓ Excluding a $2.9M increase in both Operating Revenue and Expenses due to offsetting Energy System Sales and Cost of Goods Sold for Energy System Sales, Operating Revenues increased $3.8M from the same period of the prior year and Operating expenses increased $15.3M from the same period of the prior year, resulting in Operating income decreasing $11.5M from the same period of the prior year. The revenue increase is mostly due to a $3.6M increase in other income, $1.9M of which was an increase in ESSOL Program Reimbursements as well as a $0.7M increase in other income which was mostly related to a closing fee made on the sale of DOC Projects in the current year compared to the period ended June 30, 2024.
- ✓ Operating Expenses had an overall increase of $18.2M. This is largely due to an increase of $9.5M to the provision for loan losses, increased due to the significant financial hardship of one borrower. Additionally, there was a $2.9M increase in Cost of Goods Sold-Energy Systems for the period as well as an increase in program administration expenses of $3.2M (mostly due to increased headcount).
- ✓ Nonoperating Revenues (Expenses) showed a decrease in expenses of $0.6M compared to the same period of the prior year. This decrease is mostly due to the increase in interest income on short term deposits, which had a $0.7M increase in revenue, as well as a $0.3M decrease loss on fair value of investments, also related to the revaluation of equity investments for the same period year over year.

Statement of Revenues and Expenditures vs. Budget

Fiscal Year Net Revenues Over Expenses of $14.1M was $10.8M lower than budget.

- ✓ Revenues were $4.6M lower than budget due mostly to $0.3M in Federal Grant Income compared to a budget of $15.7M, due to the freeze of NCIF funds due to pending lititgation. This however was offset by Sales of Energy Systems being $5.8M above a budget of zero, interest income being $2.7M above budget, Utility Assessments being $0.6M above budget and, other income being $1.2M above budget.
- ✓ Operating Expenses were $2.1M lower than budget for the period. The biggest contributing factor to this was compensation and benefits variances of approx. $3.4M lower than budgeted, $1.8M less of program development & administration than budgeted and $0.6M lower research and development costs than budgeted. These were offset by Cost of Sales - Energy Systems having expenses of $5.8M with no budgeted amounts for the year. See breakout of budget to actual for financing programs, incentive programs and environmental infrastructure programs for more details.
- ✓ Program incentives and grants were approx. $2.1M lower than budget for the period mostly due to PBI incentives being approx. $1.2M below budget and EPBB incentives being $0.9M below budget for the period.
- ✓ Non-operating expenses were approximately $10.4M above budget, mostly due to the $11.7M increase in loan loss reserves versus the budgeted amount of $1.8M.

Unfunded Commitments

CGB has a total of $114.3M in unfunded commitments at June 30, 2025, an increase of $50.7M from $63.6M of unfunded commitments as of June 30, 2024. The increase is mostly due to several large commitments of new loan facilities ranging from $5.0M to $12.0M for projects relating to Solar PPAs, Solar & Battery Storage and Shared Clean Energy Facilities.

Connecticut Green Bank
Balance Sheet

	6/30/2025	06/30/2024	$ Change
Assets			
Current Assets			
Cash and Cash Equivalents	52,246,093	26,065,154	26,180,939
Accounts Receivable	1,325,441	1,816,604	(491,163)
Utility Remittance Receivable	1,912,845	1,983,528	(70,683)
Interest Receivable	2,694,080	2,102,879	591,201
Other Receivables	4,424,156	7,763,671	(3,339,515)
Prepaid Expenses and Other Assets	1,960,782	2,319,852	(359,070)
Current Portion of Solar Lease Notes	406,594	753,842	(347,248)
Current Portion of SBEA Promissory Notes	1,730,214	1,559,260	170,954
Current Portion of Program Loans, Net of Reserves	24,076,441	16,919,794	7,156,647
Current Portion of Lease Receivable	1,072,533	1,050,019	22,514
Current Portion of Prepaid Warranty Management	255,791	258,587	(2,796)
Total Current Assets	92,104,970	62,593,190	29,511,780
Noncurrent Assets			
Restricted Assets	126,280,144	27,782,420	98,497,724
Investments	880,202	1,113,685	131,028
Program Loans, net of reserves	104,392,412	124,199,151	(8,043,951)
Solar Lease I Promissory Notes, net of reserves	143,389	428,120	(284,644)
Renewable Energy Certificates	0	31,042	(31,042)
SBEA Promissory Notes, net of reserves	3,333,136	3,030,663	302,473
Lease Receivable, less current portion	12,397,670	13,719,778	(1,322,108)
Prepaid Warranty Management, less current portion	2,388,688	2,673,454	(284,767)
Fair Value - Interest Rate Swap	51,012	212,188	(161,175)
Capital Assets, net	65,455,470	69,517,800	(4,062,330)
Total Noncurrent Assets	315,322,123	242,708,301	72,613,822
Total Assets	**407,427,093**	**305,301,491**	**102,125,602**
Deferred Outflows of Resources			
Deferred Amount for Pensions	11,977,795	7,216,342	4,761,453
Deferred Amount for OPEB	11,212,038	11,631,046	(419,008)
Deferred Amount for Asset Retirement Obligations	1,919,995	1,866,994	53,001
Total Deferred Outflows of Resources	**$ 25,109,828**	**$ 20,714,382**	**$ 4,395,446**
Liabilities			
Current Liabilities			
Accounts Payable	1,153,798	877,981	275,817
Accrued Payroll and Related Liabilities	1,912,247	1,469,245	443,002
Accrued Expenses	10,669,103	9,847,924	821,179
Notes Payable- Green Liberty Notes	1,050,000	1,400,000	(350,000)
Current Maturities of Long-Term Debt	6,495,089	6,452,484	42,605
Custodial Liability	642,950	748,583	(105,633)
Deferred Revenue	94,869,604	52,622	94,816,982
Total Current Liabilities	116,792,791	20,848,839	95,943,952
Noncurrent Liabilities			
Asset Retirement Obligation	5,100,744	4,345,686	755,058
Notes Payable	6,033,059	7,273,800	(1,240,741)
Bonds Payable-SHREC ABS 1	14,608,845	16,472,663	(1,863,818)
Bonds Payable-CREBs	7,120,554	7,849,300	(728,746)
Bonds Payable-Green Liberty Bonds	28,761,000	31,553,000	(2,792,000)
Lease Liability, less current maturities	1,605,468	1,853,850	(248,382)
Pension Liability	23,182,604	17,457,556	5,725,048
OPEB Liability	27,108,120	23,770,649	3,337,471
Total Noncurrent Liabilities	113,520,394	110,576,504	2,943,890
Total Liabilities	**230,313,185**	**131,425,343**	**98,887,842**
Deferred Inflows of Resources			
Deferred Pension Inflow Liability	2,836,975	4,152,515	(1,315,540)
Deferred OPEB Inflow Liability	6,887,634	10,606,728	(3,719,094)
Deferred Lease Inflow Liability	12,295,664	13,737,708	(1,442,044)
Total Deferred Inflows of Resources	**22,020,273**	**28,496,951**	**(6,476,678)**
Net Position			
Net Investment in Capital Assets	65,455,470	69,517,800	(4,062,330)
Restricted-Energy Programs	126,280,144	27,782,421	98,497,723
Unrestricted Net Position	(11,532,151)	68,793,358	(113,249,846)
Total Net Position	**180,203,463**	**166,093,579**	**14,109,884**

Connecticut Green Bank
Statement of Revenues and Expenditures

	Fiscal YTD June 30 2025	Fiscal YTD June 30 2024	$ Change
Change in Net Position			
Operating Income (Loss)			
Operating Revenues			
Utility Remittances	24,860,166	24,597,356	262,810
Interest Income-Promissory Notes	9,646,425	8,667,603	978,822
RGGI Auction Proceeds	5,200,000	5,200,000	0
Energy System Sales	5,814,698	2,884,201	2,930,497
REC Sales	16,350,224	17,089,576	(739,352)
Lease Income	1,567,359	1,828,970	(261,611)
Other Income	7,789,934	4,189,970	3,599,964
Total Operating Revenues	71,228,806	64,457,675	6,771,131
Operating Expenses			
Cost of Goods Sold-Energy Systems	5,814,698	2,884,201	2,930,497
Provision for Loan Losses	11,753,878	2,282,946	9,470,932
Grants and Incentive Payments	7,728,472	6,853,788	874,684
Program Administration Expenses	23,901,330	22,135,757	1,765,573
General and Administrative Expenses	7,048,913	3,849,784	3,199,129
Total Operating Expenses	56,247,291	38,006,475	18,240,816
Operating Income (Loss)	14,981,515	26,451,200	(11,469,685)
Nonoperating Revenue (Expenses)			
Interest Income-Short Term Cash Deposits	2,083,768	1,423,755	660,013
Interest Expense-ST Debt	(58,694)	(58,886)	192
Interest Expense-LT Debt	(2,157,613)	(2,380,563)	222,950
Debt Issuance Costs	(5,125)	(10,000)	4,875
Distributions to Member	0	(22,801)	22,801
Unrealized Gain (Loss) on Interest Rate Swap	(161,176)	(133,520)	(27,656)
Net change in fair value of investments	(572,790)	(315,219)	(257,571)
Total Nonoperating Revenue (Expenses)	(871,630)	(1,497,234)	625,604
Change in Net Position	**14,109,885**	**24,953,966**	**(10,844,081)**

CT Green Bank
Budget to Actual Financial Analysis
June 2025

	CGB Total 07/01/2024 Through 6/30/2025			Incentive Programs 07/01/2024 Through 6/30/2025			Financing Programs 07/01/2024 Through 6/30/2025			Environmental Infrastructure 07/01/2024 Through 6/30/2025		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Revenue												
Operating Income												
Utility Customer Assessments	24,860,166	24,188,144	672,022	0	0	0	24,860,166	24,188,144	672,022	0	0	0
RGGI Auction Proceeds-Renewables	5,200,000	5,200,000	0	0	0	0	5,200,000	5,200,000	0	0	0	0
CPACE Closing Fees	316,219	120,000	196,219	0	0	0	316,219	120,000	196,219	0	0	0
REC Sales	14,642,965	13,917,122	725,843	12,688,147	12,202,372	485,775	1,954,818	1,714,750	240,068	0	0	0
Sales Energy Systems	5,814,698	0	5,814,698	0	0	0	5,814,698	0	5,814,698	0	0	0
Grant Income-Federal Programs	372,086	16,040,000	(15,667,914)	0	0	0	371,398	15,540,000	(15,168,602)	688	500,000	(499,312)
Grant Income-Private Foundations	230,040	475,000	(244,960)	0	0	0	180,041	475,000	(294,959)	49,999	0	49,999
PPA Income	1,762,350	1,644,024	118,326	0	0	0	1,762,350	1,644,024	118,326	0	0	0
LREC/ZREC Income	1,707,259	1,601,947	105,312	0	0	0	1,707,259	1,601,947	105,312	0	0	0
Rental Income	1,101,442	1,398,099	(296,657)	0	0	0	1,101,442	1,398,099	(296,657)	0	0	0
Total Operating Income	56,007,225	64,584,336	(8,577,111)	12,688,147	12,202,372	485,775	43,268,391	51,881,964	(8,613,573)	50,687	500,000	(449,313)
Interest Income	11,450,269	9,346,409	2,103,860	804,173	30,300	773,873	10,646,096	9,316,109	1,329,987	0	0	0
Interest Income, Capitalized	716,882	90,000	626,882	0	0	0	716,882	90,000	626,882	0	0	0
Other Income	5,109,240	3,884,587	1,224,652	2,675,615	2,675,615	0	2,433,625	1,208,972	1,224,652	0	0	0
Total Revenue	**$ 73,283,616**	**$ 77,905,332**	**$ (4,621,717)**	**$ 16,167,935**	**$ 14,908,287**	**$ 1,259,648**	**$ 57,064,994**	**$ 62,497,045**	**$ (5,432,052)**	**$ 50,687**	**$ 500,000**	**$ (449,313)**
Operating Expenses												
Compensation and Benefits	16,407,904	19,795,625	(3,387,721)	3,267,949	3,788,798	(520,849)	11,723,614	14,368,275	(2,644,661)	1,416,341	1,638,551	(222,210)
Pension Expense (GASB 68)	(351,945)	0	(351,945)	0	0	0	(351,945)	0	(351,945)	0	0	0
OPEB Expense (GASB 74)	37,385	0	37,385	0	0	0	37,385	0	37,385	0	0	0
Program Development & Administration	4,190,207	5,973,179	(1,782,972)	1,504,811	2,387,524	(882,713)	2,685,396	3,335,656	(650,260)	0	250,000	(250,000)
Cost of Sales Energy Systems	5,814,698	0	5,814,698	0	0	0	5,814,698	0	5,814,698	0	0	0
Lease Origination Services	1,719	5,000	(3,281)	0	0	0	1,719	5,000	(3,281)	0	0	0
Marketing Expense	1,308,443	1,568,070	(259,627)	222,867	213,000	9,867	1,077,281	1,355,070	(277,789)	8,295	0	8,295
E M & V	210,817	585,000	(374,183)	91,130	250,000	(158,870)	119,687	335,000	(215,313)	0	0	0
Research and Development	157,217	710,000	(552,783)	0	0	0	131,845	650,000	(518,155)	25,373	60,000	(34,628)
Consulting and Professional Fees	2,269,042	2,728,134	(459,092)	236,385	525,000	(288,615)	2,027,657	2,188,134	(160,477)	5,000	15,000	(10,000)
Rent and Location Related Expenses	3,839,693	4,346,304	(506,611)	116,272	124,364	(8,092)	3,673,310	4,167,268	(493,958)	50,110	54,671	(4,561)
Office, Computer & Other Expenses	2,348,220	2,659,982	(311,762)	448,524	513,231	(64,707)	1,797,798	2,023,454	(225,656)	101,898	123,298	(21,399)
Warranty Management	287,562	258,586	28,975	0	0	0	287,561	258,586	28,975	0	0	0
Total Operating Expenses	**36,520,962**	**38,629,880**	**(2,108,919)**	**5,887,938**	**7,801,917**	**(1,913,979)**	**29,026,006**	**28,686,443**	**339,563**	**1,607,017**	**2,141,520**	**(534,503)**
Program Incentives and Grants	**$ 7,728,472**	**$ 9,834,391**	**$ (2,105,920)**	**$ 6,844,717**	**$ 8,999,391**	**$ (2,154,675)**	**$ 833,756**	**$ 835,000**	**$ (1,244)**	**$ 49,999**	**$ 0**	**$ 49,999**
Operating Income/(Loss)	**$ 29,034,183**	**$ 29,441,061**	**$ (406,878)**	**$ 3,435,281**	**$ (1,893,021)**	**$ 5,328,302**	**$ 27,205,231**	**$ 32,975,602**	**$ (5,770,371)**	**$ (1,606,329)**	**$ (1,641,520)**	**$ 35,191**
Non-Operating Expenses	**$ 14,924,298**	**$ 4,541,390**	**$ 10,382,908**	**$ 1,589,842**	**$ 1,888,755**	**$ (298,914)**	**$ 13,334,456**	**$ 2,652,635**	**$ 10,681,821**	**$ 0**	**$ 0**	**$ 0**
Net Revenues Over (Under) Expenses	**$ 14,109,885**	**$ 24,899,671**	**$ (10,789,786)**	**$ 1,845,439**	**$ (3,781,776)**	**$ 5,627,215**	**$ 13,870,775**	**$ 30,322,967**	**$ (16,452,192)**	**$ (1,606,329)**	**$ (1,641,520)**	**$ 35,191**

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

	FY 2025 YTD Actual	FY 2025 YTD Budget	Budget Variance	FY 2024 YTD Actual	Prior Year Variance
Compensation:					
Full Time Employees	$ 9,617,625	$ 10,460,325	$ (842,700)	$ 7,559,497	$ 2,058,129
Interns	123,823	120,960	2,863	68,471	55,352
Overtime	14,627	-	14,627	27,088	(12,461)
Total Compensation	**$ 9,756,075**	**$ 10,581,285**	**$ (825,210)**	**$ 7,655,056**	**$ 2,101,019**
Employee Benefits:					
State Retirement Plan Contributions	$ 4,711,476			$ 4,547,141	$ 164,335
Medical Dental Rx Premiums	1,195,441			970,135	225,305
Payroll and Unemployment Taxes	689,102			523,545	165,557
Life, Disability & WC Premiums	55,810			40,884	14,926
Total Employee Benefits	**6,651,829**	**9,214,340**	**(2,562,511)**	**6,081,705**	**570,124**
Total Compensation and Benefits	**$ 16,407,904**	**$ 19,795,625**	**$ (3,387,721)**	**$ 13,736,761**	**$ 2,671,143**
Benefits and Taxes as a % of Salary	68.18%	87.08%		79.45%	

Actual vs. Budget

Total Employee compensation and benefit costs were $3.4M under budget. Full time employee costs are $843k under budget mostly due to $ of budgeted open positions Benefits and Taxes are approx. $2.6M less than budget due mostly to the favorable employee compensation vari due to open positions previously noted as well as an approx 17% rate variance compared to budget. This is due to the SERS recovery rate determined by the state of CT decreasing from 59.57% in FY24 to 47.48% in FY25 (note: CGB does not help to determine this actual rate). Additionally, this led to actual benefits and taxes being significantly lower than budget (68.18% actual vs a budgeted 87.08% of total compens for the period to date as an estimated 64.50% SERS rate was used for budget purposes based on the 64.30% average of the prior three fisca years).

Actual vs. Prior Year

Compensation costs increased $2.1M and benefit costs increased $570k, respectively over the same period of the prior year. This is mostly d an increase in total employees (67 in June 2025 compared to 57 in June 2024). Actual benefit percentages decreased from 79.45% in the pri period, to 68.18% in the current period mostly due to the aforementioned decrease in SERS recovery rate from the prior year. Additionally, ac contributions to the State employee retirement plan decreased from 60.2% to 49.0% of full time employee compensation, year over year.

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

	FYE 6/3025 Actual	FYE 6/30/24 Actual	FYE 6/30/23 Actual	FYE 6/30/22 Actual	FYE 6/30/21 Actual	FYE 6/30/20 Actual
Compensation:						
Full Time Employees	$ 9,756,075	$ 7,655,056	$ 5,902,859	$ 4,813,293	$ 4,476,214	$ 3,929,354
Temporary Employees	-	-	-	-	-	2,242
Total Compensation	**$ 9,756,075**	**$ 7,655,056**	**$ 5,902,859**	**$ 4,813,293**	**$ 4,476,214**	**$ 3,931,596**
Employee Benefits:						
State Retirement Plan Contributions	$ 4,711,476	$ 4,547,141	$ 3,995,132	$ 3,317,054	$ 2,903,780	$ 2,411,864
Medical Dental Rx Premiums	1,195,441	970,135	791,620	610,627	625,480	553,908
Payroll and Unemployment Taxes	689,102	523,545	417,828	353,405	305,032	269,295
Life, Disability & WC Premiums	55,810	40,884	35,115	28,223	23,840	27,567
Total Employee Benefits	**6,651,829**	**6,081,705**	**5,239,695**	**4,309,308**	**3,858,132**	**3,262,634**
Total Compensation and Benefits	**$ 16,407,904**	**$ 13,736,761**	**$ 11,142,554**	**$ 9,122,602**	**$ 8,334,346**	**$ 7,194,230**
Medical Dental Rx Premiums as a % of Salary	12.25%	12.67%	13.41%	12.69%	13.97%	14.09%
* **Retirement Plan Contributions as a % of Salary**	48.29%	59.40%	67.68%	68.91%	64.87%	61.35%
Total Benefits and Taxes as a % of Salary	68.18%	79.45%	88.77%	89.53%	86.19%	82.98%
** **State of CT Comptroller Employer SERS Rate**	47.48%	59.57%	67.40%	65.90%	64.14%	59.99%

* Retirement Plan Contributions include Pension & OPEB, included Employer contirbutions to the Tier IV Defined Contribution for employees in that plan.
** State of CT Comptroller Employer SERS Rate provided via the annual "Fringe Benefit Recover Rate" memo issued 7/1 of each year by the State Comptroller.

Total Benefits Cost @ Hypothetical Benefits Rate **35%**	3,414,626	2,679,270	2,066,001	1,684,653	1,566,675	1,376,059
Actual Total Compensation and Benefits	16,407,904	13,736,761	11,142,554	9,122,602	8,334,346	7,194,230
Less Total Compensation and Benefits @ Hypothetical Rate	(13,170,702)	(10,334,325)	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)
Incremental HR cost due to State Benefits Charge	3,237,202	3,402,435	3,173,694	2,624,656	2,291,457	1,886,575

Analysis:

As noted above, the cost of benefits per employee has been in excess of 79% of salary for every year since FYE 6/30/20 to 6/30/24, with retirement plan contributions making up 59-69% of the total cost of salary in each of these years. In the current year, the SERS rate decreased to 47.48%, the first year it's been below 59% in the analysis, leading to total benefits around 68% (lower than the 79% and higher of the past 5 fiscal years). It is noted that the medical/dental/Rx costs have remained fairly consistent over the period presented above (approx. 12-14%). The main driver of the benefits rate is the State of CT Comptroller Employer SERS rate that is a tool the state uses to allocate expenses accross all SERS employees. The allocation is done only based on salary of the employees, regardless of the demographic information or tier level of the benefit plans that each employee is eligible for. The Green Bank has a fairly young staff, with 18 Tier III and 41 Tier IV employees of the total 67 full-time employees of the Green Bank at 6/30/25 (where Tier III and Tier IV are lower cost pension arrangements than Tier IIa and Tier II where the Green Bank only has 8 employees). This rate is a cost of doing business to the Green Bank as a quasi-public agency of the state, and management of the Green Bank has no control to manage this rate provided to us. Due to the demographics of our staff, we also believe the rate charged to the Green Bank based on its broad allocation to not be representative of the Tier of employees, where the Green Bank would likely pay a lower rate than what is being charged if employee demographic information as it relates to what Tier SERS plan they are enrolled in was used in the allocation. As further noted above, if we were to apply a standard 35% benefits rate to our salaries over the time period presented, we would save approx. **$2 - $3.5M per year**.

Connecticut Green Bank
Summary of Unfunded Commitments
As of June 30, 2025

(In thousands)

	EPBB Balance 6/30/2025	PBI Balance 6/30/2025	CPACE Loans Balance 6/30/2025	Non CPACE Loans Balance 6/30/2025	All Projects Balance 6/30/2025	Balance 6/30/2024	Increase / (Decrease)
Solar - SHREC Eligible	0	2,456	0	0	2,456	9,850	(7,394)
Solar - Not SHREC Eligible	0	25	0	0	25	96	(71)
Clean Transportation	0	0	0	13,300	13,300	0	13,300
CPACE	0	0	13,524	0	13,524	9,630	3,894
Multifamily/LMI Solar PV & EE	0	0	0	15,010	15,010	5,883	9,127
SBEA	0	0	0	13,840	13,840	14,557	(717)
Solar PPAs/IPC	0	0	0	30,896	30,896	23,599	7,297
Shared Clean Energy Facility	0	0	0	5,000	5,000	0	5,000
Solar & Battery Storage	0	0	0	9,685	9,685	0	9,685
Fuel Cells	0	0	0	10,567	10,567	0	10,567
Total Unfunded Commitments	$ 0	$ 2,481	$ 13,524	$ 98,298	$ 114,303	$ 63,615	$ 50,688

Connecticut Green Bank
Summary of Loan Guarantees
As of June 30, 2025

Guarantor	Issuer	Beneficiary	Relationship of guarantor to Issuer	Type of obligation guaranteed	Maximum amount of guaranty	Obligations guaranteed as of 6/30/2025	Obligations guaranteed as of 6/30/2024
CT Green Bank	Owners of multifamily dwellings in Connecticut	Housing Development Fund	Issuers participate in program administered by CGB and the Housing Development Fund to install energy upgrades in multifamily dwellings	Commercial and consumer loan products with various terms	$ 5,000,000	$ 2,791,204	$ 2,892,171
CEFIA Holdings LLC	CEFIA Solar Services Inc.	CHFA	Holdings is the sole shareholder of Services and an affiliate of CGB	Promissory Note for funds received from CHFA upon their issuance of Qualified Energy Conservation Bonds (QECBs) for State Sponsored Housing Projects (SSHP)	1,895,807	1,082,188	1,176,979
CT Green Bank	Canton Hydro, LLC	Provident Bank	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Unfunded guaranty not to exceed $500,000	500,000	-	500,000
					$ 7,395,807	**$ 3,873,392**	**$ 4,569,150**

Connecticut Green Bank

Program Loans, Notes and Loan Loss Reserve Analysis

As of June 30, 2025

Legal Entity	Loan Program	Project	Loan Portfolio Balance 7/1/2024	FY25 YTD Investments	FY25 YTD Repayments	Loan Portfolio Balance As of June 30, 2025	Loan Loss Reserve Balance 7/1/2024	FY25 YTD Increase / Decrease to Reserve	Loan Loss Reserve Balance As of June 30, 2025	Reserve as a % of Portfolio Balance	Loan Portfolio Carrying Value As of June 30, 2025
CGB	CPACE Program	Various	$ 45,412,640	$ -	$ (2,915,855)	$ 42,496,785	(4,541,269)	$ 3,053,882	$ (1,487,387)	3.5%	$ 41,009,398
CGB	Fuel Cell Projects	FCE Corp-Master Refinance Facility	8,943,111	-	(1,047,035)	7,896,076	(894,311)	499,507	(394,804)	5.0%	7,501,272
		FCE Corp-Promissory Note	8,000,000	-	-	8,000,000	(800,000)		(800,000)	10.0%	7,200,000
		Charter Oak - Bridgeport Fuel Cell	-	3,332,883	-	3,332,883	-	(333,288)	(333,288)	10.0%	2,999,594
		Scale Borrower II - Tax Equity Bridge Loan	-	315,409		315,409	-	(31,541)	(31,541)	10.0%	283,868
		FCE Corp- Derby Senior Loan	2,740,518	-	(275,679)	2,464,839	(274,052)	27,568	(246,484)	10.0%	2,218,355
		FCE Corp- Derby Junior Loan	3,500,000		-	3,500,000	(350,000)		(350,000)	10.0%	3,150,000
CGB	CHP Pilot	Bridgeport MicroGrid	358,651		(23,337)	335,315	(17,933)	1,167	(16,766)	5.0%	318,549
CGB	Anaerobic Digester	Quantum Biopower	987,605		(987,605)	-	(49,380)	49,380	-	0.0%	-
		Fort Hill Ag-Grid LLC	549,116		(61,114)	488,002	(27,456)	3,056	(24,400)	5.0%	463,602
CGB	Other Loans	Nu Power Thermal	427,000		(427,000)	-	(427,000)	427,000	-	0.0%	-
		Terrace Heights Condos	6,363		(6,363)	-	(636)	636	0	0.0%	0
CGB	Multifamily / Affordable Housing / Credit Challenged / LMI	Capital for Change	3,262,085		(214,899)	3,047,186	(326,209)	21,490	(304,719)	10.0%	2,742,467
		CEEFCo	15,000,000		(3,500,000)	11,500,000	(1,500,000)	925,000	(575,000)	5.0%	10,925,000
		Posigen	28,229,195	2,372,509	(8,388,302)	22,213,402	(2,822,920)	(16,685,670)	(19,508,589)	87.8%	2,704,813
CGB	Energy Efficiency Financing	RENEW Energy Efficiency Bridgeport	45,160		(35,763)	9,396	(4,516)	3,576	(940)	10.0%	8,456
CGB	Wind Financing	Wind Colebrook	1,230,922		(141,368)	1,089,554	(123,092)	14,137	(108,955)	10.0%	980,598
CGB	Hydro Projects	Canton Hydro	679,920		(26,745)	653,175	(33,996)	1,337	(32,659)	5.0%	620,516
CGB	Sunwealth Note	Sunwealth	739,894		(57,859)	682,035	(36,995)	2,893	(34,102)	5.0%	647,933
CGB	IPC Note Receivable	IPC	1,000,000		(325,000)	675,000	-		-	0.0%	675,000
CGB	Budderfly	Budderfly	4,249,032		(4,249,032)	-	(424,903)	424,903	-	0.0%	-
CEFIA Holdings	Sunwealth Note	Sunwealth	629,357		(63,744)	565,613	(31,468)	3,187	(28,281)	5.0%	537,332
CEFIA Holdings	Skyview Notes	Skyview	7,022,729		(530,755)	6,491,974	(351,136)	26,538	(324,599)	5.0%	6,167,375
		Skyview Bantam	-	69,760		69,760	-	(1,395)	(1,395)	2.0%	68,365
		Skyview Candlewood		1,628,419	(16,295)	1,612,124	-	(32,242)	(32,242)	2.0%	1,579,881
CEFIA Holdings	SBEA Loans	SBEA	215	(58)		158	-		-	0.0%	158
CEFIA Holdings	Downeast	Downeast	-	668,400		668,400	-	(13,368)	(13,368)	2.0%	655,032
CEFIA Holdings	Inclusive Solar Manager	IPC	4,532,255		(273,937)	4,258,317	(90,645)	5,479	(85,166)	2.0%	4,173,151
	Inclusive Solar CT	IPC	-	1,173,255	(26,149)	1,147,106	-	(22,942)	(22,942)	2.0%	1,124,164
		IPC-Tax Equity Bridge Loan	-	526,957		526,957	-	(10,539)	(10,539)	2.0%	516,418
CT Solar Loan 1	Solar Loans	CT Solar Loan 1	445,455	-	(134,131)	311,324	(22,273)	6,707	(15,566)	5.0%	295,758
CT Solar Lease 1	Solar Lease Notes	CT Solar Lease 1	1,313,291	-	(702,199)	611,092	(131,329)	70,220	(61,109)	10.0%	549,983
CGB CPACE	CPACE Program	Various	16,677,000	13,201,928	(387,541)	29,491,388	(398,879)	(190,551)	(589,430)	2.0%	28,901,958
CGB Green Liberty Notes	SBEA Loans	SBEA	5,243,218	2,833,412	(2,181,366)	5,895,264	-		-	0.0%	5,895,264
		Total:	$ 161,224,733	$ 26,122,873	$ (26,999,075)	$ 160,348,531	$ (13,680,397)	$ (11,753,873)	$ (25,434,271)	15.9%	$ 134,914,261
		CGB:									
		CPACE Loans	$ 45,412,640	$ -	$ (2,915,855)	$ 42,496,785	$ (4,541,269)	$ 3,053,882	$ (1,487,387)	3.5%	$ 41,009,398
		Posigen	$ 28,229,195	$ 2,372,509	$ (8,388,302)	$ 22,213,402	$ (2,822,920)	$ (16,685,670)	$ (19,508,589)	87.8%	$ 2,704,813
		Sunwealth	$ 739,894	$ -	$ (57,859)	$ 682,035	$ (36,995)	$ 2,893	$ (34,102)	5.0%	$ 647,933
		Program Loans	$ 50,979,483	$ 3,648,292	$ (11,320,942)	$ 43,306,833	$ (5,253,484)	$ 2,033,929	$ (3,219,555)	7.4%	$ 40,087,278
		Total CGB:	$ 125,361,213	$ 6,020,801	$ (22,682,958)	$ 108,699,055	$ (12,654,667)	$ (11,594,966)	$ (24,249,633)	22.3%	$ 84,449,422
		CEFIA Holdings	$ 12,184,556	$ 4,066,733	$ (910,880)	$ 15,340,409	$ (473,249)	$ (45,283)	$ (518,533)	3.4%	$ 14,821,876
		CT Solar Loan 1	$ 445,455	$ -	$ (134,131)	$ 311,324	$ (22,273)	$ 6,707	$ (15,566)	5.0%	$ 295,758
		CT Solar Lease 1	$ 1,313,291	$ -	$ (702,199)	$ 611,092	$ (131,329)	$ 70,220	$ (61,109)	10.0%	$ 549,983
		CGB CPACE	$ 16,677,000	$ 13,201,928	$ (387,541)	$ 29,491,388	$ (398,879)	$ (190,551)	$ (589,430)	2.0%	$ 28,901,958
		CGB Green Liberty Notes	$ 5,243,218	$ 2,833,412	$ (2,181,366)	$ 5,895,264	$ -	$ -	$ -	0.0%	$ 5,895,264
											$ 134,914,261

Connecticut Green Bank
Consolidated Balance Sheet
As of June 30, 2025

	Connecticut Green Bank As of 6/30/2025	CGB Meriden Hydro LLC As of 6/30/2025	SHREC ABS 1 LLC As of 6/30/2025	SHREC Warehouse 1 LLC As of 6/30/2025	CT Solar Lease 1 LLC As of 6/30/2025	CGB C-PACE LLC As of 6/30/2025	CT Solar Loan I LLC As of 6/30/2025	CEFIA Holdings LLC As of 6/30/2025	CGB Green Liberty Notes LLC As of 6/30/2025	CT Solar Lease 2 LLC As of 6/30/2025	CT Solar Lease 3 LLC As of 6/30/2025	CEFIA Solar Services Inc. As of 6/30/2025	Eliminations As of 6/30/2025	Consolidated As of 6/30/2025	Consolidated As of 6/30/2024	Consolidated Variance
Assets																
Current Assets																
Cash and Cash Equivalents	40,090,066	88,612	3,567,620	4,746	-	2,364,530	86,816	1,455,267	2,418,624	1,365,132	566,988	237,691	-	52,246,093	26,065,154	26,180,939
Accounts Receivable	1,168,039	-	-	-	-	36,083	-	9,072	-	86,956	24,365	925	-	1,325,441	1,816,604	(491,164)
Current Portion of Program Loans, Net of Reserves	21,188,329	-	-	-	-	864,426	65,631	1,958,055	-	-	-	-	-	24,076,442	16,919,794	7,156,647
Utility Remittance Receivable	1,912,845	-	-	-	-	-	-	-	-	-	-	-	-	1,912,845	1,983,528	(70,682)
Current Portion of Solar Lease Notes	-	-	-	-	406,594	-	-	-	-	-	-	-	-	406,594	753,842	(347,248)
Current Portion of SBEA Promissory Notes	-	-	-	-	-	-	-	-	1,730,214	-	-	-	-	1,730,214	1,559,260	170,954
Current Portion of Lease Receivable	-	-	-	-	-	-	-	-	-	1,069,742	-	2,790	-	1,072,533	1,050,019	22,514
Interest Receivable	2,367,019	-	-	-	-	320,925	1,674	-	-	4,462	-	-	-	2,694,080	2,102,879	591,201
Other Receivables	131,561	-	-	-	-	-	-	2,515,704	264,807	787,865	311,789	412,431	-	4,424,156	7,763,672	(3,339,516)
Prepaid Expenses and Other Assets	161,347	25,574	41,667	-	-	-	-	1,270,172	-	288,877	31,985	141,160	-	1,960,783	2,319,852	(359,069)
Current Portion of Prepaid Warranty Management	-	-	-	-	-	-	-	-	-	255,791	-	-	-	255,791	258,586	(2,795)
Total Current Assets	67,019,206	114,186	3,609,287	4,746	406,594	3,585,964	154,121	7,208,271	4,413,645	3,858,826	935,127	794,998	-	92,104,970	62,593,190	29,511,781
Noncurrent Assets																
Restricted Assets																
Cash and Cash Equivalents	115,836,884	-	681,835	7,474,482	-	-	-	733,543	-	1,160,732	-	392,668	-	126,280,144	27,782,421	98,497,723
Investments	880,201	-	-	-	-	-	-	-	-	-	-	-	-	880,201	1,113,685	(233,484)
Program Loans, net of reserves	63,261,092	-	-	-	-	28,037,532	230,127	12,863,662	-	-	-	-	-	104,392,413	124,199,150	(19,806,738)
Solar Lease I Promissory Notes, net of reserves	-	-	-	-	143,389	-	-	-	-	-	-	-	-	143,389	428,120	(284,732)
Renewable Energy Certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,042	(31,042)
SBEA Promissory Notes, net of reserves	-	-	-	-	-	-	-	158	3,332,978	-	-	-	-	3,333,136	3,030,663	302,473
Lease Receivable, less current portion	-	-	-	-	-	-	-	-	-	12,339,528	-	58,142	-	12,397,669	13,719,779	(1,322,109)
Due From Component Units	90,161,299	-	30,615,204	8,078,455	-	-	-	5,483,096	-	-	-	7,188,701	(51,308,081)	-	-	-
Investment in Component Units	100,100	-	-	-	-	-	-	100	-	-	-	27,578,253	(27,578,353)	-	-	-
Prepaid Warranty Management, less current portion	-	-	-	-	-	-	-	-	-	2,388,688	-	-	-	2,388,688	2,673,454	(284,766)
Fair Value - Interest Rate Swap	-	-	-	-	-	-	-	-	-	51,012	-	-	-	51,012	212,188	(161,176)
Capital Assets, net	10,019,795	3,357,539	-	-	-	-	-	797,033	-	42,301,849	8,621,346	357,909	-	65,455,470	69,517,800	(4,062,329)
Total Noncurrent Assets	280,259,371	3,357,539	31,297,039	15,552,937	143,389	28,037,532	230,127	19,877,592	3,332,978	58,241,808	8,621,346	35,575,673	(78,886,434)	315,322,123	242,708,301	72,613,822
Total Assets	**347,278,577**	**3,471,725**	**34,906,326**	**15,557,683**	**549,983**	**31,623,496**	**384,247**	**27,085,863**	**7,746,623**	**62,100,634**	**9,556,473**	**36,370,671**	**(78,886,434)**	**407,427,093**	**305,301,491**	**102,125,602**
Deferred Outflows of Resources																
Deferred Amount for Pensions	11,977,795	-	-	-	-	-	-	-	-	-	-	-	-	11,977,795	7,216,342	4,761,453
Deferred Amount for OPEB	11,212,038	-	-	-	-	-	-	-	-	-	-	-	-	11,212,038	11,631,046	(419,008)
Deferred Amount for Asset Retirement Obligations	-	-	-	-	-	-	-	-	-	1,590,474	329,522	-	-	1,919,995	1,866,994	53,001
Total Deferred Outflows of Resources	**23,189,833**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,590,474**	**329,522**	**-**	**-**	**25,109,828**	**20,714,382**	**4,395,446**
Liabilities																
Current Liabilities																
Accounts Payable	1,044,249	-	-	-	-	-	1,050	21,840	550	-	-	86,108	-	1,153,798	877,981	275,816
Accrued payroll and related liabilities	1,912,247	-	-	-	-	-	-	-	-	-	-	-	-	1,912,247	1,469,244	443,003
Accrued Expenses	10,446,117	-	35,662	-	-	-	-	123,212	21,465	31,147	7,218	4,281	-	10,669,103	9,847,925	821,178
Notes Payable-Green Liberty Notes	-	-	-	-	-	-	-	-	1,050,000	-	-	-	-	1,050,000	1,400,000	(350,000)
Current Maturities of Long-Term Debt	3,769,128	-	1,869,000	-	-	-	-	-	-	762,171	-	94,791	-	6,495,090	6,452,484	42,606
Custodial Liability	-	-	-	-	-	-	-	636,568	-	-	-	6,383	-	642,950	748,583	(105,633)
Deferred Revenue	94,869,604	-	-	-	-	-	-	-	-	-	-	-	-	94,869,604	52,622	94,816,982
Total Current Liabilities	112,041,345	-	1,904,662	-	-	-	1,050	781,619	1,072,015	793,318	7,218	191,563	-	116,792,791	20,848,839	95,943,952
Noncurrent Liabilities																
Due to Component Units	38,693,659	6,309,180	-	-	304,107	29,533,863	-	9,115,186	6,262,678	16,276,467	-	35,031,614	(51,308,081)	-	-	-
Asset Retirement Obligation	-	-	-	-	-	-	-	-	-	4,420,788	679,956	-	-	5,100,744	4,345,686	755,058
Long-term debt	37,487,021	-	14,608,845	-	-	-	-	-	-	5,045,662	-	987,397	-	58,128,926	65,002,613	(6,873,687)
Pension Liability	23,182,604	-	-	-	-	-	-	-	-	-	-	-	-	23,182,604	17,457,556	5,725,048
OPEB Liability	27,108,120	-	-	-	-	-	-	-	-	-	-	-	-	27,108,120	23,770,649	3,337,471
Total Noncurrent Liabilities	126,471,404	6,309,180	14,608,845	-	304,107	29,533,863	-	9,115,186	6,262,678	25,742,917	679,956	36,019,012	(51,308,081)	113,520,394	110,576,504	2,943,890
Total Liabilities	**238,512,750**	**6,309,180**	**16,513,507**	**-**	**304,107**	**29,533,863**	**1,050**	**9,896,806**	**7,334,694**	**26,536,235**	**687,174**	**36,210,574**	**(51,308,081)**	**230,313,185**	**131,425,343**	**98,887,842**
Deferred Inflows of Resources																
Deferred Pension Inflow Liability	2,836,975	-	-	-	-	-	-	-	-	-	-	-	-	2,836,975	4,152,515	(1,315,540)
Deferred OPEB Inflow Liability	6,887,634	-	-	-	-	-	-	-	-	-	-	-	-	6,887,634	10,606,728	(3,719,094)
Deferred Lease Inflow Liability	-	-	-	-	-	-	-	-	-	12,237,168	-	58,496	-	12,295,664	13,737,708	(1,442,044)
Total Deferred Inflows of Resources	**9,724,609**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,237,168**	**-**	**58,496**	**-**	**22,020,273**	**28,496,951**	**(6,476,678)**
Net Position																
Net Investment in Capital Assets	10,019,795	3,357,539	-	-	-	-	-	797,033	-	42,301,849	8,621,346	357,909	-	65,455,470	69,517,800	(4,062,329)
Restricted-Energy Programs	115,836,884	-	681,835	7,474,482	-	-	-	733,543	-	1,160,732	-	392,668	-	126,280,144	27,782,421	98,497,723
Unrestricted Net Position	(3,625,628)	(6,194,994)	17,710,984	8,083,201	245,876	2,089,633	383,197	15,658,482	411,929	(18,544,876)	577,475	(648,977)	(27,578,353)	(11,532,151)	68,793,359	(80,325,509)
Total Net Position	**122,231,051**	**(2,837,455)**	**18,392,819**	**15,557,683**	**245,876**	**2,089,633**	**383,197**	**17,189,058**	**411,929**	**24,917,704**	**9,198,821**	**101,600**	**(27,578,353)**	**180,203,464**	**166,093,579**	**14,109,885**

Connecticut Green Bank
Consolidated Statement of Revenues and Expenditures
For the Period July 1, 2024 to June 30, 2025

	Connecticut Green Bank Fiscal YTD 6/30/2025	CGB Meriden Hydro LLC Fiscal YTD 6/30/2025	SHREC ABS 1 LLC Fiscal YTD 6/30/2025	SHREC Warehouse 1 LLC Fiscal YTD 6/30/2025	CT Solar Lease 1 LLC Fiscal YTD 6/30/2025	CGB C-PACE LLC Fiscal YTD 6/30/2025	CT Solar Loan I LLC Fiscal YTD 6/30/2025	CEFIA Holdings LLC Fiscal YTD 6/30/2025	CGB Green Liberty Notes LLC Fiscal YTD 6/30/2025	CT Solar Lease 2 LLC Fiscal YTD 6/30/2025	CT Solar Lease 3 LLC Fiscal YTD 6/30/2025	CEFIA Solar Services Inc. Fiscal YTD 6/30/2025	Eliminations Fiscal YTD 6/30/2025	Consolidated Fiscal YTD 6/30/2025	Consolidated Fiscal YTD 6/30/2024	Consolidated Variance
Operating Income (Loss)																
Operating Revenues																
Utility Remittances	24,860,166	-	-	-	-	-	-	-	-	-	-	-	-	24,860,166	24,597,356	262,810
Interest Income-Promissory Notes	7,538,681	-	-	-	44,525	1,172,461	24,025	629,703	237,030	-	-	-	-	9,646,425	8,667,603	978,822
RGGI Auction Proceeds	5,200,000	-	-	-	-	-	-	-	-	-	-	-	-	5,200,000	5,200,000	-
Energy System Sales	-	-	-	-	-	-	-	5,814,698	-	-	-	-	-	5,814,698	2,884,201	2,930,497
REC Sales	5,367,718	-	4,976,135	3,242,735	-	-	-	1,551,680	-	744,679	450,778	16,499	-	16,350,224	17,089,576	(739,352)
Lease Income	-	-	-	-	-	-	-	-	-	1,562,043	-	5,317	-	1,567,359	1,828,970	(261,611)
Other Income	5,147,227	-	-	-	-	270,989	149	527,293	-	855,572	369,087	777,069	(157,450)	7,789,934	4,189,970	3,599,964
Total Operating Revenues	48,113,791	-	4,976,135	3,242,735	44,525	1,443,450	24,173	8,523,374	237,030	3,162,293	819,865	798,885	(157,450)	71,228,806	64,457,675	6,771,131
Operating Expenses																
Cost of Goods Sold-Energy Systems	-	-	-	-	-	-	-	5,814,698	-	-	-	-	-	5,814,698	2,884,201	2,930,497
Provision for Loan Losses	11,594,971	-	-	-	(70,220)	190,551	(6,707)	45,283	-	-	-	-	-	11,753,878	2,282,946	9,470,933
Grants and Incentive Payments	7,728,472	-	-	-	-	-	-	-	-	-	-	-	-	7,728,472	6,853,788	874,684
Program Administration Expenses	18,228,446	351,330	61,000	98,333	37,083	-	22,698	76,312	33,500	3,469,212	495,132	1,028,283	-	23,901,330	22,135,757	1,765,573
General and Administrative Expenses	6,747,548	5,750	2,975	2,407	-	946	5,300	1,195	13,224	332,810	49,712	44,495	(157,450)	7,048,913	3,849,784	3,199,129
Total Operating Expenses	44,299,437	357,080	63,975	100,740	(33,137)	191,497	21,292	5,937,488	46,724	3,802,022	544,844	1,072,779	(157,450)	56,247,291	38,006,475	18,240,816
Operating Income (Loss)	3,814,354	(357,080)	4,912,160	3,141,995	77,661	1,251,954	2,881	2,585,886	190,306	(639,729)	275,021	(273,894)	-	14,981,515	26,451,200	(11,469,685)
Nonoperating Revenue (Expenses)																
Interest Income-Short Term Cash Deposits	1,687,654	-	96,941	179,901	-	-	-	1,529	115,462	941	129	1,212	-	2,083,768	1,423,755	660,013
Interest Income-Component Units	74,782	-	-	-	-	-	-	-	-	-	-	55,820	(130,602)	-	-	-
Interest Expense-Component Units	-	-	-	-	-	-	-	-	-	(130,602)	-	-	130,602	-	-	-
Interest Expense-ST Debt	-	-	-	-	-	-	-	-	(58,695)	-	-	-	-	(58,695)	(58,886)	192
Interest Expense-LT Debt	(889,009)	-	(911,489)	-	-	-	-	-	-	(328,974)	-	(28,141)	-	(2,157,612)	(2,380,563)	222,950
Debt Issuance Costs	(2,625)	-	-	-	-	-	-	-	(2,500)	-	-	-	-	(5,125)	(10,000)	4,875
Distributions to Member	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(22,801)	22,801
Unrealized Gain (Loss) on Investments	(233,484)	-	-	-	-	-	-	-	-	(339,306)	-	-	-	(572,790)	(315,219)	(257,571)
Total Nonoperating Revenue (Expenses)	637,319	-	(814,548)	179,901	-	-	-	1,529	54,267	(959,118)	129	28,891	-	(871,631)	(1,497,234)	625,604
Change in Net Position	**4,451,673**	**(357,080)**	**4,097,612**	**3,321,896**	**77,661**	**1,251,954**	**2,881**	**2,587,415**	**244,574**	**(1,598,847)**	**275,150**	**(245,003)**	**-**	**14,109,885**	**24,953,966**	**(10,844,081)**

Connecticut Green Bank
Consolidated Statement of Cash Flows
For the Period July 1, 2024 to June 30, 2025

	Connecticut Green Bank Fiscal YTD 6/30/2025	CGB Meriden Hydro LLC Fiscal YTD 6/30/2025	SHREC ABS 1 LLC Fiscal YTD 6/30/2025	SHREC Warehouse 1 LLC Fiscal YTD 6/30/2025	CT Solar Lease 1 LLC Fiscal YTD 6/30/2025	CGB C-PACE LLC Fiscal YTD 6/30/2025	CT Solar Loan I LLC Fiscal YTD 6/30/2025	CEFIA Holdings LLC Fiscal YTD 6/30/2025	CGB Green Liberty Notes LLC Fiscal YTD 6/30/2025	CT Solar Lease 2 LLC Fiscal YTD 6/30/2025	CT Solar Lease 3 LLC Fiscal YTD 6/30/2025	CEFIA Solar Services Inc. Fiscal YTD 6/30/2025	Eliminations Fiscal YTD 6/30/2025	Consolidated Fiscal YTD 6/30/2025
Operating Activities														
Change in Net Position	4,451,673	(357,080)	4,097,612	3,321,896	77,661	1,251,954	2,881	2,587,415	244,574	(1,598,847)	275,150	(245,003)		14,109,885
Adjustments to reconcile change in net position to net cash provided by (used in) operating activites														
Depreciation	797,326	152,040	-	-	-	-	-	27,643	-	2,039,440	413,246	15,246		3,444,941
Accretion	-	-	-	-	-	-	-	-	-	733,655	21,403	-		755,058
Provision for Loan Losses	11,594,966	-	-	-	-	190,551	6,707	45,283	-	-	-	-		11,837,507
Loss on Fixed Asset Disposals/Solar Lease Buyouts	-	-	-	-	-	-	-	-	-	339,306	-	-		339,306
Gain (Loss) on FV of Interest Rate Swap	-	-	-	-	-	-	-	-	-	161,176	-	-		161,176
Changes in operating assets and liabilities:						-								
Accounts Receivable	470,612	-	-	-	-	(34,789)	-	1,039	-	11,891	4,298	38,112		491,164
Utility Remittance Receivable	70,682	-	-	-	-	-	-	-	-	-	-	-		70,682
Interest Receivables	(384,076)	-	-	-	-	(211,718)	749	-	-	3,844	-	-		(591,201)
Other Receivables	12,230	-	-	-	78,232	-	956	(1,124,549)	(64,910)	3,537	(807)	4,434,826		3,339,516
Due from Component Units	(5,881,317)	-	(50,000)	(2,294,000)	-	-	-	5,317,047	-	-	-	44,180	2,864,090	-
Prepaid Expenses and Other Assets	26,110	12,184	-	-	-	-	-	(332,534)	-	303,124	755	668,034		677,672
Accounts Payable and Accrued Expenses	1,917,721	-	(3,768)	(1,944)	-	-	(43)	22,268	(15,021)	(81,318)	(9,350)	(288,547)		1,539,997
Due to Component Units	2,344,000	250,000	-	-	(787,873)	12,098,863	(413,729)	(4,304,455)	-	(469,398)	-	(5,853,318)	(2,864,090)	-
Custodial Liability	(40,000)	-	-	-	-	-	-	(65,633)	-	-	-	-		(105,633)
Deferred Revenue	94,816,982	-	-	-	-	-	-	-		-	-	-		94,816,982
Net cash provided by (used in) operating activities	110,115,833	57,143	4,043,844	1,025,951	(631,980)	13,294,861	(402,479)	2,173,523	164,642	1,304,694	704,696	(1,187,202)	0	130,663,527
Investing Activities														
Purchase of Capital Assets	(39,906)	-	-	-	-	-	-	-	-	-	-	-		(39,906)
Proceeds from sale of Capital Assets/Solar Lease Buyouts	-	-	-	-	-	-	-	-	-	264,987	-	-		264,987
Program Loan Disbursements	(6,020,801)	-	-	-	-	(13,201,928)	-	(4,066,791)	(2,654,841)	-	-	-		(25,944,360)
Return of Principal on Program Loans	22,682,964	-	-	-	631,980	387,541	120,718	910,928	2,181,366	-	-	-		26,915,496
Net cash provided by (used in) investing activities	16,622,257	-	-	-	631,980	(12,814,387)	120,718	(3,155,863)	(473,475)	264,987	-	-	-	1,196,217
Financing Activities														
Proceeds from Green Liberty Notes	-	-	-	-	-	-	-	-	1,050,000	-	-	-		1,050,000
Repayments of Debt	(3,752,230)	-	(1,740,819)	-	-	-	-	-	(1,400,000)	(1,243,242)	-	(94,791)		(8,231,081)
Distributions to Member	-	-	-	-	-	-	-	-	-	-	(950,000)	950,000		-
Net cash provided by (used in) financing activities	(3,752,230)	-	(1,740,819)	-	-	-	-	-	(350,000)	(1,243,242)	(950,000)	855,209	-	(7,181,081)
Net increase (decrease) in cash and cash equivalents	122,985,860	57,143	2,303,025	1,025,951	-	480,473	(281,760)	(982,340)	(658,833)	326,440	(245,304)	(331,992)	0	124,678,663
Cash and Cash Equivalents, Beginning of Period														
Unrestricted	14,906,338	31,468	1,219,975	56,009	-	1,884,057	368,576	2,440,919	3,077,457	697,168	812,292	570,894		26,065,154
Restricted	18,034,752	-	726,455	6,397,268	-	-	-	730,232	-	1,502,256	-	391,458		27,782,421
Cash and Cash Equivalents, Beginning of Period	32,941,090	31,468	1,946,430	6,453,277	-	1,884,057	368,576	3,171,150	3,077,457	2,199,424	812,292	962,352	-	53,847,574
Cash and Cash Equivalents, End of Period														
Unrestricted	40,090,066	88,612	3,567,620	4,746	-	2,364,530	86,816	1,455,267	2,418,624	1,365,132	566,988	237,691		52,246,093
Restricted	115,836,884	-	681,835	7,474,482	-	-	-	733,543	-	1,160,732	-	392,668		126,280,144
Cash and Cash Equivalents, End of Period	155,926,950	88,612	4,249,455	7,479,228	-	2,364,530	86,816	2,188,810	2,418,624	2,525,864	566,988	630,360	-	178,526,237

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Eric Shrago (VP of Operations)

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

Date: October 24, 2025

Re: Fiscal Year 2026 Progress to Targets and Activity in Vulnerable Communities through Q1

The following memo outlines Connecticut Green Bank (CGB) progress to targets and capital deployed, including investments in vulnerable communities[1] for Fiscal Year (FY) 2026 as of September 30, 2025.

Organization

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

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

Total Number of Projects	Total Capital Deployed	Total Capital Deployed	Total Capacity Installed (MW)	Total Capacity Installed (MW)
465	Target: 1,945 (-1,480 -76%)	$119,696,937	Target: $198,554,555 (-$78,857,618 -40%)	34.8
				Target: 45.9 (-11.1 -24%)

Green Bank Total Actuals vs Targets

FY Closed	Segment	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2026	CGB	465	1,945	24%	$119,696,937	$198,554,555	60%	34.8	45.9	76%	$54,628,379	$66,066,696	$120,695,075

Table 2. CGB Totals Vulnerable Communities (excluding SBEA)

Green Bank Total Activity in Vulnerable Communities (excluding SBEA and Investment)

Vintage Vulnerable Community	Vulnerable						Not Vulnerable						Total					
FY Closed	# of Projects	% of Total	Capital Deployed	% of Total	MW	% of Total	# of Projects	% of Total	Capital Deployed	% of Total	MW	% of Total	**# of Projects**	**% of Total**	**Capital Deployed**	**% of Total**	**MW**	**% of Total**
2026	86	22%	$73,912,276	64%	19.9	57%	297	78%	$41,394,432	36%	14.9	43%	**383**	**100%**	**$115,306,707**	**100%**	**34.8**	**100%**

[1] CGB Performance Metrics Power BI data source as of 10/14/2025: https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/dcec3754-1e52-4c0c-b579-cfa7df20379c/ReportSection3a1e4346c50856c3c008

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

Financing Programs

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

Table 3. Financing Programs Progress to Targets

Financing Number of Projects	Financing Capital Deployed	Financing Capacity Installed (MW)
107 !	$98,724,385 ✓	25.5 ✓
Target: 491 (-384 -78%)	Target: $98,076,786 (+$647,599 +1%)	Target: 24.9 (+0.6 +2%)

Financing Segment Total Actuals vs Targets

FY Closed	Segment	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2026	Financing	107	491	22%	$98,724,385	$98,076,786	101%	25.5	24.9	102%	$52,205,466	$46,518,919	$98,724,385

Table 4. Financing Programs Vulnerable Communities (excluding SBEA)

Financing Programs Activity in Vulnerable Communities (excluding SBEA)

Vintage Vulnerable Community / FY Closed	Vulnerable # of Projects	Vulnerable % of Total	Vulnerable Capital Deployed	Vulnerable % of Total	Vulnerable MW	Vulnerable % of Total	Not Vulnerable # of Projects	Not Vulnerable % of Total	Not Vulnerable Capital Deployed	Not Vulnerable % of Total	Not Vulnerable MW	Not Vulnerable % of Total	Total # of Projects	Total % of Total	Total Capital Deployed	Total % of Total	Total MW	Total % of Total
2026	**16**	**64%**	**$67,344,415**	**71%**	**17.1**	**67%**	**9**	**36%**	**$26,989,740**	**29%**	**8.4**	**33%**	**25**	**100%**	**$94,334,155**	**100%**	**25.5**	**100%**
Commercial Lease							2	100%	$852,486	100%	0.4	100%	2	100%	$852,486	100%	0.4	100%
CPACE	10	63%	$11,834,075	70%	1.3	70%	6	38%	$5,170,854	30%	0.5	30%	16	100%	$17,004,929	100%	1.8	100%
CPACE backed Commercial Lease	1	100%	$500,000	100%	0.0								1	100%	$500,000	100%	0.0	
MAP	5	83%	$55,010,340	72%	15.9	68%	1	17%	$20,966,400	28%	7.5	32%	6	100%	$75,976,740	100%	23.3	100%
Total	**16**	**64%**	**$67,344,415**	**71%**	**17.1**	**67%**	**9**	**36%**	**$26,989,740**	**29%**	**8.4**	**33%**	**25**	**100%**	**$94,334,155**	**100%**	**25.5**	**100%**

Incentive Programs

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

Table 5. Incentive Programs Progress to Targets

Incentive Number of Projects	Incentive Capital Deployed	Incentive Capacity Installed (MW)
358 !	$20,972,552 !	9.3 !
Target: 1,420 (-1,062 -75%)	Target: $53,135,000 (-$32,162,448 -61%)	Target: 17.0 (-7.7 -46%)

Incentive Segment Total Actuals vs Targets

FY Closed	Segment	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2026	Incentive	358	1,420	25%	$20,972,552	$53,135,000	39%	9.3	17.0	54%	$2,422,913	$19,547,777	$21,970,690

Table 6. Incentive Programs Vulnerable Communities

Incentive Programs Activity in Vulnerable Communities

Vintage Vulnerable Community / FY Closed	Vulnerable # of Projects	Vulnerable % of Total	Vulnerable Capital Deployed	Vulnerable % of Total	Vulnerable MW	Vulnerable % of Total	Not Vulnerable # of Projects	Not Vulnerable % of Total	Not Vulnerable Capital Deployed	Not Vulnerable % of Total	Not Vulnerable MW	Not Vulnerable % of Total	Total # of Projects	Total % of Total	Total Capital Deployed	Total % of Total	Total MW	Total % of Total
2026	**70**	**20%**	**$6,567,860**	**31%**	**2.7**	**30%**	**288**	**80%**	**$14,404,692**	**69%**	**6.5**	**70%**	**358**	**100%**	**$20,972,552**	**100%**	**9.3**	**100%**
Energy Storage Solutions - Commercial	2	40%	$4,884,530	42%	2.2	34%	3	60%	$6,690,792	58%	4.2	66%	5	100%	$11,575,322	100%	6.3	100%
Energy Storage Solutions - Residential	23	23%	$785,969	24%	0.4	24%	79	77%	$2,498,239	76%	1.4	76%	102	100%	$3,284,208	100%	1.8	100%
Smart-E	45	18%	$897,361	15%	0.1	11%	206	82%	$5,215,660	85%	1.0	89%	251	100%	$6,113,022	100%	1.1	100%
Total	**70**	**20%**	**$6,567,860**	**31%**	**2.7**	**30%**	**288**	**80%**	**$14,404,692**	**69%**	**6.5**	**70%**	**358**	**100%**	**$20,972,552**	**100%**	**9.3**	**100%**

Table 7. Current Reporting Periods for Smart-E Lenders

Smart-E Lender Files

Lender Name	Latest Lender File Date
Capital For Change	8/31/2025
CorePlus Federal Credit Union	9/30/2025
Eastern Connecticut Savings Bank	8/31/2025
First National Bank of Suffield	9/30/2025
Ion Bank	9/30/2025
Liberty Bank	12/31/2023
Mutual Security Credit Union	8/31/2025
Nutmeg State Financial Credit Union	8/31/2025
Patriot Bank	8/31/2025
Thomaston Savings Bank	7/31/2025
Union Savings Bank	8/31/2025
Workers Federal Credit Union	9/30/2025

Environmental Infrastructure Programs

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

Table 8. Environmental Infrastructure Programs Progress to Targets

EI Number of Projects	EI Capital Deployed	EI Capacity Installed (MW)
Target: 2 (-2 -100%)	Target: $5,000,000 (-$5,000,000 -100%)	Target: 0.0

Environmental Infrastructure Segment Actuals vs Targets

FY Closed	Segment	Actual Number of Projects	Target Number of Projects	% of Target	Actual Capital Deployed	Target Capital Deployed	% of Target	Actual Capacity Installed (MW)	Target Capacity Installed (MW)	% to Target	Total CGB Investment2	Total Private Investment2	Total Investment2
2026	EI		2			$5,000,000			0.0				

It should be noted that although Table 8 doesn't include the Deployment Committee's approval of the Bright Feeds transaction (i.e., thermal oxidizer on an organic waste upcycling facility) on May 16, 2025, the $1.3MM transaction is expected to close in Q1 of FY26, but was counted as part of FY25 merit performance review process.

Table 9. Environmental Infrastructure Programs Vulnerable Communities

Environmental Infrastructure Programs Activity in Vulnerable Communities

Vintage Vulnerable Community	Total					
FY Closed	# of Projects	% of Total	Capital Deployed	% of Total	MW	% of Total
Total						

Investments

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

Table 10. Investments and Strategic Programs Progress to Targets

Table 11. Capital Investment Activity

Activity Type	Actual Amount	Target - Amount	Acutal Rate	Target Rate	Actual Term (months	Target Term
Investments		$ 44,924,675.00		4%		120
Programmatic	$ 54,628,379.00	$ 21,487,998.00	TBD	4%	TBD	120
Total	$ 54,628,379.00	$ 66,412,673.00	TBD	4%	TBD	120

Resolutions

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

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

WHEREAS, the Board of Directors of the Connecticut Green Bank approved a Comprehensive Plan for FY 2026 including approving annual budgets and targets for FY 2026.

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 2026 targets.

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CONNECTICUT GREEN BANK

Memo

To: Department of Energy & Environmental Protection (DEEP)

From: Connecticut Green Bank (CGB)

Date: August 29, 2025

Re: Connecticut Green Bank Comments on Renter Utilization Report on State Energy Efficiency and Clean Energy Programs per Section 17 of Public Act No. 25-125

INFORMATION REQUEST

Per Section 17 of Public Act No. 25-125, DEEP was tasked with drafting a Renter Utilization Report on State Energy Efficiency and Clean Energy Programs to the Energy & Technology Committee by July 1, 2026.

> *Sec. 17. (Effective from passage) The Department of Energy and Environmental Protection shall conduct a study on renter utilization of state energy efficiency and clean energy programs for which such department can obtain data, including, but not limited to, any barriers for renters to access such programs and any attendant recommendations for addressing any such barriers. Not later than July 1, 2026, the department shall submit a report to the joint standing committees of the General Assembly having cognizance of matters relating to the environment and energy and technology, in accordance with section 11-4a of the general statutes, that contains any such recommendations.*

RENTAL HOUSING UNITS

There are nearly 1.4 million housing units in Connecticut,[1] of which over 470,000 or 34% are rental units in comparison to 925,000 or 66% owner-occupied units – see Table 1.[2]

Table 1. Distribution of Housing Units by Income and Ownership vs. Rental Units

1,396,029 Total Occupied Housing Units					
746,774 Non-LMI ≥100% AMI		**267,990** Moderate Income 80-100% AMI		**381,265** Low Income <80% AMI	
680,519	**66,255**	**205,768**	**62,222**	**264,563**	**116,702**

[1] 1,150,000 single-family units (i.e., 1-4 units) and 245,000 multifamily units (i.e., more than 5 units)

[2] U.S. Census Bureau; American Community Survey, 2021 American Community Survey 5-Year Estimates, Table B25032; (June 1, 2023)

Single		Multi		Single		Multi		Single		Multi	
599,098 Own	**81,421** Rent	**16,352** Own	**49,903** Rent	**149,524** Own	**56,244** Rent	**11,593** Own	**50,629** Rent	**136,129** Own	**128,434** Rent	**11,856** Own	**104,846** Rent

Of the 470,000 rental units, approximately 226,000 or 48% are single-family units (i.e., 1-4 units) and over 245,000 or 52% are multifamily units (i.e., 5 or greater units). And, over 340,000 or 75% of rental units are in low-to-moderate income census tracts (i.e., <100% AMI).

DEEP REQUEST

DEEP initiated outreach to the Green Bank on August 14, 2025 to gather any relevant data, statistics, reports, and other information to compile a detailed list on available programs,[3] including distributed energy resources (i.e., RRES, NRES, SCEF, ESS), transportation (i.e., EVDR, CHEAPR), energy efficiency (i.e., WAP, C&LM), and other programs (i.e., REPS). However, the Green Bank invests resources in programs that renters utilize in all areas DEEP has requested information on, except for CHEAPR, WAP, and REPS – see Table 2.

Table 2. Green Bank Investment to Support Program Implementation with a Focus on Renters

Program	Public Policy Administrator	Green Bank Investment in Programs
Residential Renewable Energy Solutions ("RRES")		X
Non-residential Renewable Energy Solutions ("NRES")		X
Shared Clean Energy Facilities ("SCEF")		X
Energy Storage Solutions ("ESS")	X	
EV Demand Response ("EVDR")		X
CT Hydrogen and Electric Automobile Purchase Rebate ("CHEAPR")		
Weatherization Assistance Program ("WAP")		
Residential Energy Preparation Services ("REPS")		
Conservation and Load Management ("C&LM")		X

DEEP requested information from the Green Bank specifically on EVDR and ESS. The Green Bank completed the data request on August 29, 2025 by completing the Excel spreadsheet in terms of:

- Summary of documented renter barriers
- Summary of renter utilization data/findings
- Data/info sources (e.g., links)
- Notes

[3] While the Green Bank is a statutory co-administrator of ESS only (i.e., Public Act 21-53), as administrator of the Clean Energy Fund (per CGS 16-245n) and Commercial Property Assessed Clean Energy ("C-PACE") (per CGS 16a-40g), the Green Bank invests ratepayer resources to mobilize private investment in many of the programs DEEP is seeking information on.

Below is a detailed and comprehensive overview of the Green Bank's investment in programs with renter utilization that support distributed energy resources, transportation, and energy efficiency – see Table 3.

Table 3. Overview of Green Bank Investment in Renters through DER, Transportation, and Energy Efficiency (FY12-FY25)

Program Areas	**# of Projects**	**Estimated # of Rental Units Benefitting**	**Installed Capacity** (kW) **& Vehicles**	**Green Bank Investment** ($MM's)	**Total Investment** ($MM's)
Distributed Energy Resources	61	4,445	18,572	$31.4	$59.2
Transportation	3	2,075	77	$15.4	$36.6
Energy Efficiency	51	3,446	-	$1.3	$48.2
Total	**115**	**9,966**	**18,572 & 77**	**$48.1**	**$144.0**

Over this period of time, the Green Bank has invested $48.1 million, enabling additional investment of $95.9 million, for a total investment of $144.0 million, into 115 projects that benefit nearly 10,000 renters through the deployment of 18.5 MW of clean energy and 77 electric school buses with bidirectional charging infrastructure.

Below is a breakdown of each program area.

Distributed Energy Resources

With respect to the programs that deploy distributed energy resources, the Green Bank has enabled (or enabling) no less than $59.2 million of investment (including $31.4 million from the Green Bank) in 61 projects deploying over 18 MW of solar PV reducing the energy burden on over 4,000 renters, while seeking to provide resilience to over 400 renters through battery storage – see Table 4.

Table 4. Green Bank Investment in Distributed Energy Resource Programs that Support Renters (FY12-FY25)

Program	**# of Projects**	**Estimated # of Rental Units Benefitting**	**Installed Capacity** (kW)	**Green Bank Investment** ($MM's)	**Total Investment** ($MM's)
RRES	19	1,043	4,472	$12.1	$12.1
NRES	35	2,075	5,000	$10.3	$18.8
SCEF	2	925	8,600	$9.0	$28.3
ESS[4]	5	402	TBD	TBD	TBD
Total	**61**	**4,445**	**18,572**	**$31.4**	**$59.2**

[4] As noted below, there are several Solar MAP+ affordable multifamily properties seeking to install both solar PV and battery storage within a competitive RFP process administered by the Green Bank

The following is a breakdown of the Green Bank's support for distributed energy resources program implementation with a focus on renter utilization:

- **Residential Renewable Energy Solutions** ("RRES") – the Green Bank has a long-standing history of unlocking investment in and deployment of clean energy in "hard to reach" segments of the market (e.g., vulnerable communities)[5]. In 2021, within its Comprehensive Plan, the Green Bank established a goal of "by 2025, no less than 40% of investment and benefits through its programs be directed to vulnerable communities."

  Continuing its commitment to unlock investment in and deployment of clean energy in vulnerable communities, the Green Bank played the leading role in enabling renters, specifically those renters residing within affordable multifamily properties, to be able to utilize the RRES program. In the spring of 2021,[6] in collaboration with DEEP and PURA, the Green Bank worked with Senator Lopes to include Section 2 within Public Act 21-48.[7] The nearly unanimous bipartisan legislation,[8] was signed into law by Governor Lamont on June 16, 2021. Although the Green Bank isn't the administrator of the RRES program, its commitment to vulnerable communities is unquestionable, and the Green Bank utilizes its influence to enable public policies to open new markets for investment in and deployment of clean energy for those who can benefit from it the most, especially renters residing within affordable multifamily housing.

  As a result of the passage of Section 2 of Public Act 21-48, the Green Bank has developed and launched a technical and financial assistance program called Solar MAP+ for Affordable Multifamily Housing.[9] Solar MAP+ is a no-cost technical

[5] Per Public Act 20-05, "vulnerable communities" means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., as amended from time to time, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by the Department of Energy and Environmental Protection in consultation with community representatives.

[6] On March 25, 2021, the Senate issued File Number 142 amending Sec. 501. Subdivision (2) of subsection (b) of section 16-244z – click here.

[7] For purposes of this section, "residential customer" means a customer of a single-family dwelling, [or] a multifamily dwelling consisting of two to four units, or a multifamily dwelling consisting of five or more units, provided in the case of a multifamily dwelling consisting of five or more units, (i) not less than sixty per cent of the units of the multifamily dwelling are occupied by persons and families with income that is not more than sixty per cent of the area median income for the municipality in which it is located, as determined by the United States Department of Housing and Urban Development, or (ii) such multifamily dwelling is determined to be affordable housing by the Public Utilities Regulatory Authority in consultation with the Department of Energy and Environmental Protection, Department of Housing, Connecticut Green Bank, Connecticut Housing Finance Authority and United States Department of Housing and Urban Development. In the case of a multifamily dwelling consisting of five or more units, a generation project shall only qualify under this subsection if: (I) Each of the dwelling units receives an appropriate share of the benefits from the generation project, and (II) no greater than an appropriate share of the benefits from the generation project is used to offset common area usage. The Public Utilities Regulatory Authority shall initiate an uncontested proceeding to implement the distribution of the benefits from the generation project pursuant to this section.

[8] Senate – 34 Yea and 1 Nay voting on May 27, 2021; House – 144 Yea and 0 Nay voting on June 3, 2021

[9] https://www.ctgreenbank.com/building-solutions/multifamily-financing/solar-map-for-affordable-multifamily-housing/

assistance program that identifies project sites, designs projects based on feasibility, provides financing through a lease or loan, and coordinates incentives and contractors for solar and storage. In 2025, as a result of Solar MAP+ the Green Bank is investing $12.1 million to develop 19 projects totaling 4,472 kW of solar PV deployment that will reduce the energy burden of over 1,000 tenants residing within affordable multifamily properties reducing their energy burden on average by $301 a year, which is received each year over a 20-year period – see Table 5.

Table 5. Solar PV Projects in Development through Solar MAP+ for Affordable Multifamily Housing

Name	City	Project Size (kW)	Estimated # of Rental Units Benefitting	Stage of Development[10]	Estimated Annual Savings per Tenant
Beachport Senior Housing	Cheshire	279	48	Construction	$492
Centerville Village	Hamden	119	40	Bidding	$279
Congregate	Hamden	238	30	Construction	*[11]$500
Federation Square	West Hartford	326	88	Construction	*$231
Ferry Crossing	Old Saybrook	51	16	Bidding	$265
Foote Commons	Cheshire	90	20	Construction	$327
Hamden Village	Hamden	483	110	Construction	$359
Herbert T. Clark	Glastonbury	122	45	Bidding	$206
Highwood Gardens	Hamden	51	16	Bidding	*$221
Juniper Hill Village	Storrs	405	100	Construction	*$229
Mark Twain Congregate	Enfield	229	82	Bidding	*$183
Mount Carmel	Hamden	105	40	Construction	$201
New Horizon Village	Unionville	1,073	90	Bidding	*$715
Quarry Heights	Portland	164	70	Bidding	$170
Rochambeau Apartments	Hartford	129	50	Bidding	$210
Sarum Village	Salisbury	69	34	Bidding	$150
St. Martins	New Haven	232	63	Bidding	$299
Tolland Parker Place	Tolland	251	37	Construction	$565
West Ridge Apartments	New Haven	56	64	Bidding	*$54
Total or Weighted Avg.	**19 projects**	**4,472 kW**	**1,043 tenants**	**8 in construction, 11 in bidding**	**$301**

[10] Stage of Development: Bidding means property has committed to project and the Green Bank has issued a request for proposals ("RFP") to identify a contractor to install the system; Construction means property has committed, the Green Bank has issued an RFP, identified a contractor, and begun constructing the project, including procuring equipment.

[11] All projects noted with an asterisk fall under the RRES master metered category. Because there is no direct relationship between the utility and tenants, the tenant benefit is retained by the property owner to complete an immediate or ongoing measure, improving the living conditions for residents.

As a result of the $12.1 million of investment (including $12.1 million from the Green Bank) in these nineteen (19) RRES affordable multifamily projects totaling 4.5 MW of clean energy deployment, no less than 1,000 low-income family renters will reduce their annual energy burden by about $300 a year on average for 20-years.

In terms of the barriers with respect to the RRES program and renter utilization the Green Bank identifies the following:

- The RRES program is structured so that property ownership permission is required for installation of an onsite solar project. While renters can influence property owner's decisions to participate and install solar onsite at a facility, the decision ultimately lies with the property owner.
- Property owner staff time and resources tend to be limited, so compelling project economics paired with renter enthusiasm for the project are needed to gain interest in moving forward with project development/utilization of the RRES program.
- Affordable multifamily housing sites tend to be debt constrained. Lender consent for projects is time consuming and complex to navigate.
- Many residents, property owners, and developers are still unaware of the recent shift from NRES to RRES for eligible affordable multifamily housing projects. More education is needed to continue to bring awareness to the market.
- Residents and property owners alike have expressed concern that on bill credits offered through the RRES program will impact utility allowance calculations, annual income calculations, or low-income discount rates. More education is required to overcome this obstacle.
- In addition to all of the above noted barriers, standard barriers that impact solar project development still apply including structural capacity issues, roof age and condition issues, grid capacity/upgrades, etc.

To improve renter utilization of the RRES, the Green Bank recommends:

- Grants to cover make-ready solar costs (structural capacity, electrical upgrades, roof repair or replacement, etc), as well as funding to address administrative burdens
- Additional education to the market outlining how the RRES program works, and protections in place for tenants (i.e. on bill monetary credits won't negatively impact them.)
- As noted in the Green Bank filings with PURA on the Renewable Energy Tariff Program Successor Study (i.e., Docket No. 25-02-14) on May 9, 2025, beyond affordable multifamily, there are other renters (e.g., senior living centers and assisted living, nonprofit housing, multifamily housing located on former brownfield, mixed income multifamily housing, condos, and multifamily housing with less than five units that is not owner occupied) who could

benefit from the RRES program if they were included within the public policy as affordable multifamily was through Section 2 of Public Act 21-48.

- **Non-Residential Renewable Energy Solutions** ("NRES") – per CGS 16-244z, and its predecessor CGS 16-244r (i.e., Zero Emissions Renewable Energy Credit ("ZREC") and Low Emissions Renewable Energy Credit ("LREC") programs), the Green Bank made the following investments through its financing programs – see Table 6.

Table 6. Green Bank Financing Programs in Support of ZREC-LREC Projects Benefitting Renters (FY12-FY25)

Program	# Projects	Estimated # of Rental Units Benefitting	Deployment (kW)	Green Bank Investment ($MM's)	Total Investment ($MM's)
Commercial Lease or PPA[12]	22	1,455	1,800	$2.1	$5.1
C-PACE[13][14]	13	620	3,200	$8.2	$13.7
Total	**35**	**2,075**	**5,000**	**$10.3**	**$18.8**

As a result of the $18.8 million of investment (including $10.3 million from the Green Bank) in these thirty-four (34) ZREC-LREC and one (1) NRES[15] multifamily projects totaling 5.0 MW of clean energy deployment, over 2,000 renters (of which nearly 70% reside within affordable units) are reducing their energy burden.

In terms of the barriers with respect to the NRES and renter utilization the Green Bank identifies the following:

- The RRES program for affordable multifamily housing only serves qualified sites with 4 or more units. There is a gap within the market for smaller affordable multifamily housing (4 or less units). Projects tend to be too small for commercial developers, and difficult to develop outside of the affordable multifamily housing bucket.
- Unlike the RRES program for affordable multifamily housing, it is not a requirement that the financial benefit of solar be shared with residents for projects that are developed in the NRES program.
- NRES has been historically oversubscribed causing 1) projects to have to bid into the program multiple times before seeing a utility award and 2) due to downward pressure in the NRES program, lower tariff values as the program has progressed. These shortcomings have been addressed for most

[12] PowerBI – ACFR FY25 within Program Totals sorting by all fiscal years, program (i.e., C-PACE, C-PACE backed Commercial Lease), and project type (i.e., RE)
[13] Per CGS 16a-40g, the Green Bank is the administrator of the C-PACE program
[14] PowerBI – ACFR FY25 within Program Totals sorting by all fiscal years, program (i.e., C-PACE), and project type (i.e., RE)
[15] 28 High Street Apartments in Hartford, CT

affordable housing projects by making qualified projects now eligible to participate in the RRES program.

To improve renter utilization of the NRES, the Green Bank recommends:

- Incentivizing small affordable multifamily housing solar project development either in the RRES program, or NRES program.

- **Shared Clean Energy Facilities** ("SCEF") – the Green Bank recognizes that SCEF (a.k.a. "community solar") is a commercially viable and privately financeable public policy based on investment in and deployment of clean energy in other states. Due to the active engagement of the private sector in such projects, the Green Bank has focused its investment in projects of greater public policy importance to Connecticut – supporting economic development through manufacturing and multi-use agricultural practices, while ensuring low-to-moderate income households receive benefits from such SCEF projects.

  The Green Bank has financed two (2) SCEF projects, including:

  - **Fuel Cell Project in Derby** – in 2024, the $19.2 million project (including a $3.5 million subordinated term loan from the Green Bank) was invested to finance a 2.8 MW fuel cell project in Derby located on an industrial site using a technology manufactured in Connecticut, is expected to generate 22,000 MWh of clean energy a year,[16] while reducing the energy burden on over 500 low-income,[17] over 1,000 low- or moderate- income,[18] and over 500 non-LMI[19] families by $210 on average a year for 20 years; and

  - **Solar Project in Ellington** – in 2025, the $9.1 million project (including a $5.5 million senior term loan from the Green Bank) was invested to finance a 5.8 MW solar project on a farm in Ellington located on a farm that will provide multiple usage agriculture production, is expected to generate 7,600 MWh of clean energy a year,[20] while reducing the energy burden of 180 low-income, 360 low-to-moderate income, and 180 non-LMI families by $210 on average a year for 20 years.

  As a result of the $28.3 million of investment (including $9.0 million from the Green Bank) in these two (2) SCEF projects totaling 8.6 MW of clean energy deployment,

[16] 2.8 MW at 8,760 hours a year at 90% capacity factor
[17] 22,000 MWh divided by 8.4 MWh average annual usage per household a year at 20% for low-income allocation
[18] 22,000 MWh divided by 8.4 MWh average annual usage per household a year at 40% for low- to moderate-income allocation
[19] 22,000 MWh divided by 8.4 MWh average annual usage per household a year at 20% for non-LMI allocation
[20] 5.8 MW at 8,760 hours a year at 15% capacity factor

approximately 925 renters[21] will reduce their annual energy burden by $210 a year on average for 20-years.

In terms of the barriers with respect to the SCEF and renter utilization the Green Bank identifies the following:

- SCEF is an optout program with selection to participate limited to a lottery.
- There are a limited number of projects currently online in the SCEF program. With time, there will be increased opportunity for participation.
- Renters are notified of their selection to participate in the mail. It is commonly commented that folks do not believe that the notification is real and fail to act.
- A municipality considering hosting a SCEF project does not have the ability to direct the benefits to renters within their municipality.

To improve renter utilization of SCEF, the Green Bank recommends:

- Requiring that in addition to set asides of SCEF subscribers by income, that at least a proportional amount of renters be included withing the lottery. Given the correlation between income and renters, the Green Bank would recommend that a higher proportion of set asides of SCEF subscribers be dedicated to renters as opposed to owner-occupied households.
- Increasing the capacity to opt in which would help with participation.
- Improved communication around renter selection to participate.
- Allowing municipalities who are considering developing a SCEF project direct benefits to renters within their communities would help spur participation and renter utilization of this program.

- **Energy Storage Solutions** ("ESS") – per Public Act 21-53, the Green Bank is the co-administrator of ESS, which seeks to deploy 580 MW of behind-the-meter battery storage by the end of 2030, of which 180 MW shall be through residential end-use customers, including renters.

  As a result of the passage of Section 2 of Public Act 21-48, the Green Bank has developed and launched a technical and financial assistance program called Solar MAP+ for Affordable Multifamily Housing. Solar MAP+ is a no-cost technical assistance program that identifies project sites, designs projects based on feasibility, provides financing through a lease or loan, and coordinates incentives and contractors for solar and storage. In 2025, in addition to the nineteen (19) solar PV projects developed at affordable multifamily properties, the Green Bank is seeking to install battery storage at four (4) locations – see Table 7.

[21] As the SCEF program assigns Subscriber Credits using a lottery system and renters represent 34% of all housing units, then 2,720 housing units times 34% equals about 925 rental units

Table 7. Battery Storage Projects in Development (including several through Solar MAP+) for Affordable Multifamily Housing

Name	City	Project Size (kW)	Estimated # of Rental Units Benefitting	Stage of Development[22]	Estimated Annual Savings per Tenant
Cherry Street Lofts[23]	Bridgeport	470	161	Approved	-
Herbert T. Clark	Glastonbury	TBD	45	Bidding	-
Mark Twain Congregate	Enfield	TBD	82	Bidding	-
Rochambeau Apartments	Hartford	TBD	50	Bidding	-
West Ridge Apartments	New Haven	TBD	64	Bidding	-
Total or Weighted Avg.	**5 projects**	**470+ - kW**	**402 tenants**	**4 in bidding**	**-**

As a result of ESS, and Solar MAP+, there are five (5) battery storage projects which will provide resiliency to over 400 tenants.

In terms of the barriers with respect to the ESS and renter utilization the Green Bank identifies the following:

- There is a split incentive between building owners and renter. ESS incentives (upfront + performance) often will not cover 100% of the installed cost. For owner-occupied residences, this is not necessarily a problem because the purchaser will directly benefit from the backup power. For rental units, the building owner would purchase the battery, receive the incentives, but not benefit from the backup power (except for improved tenant health and safety). Similarly, since portable devices do not qualify for ESS, renters are unlikely to invest in a permanently installed BESS for their home.
- While the incentives for multifamily affordable housing are significantly higher than market rate multifamily housing, retrofitting a battery system to a multifamily building can be very complicated and expensive. Ensuring that resilience benefits are shared equitably amongst tenants can be difficult due to metering configuration and electrical load (i.e., if heating is fuel or electric, or if it is metered per-unit or central to the building)

[22] Stage of Development: Bidding means property has committed to project and the Green Bank has issued a request for proposals ("RFP") to identify a contractor to install the system; Approved means the project has been approved for an incentive through the ESS program.

[23] The project is being developed by a private developer and not the Green Bank

To improve renter utilization of the ESS, the Green Bank recommends:

- Continuing the Green Bank's technical and financial assistance program (i.e., Solar MAP+ Affordable Multifamily), emphasizing the importance of including battery storage for resilience benefits, alongside solar for its energy cost savings benefits.
- Providing the EDCs with performance-based incentives (e.g., through Performance-Based Regulatory Framework) to work across programs that it administers and/or co-administers, whereby solar (i.e., RRES and NRES) can be paired with battery storage (i.e., ESS) to maximize both participant and ratepayer benefits.
- Increased outreach to multifamily building owners and housing authorities, with an emphasis on the increased benefits for affordable housing.
- Support feasibility studies to identify the best candidates for BESS retrofits.

Transportation

With respect to transportation programs, the Green Bank is investing $15.4 million in three (3) projects deploying nearly 80 electric school buses serving over 2,000 students residing within rental housing – see Table 8.

Table 8. Green Bank Investment in Transportation Programs that Support Renters

Program	# of Students	Estimated # of Rental Units Benefitting	# of Electric School Buses	Green Bank Investment ($MM's)	Total Investment ($MM's)
Branford	2,471	600	49	$12.3	$23.5
East Hartford	260	75	3	$1.1	$1.5
Hartford	3,300	1,400	25	$2.0	$11.6
Total	**6,031**	**2,075**	**77**	**$15.4**	**$36.6**

The following is a breakdown of the Green Bank's support for transportation program implementation with a focus on renters:

- **EV Demand Response** – the Green Bank recognizes the importance of advancing zero emission vehicles and associated infrastructure. Through the Green Bank Capital Solutions program, the Green Bank is investing resources to support the implementation of Public Act 22-25[24] with a focus on deploying electric school buses ("ESB") and associated infrastructure in environmental justice communities.[25]

[24] https://www.cga.ct.gov/2022/act/pa/pdf/2022PA-00025-R00SB-00004-PA.pdf
[25] https://www.ctgreenbank.com/electric-school-bus-financing/

The Green Bank has approved three (3) ESB and associated infrastructure projects, including:

- **Project in Branford** – in 2025, the Green Bank approved of a $12.3 million investment into a term loan to Zum,[26] to finance forty-nine (49) ESBs and forty-nine bidirectional chargers in an environmental justice serving school district within Branford. The project will assist 2,471 school children be transported to and from school every day, including more than 600 that are estimated to reside in rental households.[27]

- **Project in East Hartford** – in 2025, the Green Bank approved of a $1.1 million investment into a term loan to Dattco,[28] to finance three (3) ESBs and one (1) electric van in an environmental justice serving school district in East Hartford. The project will assist 260 school children be transported to and from school every day, including an estimated 75 that reside in rental households.[29]

- **Project in Hartford** – in 2025, the Green Bank approved of a $2.0 million investment into a term loan to Autumn Transportation,[30] to finance twenty-five (25) ESBs in an environmental justice serving school district in Hartford. The project will assist approximately 3,300 school children be transported to and from school every day, including more than 1,400 that are estimated to reside in rental households,[31] as Autumn Transportation intends to use the ESBs for three runs every morning and afternoon.

In 2025, as a result of the $36.6 million of investment (including $15.4 million from the Green Bank) in these three (3) ESB projects totaling 77 ESBs, no less than 2,000 school children residing within rental units within environmental justice communities will be transported safely, reliably, and pollution-free to and from school every day.

Launched in June 2025, the Fleet Electrification Accelerator ("the Accelerator"),[32] the Green Bank is providing technical assistance to school districts to enable their investment in and the deployment of ESBs and associated infrastructure to support Connecticut in meeting the public policy goal of 100 percent zero-emission school buses serving environmental justice communities by 2030.

[26] https://www.ridezum.com/
[27] Of the nearly 17,000 housing units in Branford, 25% of them are rental single-family and multifamily units.
[28] https://www.dattcoschoolbus.com/
[29] Of the nearly 28,000 housing units in East Hartford, 29% of them are rental single-family and multifamily units.
[30] https://autumntransportation.com/
[31] Of the nearly 82,000 housing units in Hartford, 43% of them are rental single-family and multifamily units.
[32] https://www.ctgreenbank.com/fleet-electrification-accelerator/

In addition to the Accelerator, through ESS, the Green Bank has sought a decision from PURA to actively dispatch battery storage within ESBs during summer peak demand periods.

In terms of the barriers with respect to the EVDR and renter utilization the Green Bank identifies the following:

- Lack of awareness in Distressed Municipalities of school bus transition needs
- Lack of programmatic approach to grant funding for fleet transition results in lumpy adoption
- Lack of messaging on needed regulatory changes to promote the development of vehicle-to-grid charging market development.

To improve renter utilization of the EVDR, the Green Bank recommends:

- Continue to support the Clean Air Act goals of transitioning EJ-school districts to zero-emissions vehicles by 2030 as income and renters have a strong positive correlation
- Developing a coordinated multi-agency approach to school bus electrification and bidirectional charger investment, including ensuring that ESBs can serve as distributed resilience hubs in the event of grid outages and natural disasters
- Engaging with PURA in Docket No. 25-08-05 to advocate for the inclusion of ESBs in the ESS Program.

Energy Efficiency

With respect to the programs that deploy energy efficiency, the Green Bank has enabled $48.2 million of investment in 51 projects reducing the energy burden on over 3,400 renters – see Table 9.

Table 9. Green Bank Investment in Energy Efficiency Programs that Support Renters

Program	**# of Projects**	**Estimated # of Rental Units Benefitting**	**Installed Capacity** (kW)	**Investment** ($MM's)
C&LM	51	3,446	-	$48.2

The following is a breakdown of the Green Bank's support for energy efficiency program implementation with a focus on renters:

- **Conservation and Load Management Fund** – pursuant to CGS 16-245m(d)(2), members of the Green Bank Board of Directors and members of the Energy

Efficiency Board ("EEB") established a Joint Committee for the purposes of examining opportunities to coordinate the programs and activities contained in the plan developed under section 16-245n(c) of the General Statutes (i.e., Comprehensive Plan of the Green Bank) with the programs and activities contained in the plan developed under section 16-245m(d)(1) of the General Statutes (i.e., Conservation and Load Management Plan) and to provide financing to increase the benefits of programs funded by the plan developed under section 16-245m(d)(1) of the General Statutes so as to reduce the long-term cost, environmental impacts and security risks of energy in the state.

Over the years, the Green Bank made the following investments through its financing programs in C&LM related energy efficiency projects – see Table 10.

Table 10. Green Bank Financing Programs in Support of C&LM Projects Benefitting Renters (FY12-FY25)

Program	**# Projects**	**Estimated # Rental Units Benefitting**	**Deployment** (kW)	**Green Bank Investment** ($MM's)	**Total Investment** ($MM's)
Multifamily[33]	41	2,381	-	$1.0	$17.4
C-PACE[34][35]	10	1,065	-	$0.3	$30.8
Total	**51**	**3,446**	**-**	**$1.3**	**$48.2**

As a result of the $48.2 million of investment (including $1.3 million from the Green Bank) in these fifty-one (51) energy efficiency multifamily projects, over 3,400 renters (of which over 70% reside within affordable units) are reducing their energy burden.

As part of its ongoing coordination efforts, the Joint Committee approved the following goal on July 22, 2024, which is included within the Comprehensive Plan of the Green Bank, with respect to affordable rental housing:

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

[33] PowerBI – ACFR FY25 within Program Totals sorting by all fiscal years, program (i.e., Multifamily Pre-Dev, Multifamily Term), and project type (i.e., EE)

[34] Per CGS 16a-40g, the Green Bank is the administrator of the C-PACE program

[35] PowerBI – ACFR FY25 within Program Totals sorting by all fiscal years, program (i.e., C-PACE), and project type (i.e., EE)

coordination of incentive and financing programs from state and federal sources of capital."

In terms of the barriers with respect to the C&LM and renter utilization the Green Bank identifies the following:

- Please see above within the RRES section.

To improve renter utilization of the C&LM, the Green Bank recommends:

- EEB to continue to provide additional performance incentives to the EDC program administrators of the C&LM for incentives directed towards renters.
- Continued public policy support of the Joint Committee efforts to advance the goal on affordable rental housing between the Green Bank and the EDCs.

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INCLUSIVE PROSPERITY CAPITAL™

Memo

To: Connecticut Green Bank Senior Team

From: Inclusive Prosperity Capital Staff

Date: August 15, 2025

Re: IPC Quarterly Reporting – Q4 FY25 (April 1, 2025 – June 30, 2025)

Progress to targets for Fiscal Year 2025, as of 6/30/2025

Product	Number of Projects	Projects Target	% to goal	Total Financed Amount	Financed Target	% to goal	MW Installed	MW Target	% to goal
Smart-E Loan	844	1325	63%	$20,676,681	$26,812,195	77%	3.6	2.12	170 %
Solar PPA	6	4	150%	$5,342,198	$3,060,000	174.6%	1.9	0.0	-%

PSA 5410 – Smart-E Loan

The Smart-E loan program experienced a slowdown in activity during the third quarter which continued into the fourth quarter. Solar activity did pick up as customers became focused on qualifying for the sunsetting solar investment tax credits and we expect this trend to continue until the tax credits officially sunset..

PSA 6074 - Investments

- The ECT H&S RLF Loan Fund and low-income loans through CT DEEP are closed out as of August 3, 2024.
- Six solar PPA projects closed in FY25.
- IPC staff continues to support CTGB PPA pricing requests and shepherd acquisition of projects, including the Bridgeport Libraries – Madison Street and Hartford Turnpike projects.

General Updates

Below are updates for the fourth quarter of FY25:

- **Capital raising**:

- No investment capital raising in this quarter, focus was on operationalizing SFA award (IPC-led multi-state $249.3M coalition award) and monitoring CCIA (IPC part of OFN's program as a lender, and part of JCF's program for lender TA services for our multifamily/nonprofit lending platform). Pausing evaluation of NCIF opportunities for strategic partnerships.
- IPC has begun raising investment and general operating capital, though GGRF defense is the focus for many philanthropic funders.
-

- **Business/Product Development/Initiatives of interest to Connecticut**:
  - Smart-E/NGEN technical partner discussions
    - IPC continues to evaluate and work to integrate with strategic tech partners. Partnerships may revolve around loan integration software, solar software and rebates. IPC has successfully integrated with Remotely, an inspection app that can be used by both homeowners and professionals to quickly and more economically provide quality assurance overview of Smart-E projects across the country.
  - Software licensing agreement for the NGEN platform
    - IPC is scheduled to launch the Smart-E program in Oregon with the Energy Trust of Oregon as the program sponsor in August 2025. This launch will focus on renewable projects to begin with and then expand to energy efficiency products in the coming months.
  - Full Smart-E Program Implementation
    - The Indiana Energy Independence Fund is currently onboarding both contractors and lenders to the program and we anticipate projects to begin to be submitted in August 2025.
    - While the uncertainty around GGRF continues, IPC continues to have conversations around the country, particularly with organizations that might be in a position to begin work without the need for GGRF funding.

Administrative:

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

Additions and Departures:

Additions:

None at this time

Departures:

- *James McIntyre, Chief Strategy Officer, June 12*
- *Brian Liechti, Sr. Manager, Market Engagement, June 24 (PT through August 21)*

OBJ

Current Vacancies:

None at this time

***Recruiting & Staff Updates*:**

This quarter, our primary focus has been advancing the Solar for All (SFA) program and planning to hire additional staff to support its growth. Progress on the SURE program continues at a slower pace, which, combined with the emphasis on SFA, led to the decision that a Chief Strategy Officer for IPC is no longer needed. We offered James a part-time role to continue supporting SURE as it develops. Additionally, we completed performance reviews and set goals for 2025.

SEPTEMBER 2025

Public Option Solar for K-12 Schools

A Case Study of Connecticut Green Bank's Solar Marketplace Assistance Program

Manchester Public Schools

CONNECTICUT GREEN BANK℠

JASON KOWALSKI, JEREMY LISKAR, AND TISH TABLAN

Public Renewables Project

The Climate Reality Project®

Generation180

About

Public Renewables Project

The Public Renewables Project is a new climate advocacy organization calling for publicly financed, publicly developed renewable energy. Our mission is to stand up a public renewable energy developer in all 50 states, to build the renewable energy that for-profit developers are currently not building. We work with labor unions, climate groups, grassroots organizations, and public finance experts to deploy public renewables in a way that reduces inequality and increases worker power.
www.PublicRenewables.org

The Climate Reality Project

Founded by Nobel Laureate and former US Vice President Al Gore, The Climate Reality Project is working to catalyze a global solution to the climate crisis by making urgent action a necessity across every level of society. With a global movement of more than 3.8 million strong and a grassroots network of trained Climate Reality Leaders, we are spreading the truth about the climate crisis and building popular support for clean energy solutions.
www.ClimateRealityProject.org

Generation180

Generation180 is a national nonprofit working to inspire and equip people to take action on clean energy in their homes, schools, and communities. Our Electrify Our Schools program works towards the vision that all of our schools become clean-powered, resilient centers in the community where students, families, and community members can learn about how to help build a brighter future together. Through this program, Generation180 is building the clean energy movement at K-12 schools by elevating the work of school leaders in this space and empowering them to support and inspire others to take action.
www.Generation180.org

Acknowledgements

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Cover Photo / Verplanck Elementary School, Manchester Public Schools

Contents

Executive Summary

Federal climate rollbacks under the current administration threaten to derail progress toward science-based climate goals. Achieving 100% clean energy by 2035 would require increasing annual renewable energy buildout by 30-60% above 2024 levels according to some studies. Yet even with increased federal incentives in place from 2023-2025, the U.S. has not been building enough clean energy projects in recent years to stay on track.[1] Meeting ambitious climate targets will demand additional policy interventions to accelerate clean energy deployment.

We wrote this case study to elevate a promising solution to this challenge: public option solar.[2] From a technical standpoint, distributed rooftop solar on larger buildings — such as K-12 schools — is considered low-hanging fruit for expanding community-scale solar deployment. Our case study explains how the unique finance and development challenges faced by K-12 solar projects can be addressed by a public developer, like the Connecticut Green Bank. This public development process results in additional public solar projects that would not have otherwise been built by for-profit developers.

The US has a rich history of using public finance institutions at the federal, state, and local levels to achieve ambitious national missions. For example, state and local public finance institutions supported the large-scale buildout of US drinking water and sewage infrastructure in the Progressive Era and New Deal Era.[3] Local and state development finance institutions gained further support from federal financing programs in the 1970s and 1980s.[4] To this day, around 87% of Americans are served by publicly financed, publicly owned water systems.[5]

Even under hostile federal political conditions, public finance institutions — like the existing 50-state network[6] of development finance agencies (DFAs) and green banks — can continue to finance essential infrastructure. As of July 2025, new legislation and executive actions rolling back major federal climate programs are projected to significantly slow for-profit solar deployment.[7] In this context, new public option solar programs — modeled after Connecticut's successful K-12 solar program — have the potential to help fill the gap.

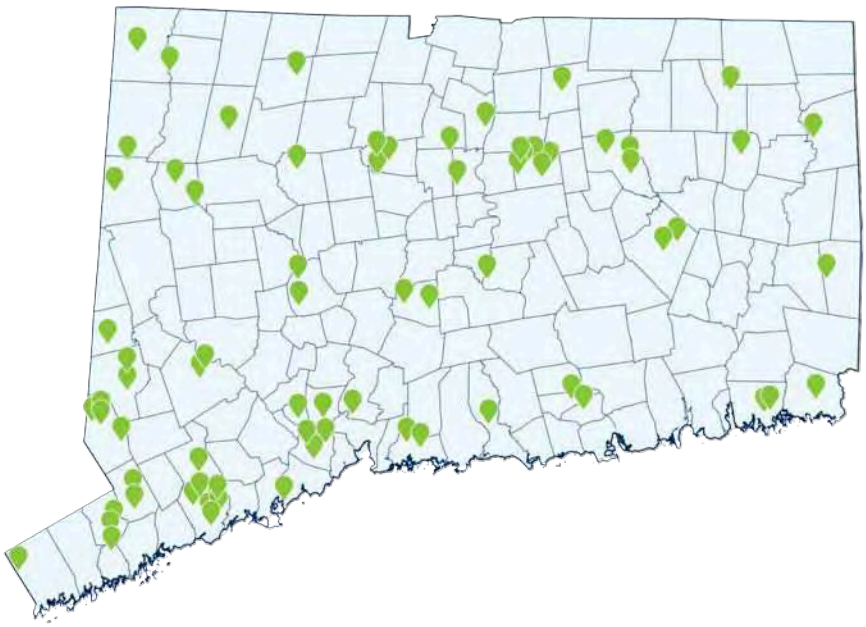
[1] According to WRI, renewable energy buildout needs to grow from current levels of 45GW/year in 2024 to 60-70GW/year 2025-2035, an annual increase of roughly 30-60% https://www.wri.org/insights/clean-energy-progress-united-states
[2] Ganesh Sitaraman and Anne Alstott define public option as "a government-provided social good that exists alongside a similar privately provided good." https://www.cambridge.org/core/books/politics-policy-and-public-options/politics-policy-and-public-options/84D803EF12CF551FBC5F91125ED42D9F
[3] https://www.nber.org/system/files/working_papers/w11096/w11096.pdf
[4] https://www.brookings.edu/articles/exploring-and-improving-how-state-water-funding-flows-amid-a-surge-in-federal-infrastructure-investment/
[5] Our Common Wealth, by Thomas Hanna, page 18 https://manchesteruniversitypress.co.uk/9781526133793/
[6] https://www.cdfa.net/cdfa/cdfaweb.nsf/sfcsearch.html
[7] https://zenodo.org/records/15801701

In the short term, state and local public finance institutions — such as DFAs and green banks — can develop clean energy projects that might otherwise be halted by shifting federal policy. At the same time, they can maximize access to the remaining embattled federal funding streams, including clean energy tax credits and publicly subsidized finance from the Greenhouse Gas Reduction Fund (GGRF). In the medium and long term, state and local public finance institutions that begin building the capacity to publicly develop renewable energy projects right now will be best positioned to fill the coming gaps created by federal rollbacks — and to rapidly and equitably scale decarbonization if and when federal incentives are reinstated.

We chose to focus on Connecticut because it is the **#1 state in the contiguous U.S. for the percentage of K-12 schools with on-site solar projects**.[8] Our case study finds that this achievement would not have been possible without public option solar projects that were financed and developed by the Connecticut Green Bank's Solar Marketplace Assistance Program (Solar MAP).[9] Between 2014 and 2025, the quasi-public[10] Connecticut Green Bank developed and owned **80 solar projects at K-12 schools** throughout the state.[11] Projects developed by the Green Bank accounted for **27% of all K-12 solar projects** installed in the state from 2015-2023.[12] These solar projects resulted in immediate cost savings for school districts and municipalities, with **tens of millions of dollars in savings** projected over the life of the solar systems.[13] In recent years, **50-75% of schools** served by Solar MAP are located **in low-income and disadvantaged communities (LIDAC)**.[14]

FIGURE 1

Map of K-12 Solar Projects Developed by The Connecticut Green Bank



[8] Without the projects developed by Solar MAP, Connecticut would be ranked #5 in the contiguous U.S. behind DC, CA, VT, and NJ. Source: https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/

[9] This finding is based on Connecticut Green Bank data, from the Solar MAP Program, and Generation180 data from https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/

[10] Our working definition of public option includes public, quasi-public, and non-profit green banks, modeled after this: https://www.cambridge.org/core/books/politics-policy-and-public-options/politics-policy-and-public-options/84D803EF12CF551FBC5F91125ED42D9F

[11] Data from Connecticut Green Bank

[12] https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/

[13] Extrapolated from the $120K/MW projected annual savings, based on a Groton, CT school district figures: https://www.ctgreenbank.com/groton-public-schools-solar-installations/

[14] Map here: https://www.bakertilly.com/page/low-income-disadvantaged-communities-mapping-tool

FIGURE 2

The Connecticut Green Bank's Share of Cumulative K-12 Solar Capacity 2015-2023

In the figure above the green area represents cumulative solar capacity developed at K-12 schools by the Connecticut Green Bank. According to the Green Bank, these solar projects would not have been developed without the Green Bank's Solar MAP program.[15]

[15] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Garcia,%20Bryan,%20President%20-%20CEO-Connecticut%20Green%20Bank--TMY.PDF

Solar MAP was launched in 2020 as the Connecticut Green Bank's comprehensive program for public option solar development, but the Green Bank has offered some version of public option solar since 2014.[16] Solar MAP represents an embrace of the **public developer model**[17] to drive forward solar deployment on municipal- and state-owned buildings across Connecticut, accomplishing this with a public-public partnership approach that pairs taking on the administrative burden of project development with a unique public financing offering that eliminates upfront costs. The Connecticut Green Bank's public option approach creates an "easy button" for K-12 solar projects that for-profit developers cannot build.[18]

The purpose of this case study is to help other states replicate Solar MAP. We walk through the program's development and finance offerings in detail, including the history of how the program came to be, and opportunities for expanding Solar MAP's impact.

Finally, we list out recommendations for state governments on how to replicate Solar MAP at existing development finance agencies and green banks:

1. **Basic Authority To Develop and Own K-12 Solar Projects**
   Policy changes are often needed to allow public finance agencies to develop and own renewable energy projects or enter into public-public partnerships with K-12 schools.
2. **Publicly Facilitated Access to Capital**
   To consistently develop renewable energy projects, green banks and development finance agencies need some combination of public funding, bonding authority, state credit enhancements, and conduit bond financing.
3. **In-house Personnel To Develop and Finance Projects**
   Developing round-after-round of public renewables requires in-house staff who can lead on: overseeing solar contractors, explaining projects to school boards, underwriting K-12 solar projects, and drafting structured finance agreements.
4. **Political Legitimacy**
   New efforts to publicly develop renewables benefit from political support from aligned labor unions, enthusiastic school districts, and champions in state government. Broad political support can be particularly important when navigating the relationship between public solar developers and private solar developers in the state.
5. **State Clean Energy Policies**
   Some states have policies on the books that are hostile to distributed energy resources like rooftop solar. Action from state legislatures or public utility commissions may be required to allow for swift interconnection to the grid or net metering policies that allow K-12 schools to sell excess solar back to the grid.

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[16] Interview #1 with Connecticut Green Bank staff, and pages 6-7 here: https://cbey.yale.edu/sites/default/files/2019-08/CT%20Solar%20Lease%202.pdf

[17] According to the Center for Public Enterprise, "Publicly supported *finance* helps reduce a project's cost of capital, while public *development* engages with all of the steps in a project development pipeline from planning projects to raising capital to operating and maintaining assets to marketing their outputs, all the while cultivating technical and operational expertise." https://publicenterprise.org/report/public-developers/

[18] The term "easy button" was coined by a solar schools organizer to describe how policy interventions, like Solar MAP, can simplify the solar development process, for K-12 schools themselves, and for community organizers advocating for K-12 solar. Solar MAP's public developer approach does not just address costs, it addresses "easy."

The Case for State-Level Public Renewable Energy Developers

Connecticut Green Bank's K-12 solar work marks a shift from a narrow role for the public sector — using public finance to reduce private capital costs — toward a more comprehensive **public developer model**. This model enables greater speed, scale, and equity in renewable energy deployment. This approach, used in Connecticut, is replicable across states and sectors, unlocking projects that would otherwise remain out of reach for for-profit developers alone.

FIGURE 3

Outcomes Achieved with a Public Developer Model

Outcome	Description
Scale of Renewable Energy Deployment	27% of all K-12 solar projects installed in Connecticut (2015-2023) would not have been built without a public developer.[19]
Equitable Renewable Energy Deployment	50-75% of Connecticut Green Bank's K-12 solar projects in recent years served low-income and disadvantaged communities.
Financial Benefits to Project Partners	Immediate cost savings are directed to project partners, like K-12 schools, with no upfront costs.
Distributed Renewable Energy Deployment	Public developers can prioritize distributed renewable energy projects, like rooftop solar, at locations underserved by for-profit developers.
Worker Power	Public developer procurement rules can set fair labor standards for solar workers. Public sector prioritization can direct financial benefits to public sector workers, such as teachers.
Federal Funding	Additional projects draw down additional federal funds.
Achieving Climate Goals	Public developers can direct renewable energy deployment to particular sectors, like K-12 schools, to achieve climate goals.

[19] According to Connecticut Green Bank: https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Garcia,%20Bryan,%20President%20-%20CEO-Connecticut%20Green%20Bank--TMY.PDF

Introduction

The Connecticut Green Bank launched the Solar Marketplace Assistance Program (Solar MAP) in the lead up to 2020 with the goal of formalizing a model it had perfected over many years of experimentation. The core function of Solar MAP is to support the deployment of solar on municipal- and state-owned property through a public-public partnership. The majority of these properties are K-12 public schools. Since 2014, the Green Bank has facilitated the deployment of solar at 80 K-12 schools in the state.[20] These projects have advanced the state's climate goals, as well as saved money for school districts and municipal governments.

Power Purchase Agreements (PPAs)

PPAs are financing arrangements in which a third party owns and finances the energy system, and the customer agrees to purchase the electricity it generates at a predetermined rate over a fixed term — typically 15 to 25 years.[21] This model is attractive to schools because the third party covers upfront installation costs — a major barrier to solar adoption — and often handles system maintenance over the course of the agreement. By reducing financial barriers and administrative burdens, PPAs have enabled many school districts with limited resources and competing priorities to adopt solar more easily.

Solar MAP offers an "easy button" for municipalities and school districts to develop and finance solar. The Green Bank provides their staff expertise and capacity to guide municipalities through a process that includes contracting for an evaluation of the municipal building stock, filing for the state and federal incentives, contracting for a solar installer, and directly providing the financing for the project through a **Power Purchase Agreement (PPA)**.

The technical assistance and administrative support pieces of Solar MAP are crucial to the program's success, but the key innovation that differentiates Solar MAP is the Green Bank's PPA offering. The PPA appears to be a first-of-its-kind public option in the sector. While PPAs from private developers have been key to solar deployment around the country, a PPA from a quasi-public entity to another public entity represents a different and exciting opportunity for a just transition to clean energy.

[20] Data from Connecticut Green Bank
[21] Footnote for 15-25 years in the box: https://docs.nrel.gov/docs/fy10osti/46668.pdf

For public sector decision makers across the country looking to save money on energy by adding solar to their building stock, navigating solicitations from private solar developers may be a daunting task. The alternative offered by a green bank can be an attractive opportunity to work with a trusted and experienced partner, while creating new opportunities for in-state clean energy developers through design and installation contracts.

K-12 Solar in the US: Benefits and Barriers

According to data from Generation180, nearly 10% of K-12 public schools in the U.S. have an on-site solar project. Nationwide, 20% of K-12 solar capacity is owned directly by school districts, and 80% of K-12 solar capacity is owned by third parties — typically for-profit developers — and paid for over time through Power Purchase Agreements (PPAs) or leases.[22]

Benefits of K-12 Solar

Rooftop solar is incredibly popular, with 86% of Americans saying they want to see rooftop solar installed in their community.[23] Developing solar projects at K-12 schools delivers a variety of benefits to schools, communities, and the public.[24]

- **Financial Benefits for Schools**: Saving money is the most common reason for pursuing K-12 solar projects, and projects are often announced alongside cost savings estimates. Energy consumption is the second-highest operational cost for schools.[25] Financial benefits associated with solar can be redirected toward teacher salaries or facilities upgrades. Fiscal responsibility arguments give solar a broad appeal across the political spectrum.
- **Educational Benefits**: Solar installations can become hands-on STEM teaching tools that support science curricula. Hands-on exposure to solar panels helps prepare students for careers in engineering, sustainability, and construction trades.[26]
- **Community Visibility**: One in six Americans visits a school every day.[27] K-12 schools are cherished community institutions, and K-12 solar projects are seen as signs of equitable investment in the community as a whole. K-12 solar offers students and community members a sense of pride and shared ownership. Research from National Renewable Energy Laboratory (NREL) found that visible K-12 school-scale projects increase residential solar adoption in the surrounding neighborhoods.[28]

[22] Page 11: https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/ for more details about ownership data analysis, see page 22.
[23] https://heatmap.news/americans-love-solar-and-want-it-on-their-roofs
[24] https://generation180.org/resource/brighter-future-a-study-on-solar-in-us-schools-2020/
[25] U.S. Department of Energy, https://www.energy.gov/articles/biden-harris-administration-announces-500-million-program-better-school-infrastructure
[26] Page 22: https://generation180.org/wp-content/uploads/Brighter-Future_-A-Study-on-Solar-in-U.S.-Schools-2020.pdf
[27] https://www.usgbc.org/resources/state-our-schools-report-2016
[28] https://www.nrel.gov/docs/fy24osti/85800.pdf ; https://generation180.org/resource/your-influence-matters-peer-influence-and-electric-vehicle-adoption/

- **Large Flat Roofs**: K-12 schools often have large building footprints with flat unobstructed roofs that receive ample sunlight, making them prime candidates for lower-cost, commercial-scale projects.[29] School districts who follow regular capital improvement cycles are likely to have roofs that are new or well-maintained, allowing them to host solar panels immediately without costly structural upgrades.[30] In cases where rooftop installation is not suitable, solar carports and ground-based solar arrays on school property are also common.

- **Grid Benefits**: Schools use the most electricity during the day when solar panels produce the most electricity.[31] Furthermore, having on-site electricity generation avoids the costs and delays associated with off-site transmission development and permitting processes. K-12 schools are often located in residential neighborhoods with lower-capacity distribution infrastructure, so adding local electricity generation that reduces grid demand during high-demand periods can help alleviate stress on the system, particularly when paired with battery storage.[32, 33]

- **Rapid Decarbonization**: Through intentional public planning, successive short-cycle rounds of K-12 solar deployment can move forward at speed and scale. Unlike larger utility-scale solar projects, K-12 solar projects do not require land acquisition or new transmission permits, enabling significantly faster development timelines.[34] Similarities across K-12 solar projects leads to streamlined procurement and installation processes and design replication across sites. Bundling projects into large portfolios unlocks economies of scale that lowers per-site costs, simplifies access to credit, and accelerates planning timelines. K-12 solar can offset schools' high midday electricity demand on the grid, which can immediately reduce the local utility companies' relative reliance on dirtier gas and diesel "peaker" plants to supply power during those hours.

[29] Solar development is typically categorized into three market segments: residential-scale, commercial-scale, and utility scale. K-12 school solar is considered to be commercial-scale.

[30] School districts may also be forced to defer regularly scheduled facilities maintenance due to budget cuts or recessions, making some school roofs less suitable for solar. We recommend bundling roof repair and solar as a package later in the report to make sure all school districts can access the benefits of on-site solar projects. Page 17: https://www.gao.gov/assets/gao-20-494.pdf

[31] Schools are often dubbed "reliable offtakers" due to this daytime load-matching dynamic. Page 27: https://www2.deloitte.com/content/dam/Deloitte/us/Documents/financial-services/us-financing-the-green-energy-transition.pdf

[32] https://insideclimatenews.org/news/27062024/inside-clean-energy-rooftop-solar-grid-benefits/

[33] To achieve deeper decarbonization in residential neighborhoods, more comprehensive upgrades to local distribution grid infrastructure will be necessary – otherwise, additional solar could eventually *increase* stress on the system. Publicly developed solar and battery storage at K–12 schools can serve as an early step toward a broader public investment strategy—one that upgrades local distribution grids to support two-way power flows and enable higher levels of distributed renewable energy.

[34] Analysis from Roosevelt Institute and Climate and Community Institute suggests that "high benefit low harm" solar sites like rooftops should be prioritized over less socially beneficial sites like productive agricultural land, or empty lots that could be used for housing or parks. Their analysis also shows that 100% of nationwide rooftop surface area is less than the total surface area needed for solar deployment in line with 2050 climate targets. This suggests that planners should anticipate putting solar on every single available rooftop nationwide within the next 25 years. Given that ambition, sites like K-12 schools are a natural place to start. https://rooseveltinstitute.org/publications/planning-to-build-faster-a-solar-energy-case-study/

Barriers to K-12 Solar

After new federal climate laws went into effect, installed capacity of commercial-scale solar rose by 19% in 2023 alone.[35] Despite this jump, K-12 school solar projects of comparable size lagged behind the rest of the commercial-scale sector, growing by just 4% in the same time period.[36] Here are some barriers to K-12 solar that account for this gap, all of which are addressed by the Connecticut Green Bank's Solar MAP.

- **Access to Flexible Project-Scale Capital:** Most public school districts lack access to the flexible project-scale capital needed to invest in a solar project. Public schools can access capital at very favorable rates when they issue general obligation bonds (GO bonds). Bond issuance is usually no more than once every 5-10 years, often aligned with planning cycles that include new school buildings or major renovations.[37] Borrowing money outside of bond cycles is often legally prohibited or constrained by local and state governments, and comes with interest rates much less favorable than general obligation bonds.[38]

- **Upfront Procurement Process Costs:** Many school districts operate under statutory lowest-bid procurement requirements, which can require them to commission technical solar feasibility studies, write detailed requests for proposals (RFPs), and then execute highly technical solar contractor negotiations — often with limited in-house legal and industry-specific knowledge. A best practice recommended by K-12 solar advocates like Generation180 is to hire technical external contractors for independent feasibility studies and procurement support, which requires cash on hand that may be difficult for schools to access, even if the projects themselves have no upfront costs and will start saving the school money the very next year.[39]

- **Staff Bandwidth:** School administrators are primarily focused on education. Each of the two most common K-12 solar ownership models — direct ownership and PPAs[40] — require significant staff time to execute. Independently issuing a solar RFP, or even overseeing external pre-development contractors who can draft an RFP, often requires more staff time than school district administrators can spare. In some cases, governance fragmentation where facilities management is split between school districts and municipalities can further strain limited staff bandwidth. Successfully moving a project forward, even with an external private sector developer, can require considerable staff time for planning and coordination across multiple layers of public decision making.

- **Lower Profits for Developers**: Private sector solar developers prioritize projects based on profit margins. School roofs may be excellent sites for solar panels, but "getting to yes" with a school requires formal bidding procedure and interactions with democratic decision-making processes,

[35] SEIA, Solar Market Insight Report 2023, Year in Review, https://seia.org/research-resources/solar-market-insight-report-2023-year-review/
[36] Page 5, and page 7: https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/
[37] https://www.brookings.edu/wp-content/uploads/2024/05/Boyson-Liu.pdf
[38] https://direct.mit.edu/edfp/article-abstract/19/4/634/117490/School-District-Borrowing-and-Capital-Spending-The
[39] Page 11: https://generation180.org/wp-content/uploads/Brighter-Future_-How-To-Guide.pdf ; Also, see Pennsylvania EDP's Solar Schools Toolkit, page 13: https://dced.pa.gov/download/solar-for-schools-toolkit/
[40] Source here: https://generation180.org/wp-content/uploads/BrighterFutureReport_2024.pdf For a more detailed comparison of K-12 solar ownership models, see this report from the Building Power Resource Center (BPRC): https://climateandcommunity.org/wp-content/uploads/2024/12/School-Solar-Ownership-Models-Summary-12-9-24_2.pdf

like school board meetings. These steps require extra staff time for school districts and developers, causing delays that can ultimately reduce profitability for private developers. For many commercial-scale solar developers, installing solar on comparable private sector buildings, like big-box stores, can yield higher profit margins more quickly.

- **Distrust of For-Profit Outsourcing:** Public schools can be wary of partial privatization, especially the outsourcing of essential school functions like cleaning and food service.[41] In the case of solar, the inherent mismatch between mission-driven public schools and profit-seeking developers can lead to distrust. This distrust can be amplified by long PPA contract terms (often 15-25 years)[42] and the lack of in-house technical, legal, and finance expertise at most school districts. In some cases, aggressive or opaque sales tactics, developer bankruptcies, or particularly extractive contracting practices can lead to reputational problems for the entire sector. Facilities managers responsible for maintaining school buildings and grounds need to be able to trust that regular maintenance and troubleshooting will happen for many years to come.

- **Legal Restrictions**: Some state and local governments do not permit PPAs and other third-party ownership arrangements that finance the vast majority of K-12 solar projects. Generation180's research found that states allowing PPAs account for 92% of nationwide K-12 solar capacity.[43] Some states also have policies that intentionally block distributed renewables, like net metering[44] restrictions and interconnection processes that favor large fossil fuel power plants (discussed further in the Recommendations section).[45]

The Inflation Reduction Act, Green Banks, and K-12 Solar

The Inflation Reduction Act (IRA), former President Joe Biden's signature climate law, transformed the set of incentives driving the clean energy transition. The core of the law is an expanded set of technology-neutral tax credits incentivizing adoption of emissions-reduction technologies across the economy. The tax credits can cover between 30% and 70% of a solar project's costs, depending on eligibility for bonuses, like the Domestic Content Bonus, which incentivizes use of materials sourced or manufactured in the United States. For the potential of solar on schools, a tweak to the structure of the tax credits changed everything. Before the IRA, clean energy tax credits had to be claimed by a tax-liable entity, like a private solar developer. This excluded public sector and nonprofit entities, including state and local governments, schools, and green banks. With the IRA's introduction of direct pay, these entities can now claim the same tax credits as private sector entities in the form of a cash payment from the federal government.[46] This has helped even the playing field for public and nonprofit sector development of clean energy and offers great potential for schools to adopt clean technologies.

[41] Factsheet from AFSCME about how privatization harms public schools: https://afscmestaff.org/wp-content/uploads/2020/03/Privatizing-School-Support-Services-The-Wrong-Choice-6-Schools-Factsheet.pdf
[42] https://docs.nrel.gov/docs/fy10osti/46668.pdf
[43] https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/
[44] Net metering allows K-12 schools to achieve cost savings on their electricity bills if they produce their own solar, selling surplus solar electricity back to the grid at the same rate they would pay for electricity.
[45] An illustrative example from southwest Virginia: https://appvoices.org/2020/09/16/appalachian-power-solar-restrictions/
[46] Direct pay is also referred to as elective pay.

In July 2025, new budget reconciliation legislation and executive actions rolled back much of the IRA. While direct pay remains in place, the solar and wind tax credits now face an accelerated end date and additional restrictions, making them more difficult to access. In the short term, potential public developers — like green banks and DFAs — can play an important role in developing projects that leverage the remaining credits before they expire. In the longer term, public developers are essential to the resilience of state and local climate and economic development strategies amid an unstable federal policy environment and shifting market conditions. Because federal clean energy tax credits have been historically inconsistent, public renewable developers provide stability — filling market gaps in lean years and capturing maximum benefits when credits are generous.

The embattled[47] $27B Greenhouse Gas Reduction Fund (GGRF), another important program signed into law as part of the 2022 IRA, set out to scale up the financing of clean technology deployment around the country. Significant portions of the GGRF have been dedicated to boosting a growing ecosystem of green financing entities, including DFAs, Community Development Financing Institutions (CDFIs), and green banks. These entities take several different forms, but all have experience with financing community projects.

Green Banks

Green banks are mission-driven financial institutions — typically public or quasi-public — that use innovative financing tools to accelerate investment in clean energy, energy efficiency, and other climate-friendly infrastructure. Their goal is to reduce greenhouse gas emissions, improve environmental outcomes, and address market gaps unfilled by for-profit financial institutions.

Green banks receive their initial capital primarily from state legislatures and philanthropic sources. Green banks offer financial products aimed at supporting deployment of clean technologies. They specialize in bringing financing to projects that struggle to attract necessary support from the private sector due to private investor hesitance to accept lower profit margins, take credit risk in disadvantaged communities, and invest in newer technologies. Their financial products allow them to invest in mission-aligned projects while also sustaining or growing their balance sheet, and are also often aimed at making sources of private capital more comfortable with these lending areas.

Over the past fifteen years, dozens of green banks have been created across the country. Most are created as either quasi-public or nonprofit entities, and each differs in size, financial product offerings, and sectoral focus. As green banks grow their balance sheets with potentially significant support from GGRF, a key question is what they will do with their additional capacity. For green banks searching for a roadmap to impact at scale, the Connecticut Green Bank should be the first place to look.

[47] https://www.cbpp.org/blog/continued-freeze-of-greenhouse-gas-reduction-fund-threatens-climate-investments-in-vulnerable

At the time of this writing, the Trump Administration is attempting to claw back $20B already awarded from the GGRF. Regardless of how the fight over the program resolves in court, green banks have existing models to learn from, and opportunities to build capacity with or without significant injections of new capital.

Connecticut Green Bank

The Connecticut Green Bank was the first green bank in the United States, created in 2011 by an act of the state legislature. The Green Bank is charged with helping realize the clean energy goals of the state's political leadership, with an eye toward economic development, lowering costs, and creating good jobs.[48] Initial capital was provided by the state, and additional annual revenue sources have come from utility surcharges and the Regional Greenhouse Gas Initiative (RGGI) — a cooperative effort amongst states in the Northeast to reduce emissions.[49] The Green Bank claims its activities have mobilized close to $3B into clean energy investment into the state over time.[50]

Mystic River Magnet School / Credit: Connecticut Green Bank

[48] https://www.ctgreenbank.com/about-us/
[49] https://www.aceee.org/sites/default/files/publications/researchreports/f1602.pdf ; https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2021.pdf
[50] https://www.ctgreenbank.com/about-us/#:~:text=Since%20its%20inception%2C%20the%20Connecticut,energy%20projects%20across%20the%20state.

Case Study Part 1:
How Solar MAP Currently Works

In its current iteration, the Connecticut Green Bank's Solar MAP enters into public-public partnerships with municipalities and school districts to move a solar project forward, with minimal effort on the part of the school. School districts and municipalities enter into PPAs with the Green Bank directly, and start saving money as soon as the solar is online, with no down payment.

The Solar MAP program has two major components:

1. **Green bank-led project development, and**
2. **Green-bank-led project finance**

Taken together, these two component parts create an "**easy button**" for K-12 solar development. The Green Bank provides everything a school district would need to get from the decision to look into solar, to panels installed on the roof, all with minimal school district staff time, and at no upfront costs to the school district. The complexity of the solar development process is taken on by the Green Bank, while the financial benefits from solar can flow directly to the schools.

The turnkey product offered by the Connecticut Green Bank, Solar MAP, is not comparable to any option offered by the private sector for schools, which enables projects to be built that were unable to be built by for-profit developers.

Highland Park Elementary School
Credit: Connecticut Green Bank

FIGURE 4

Comparing Solar Development Responsibilities Across Solar Ownership Models

Step in the Solar Development Process	Responsible Party Across Solar Ownership Models		
	Direct Ownership	Private Developer PPA with Procurement Best Practices	Connecticut Green Bank Solar MAP
Deciding to pursue solar	School District	School District	School District
Pre-RFP feasibility study	School District	School District*	Public Developer
Competitive RFP process for PPA provider or solar Installer	School District	School District*	Public Developer
Contract negotiation for PPA provider or solar installer	School District	School District	Public Developer
Project finance (equity, debt, etc.)	School District	Public Developer	Public Developer
Bridge loan for IRS tax credit	School District	Public Developer	Public Developer
Filing for IRS tax credit/direct pay	School District	Public Developer	Public Developer
Oversight of solar installation contracts and maintenance	School District	Public Developer	Public Developer

**Note: Many states and school districts legally require the procurement best practices outlined above. However, some school districts do issue RFPs without first commissioning feasibility studies or contracting technical consultants to draft the RFP — both of which are considered best practices. In some cases, districts even forgo competitive bidding altogether by partnering with a developer that has already met statutory procurement requirements, such as winning a competitive bidding process in a neighboring school district.*

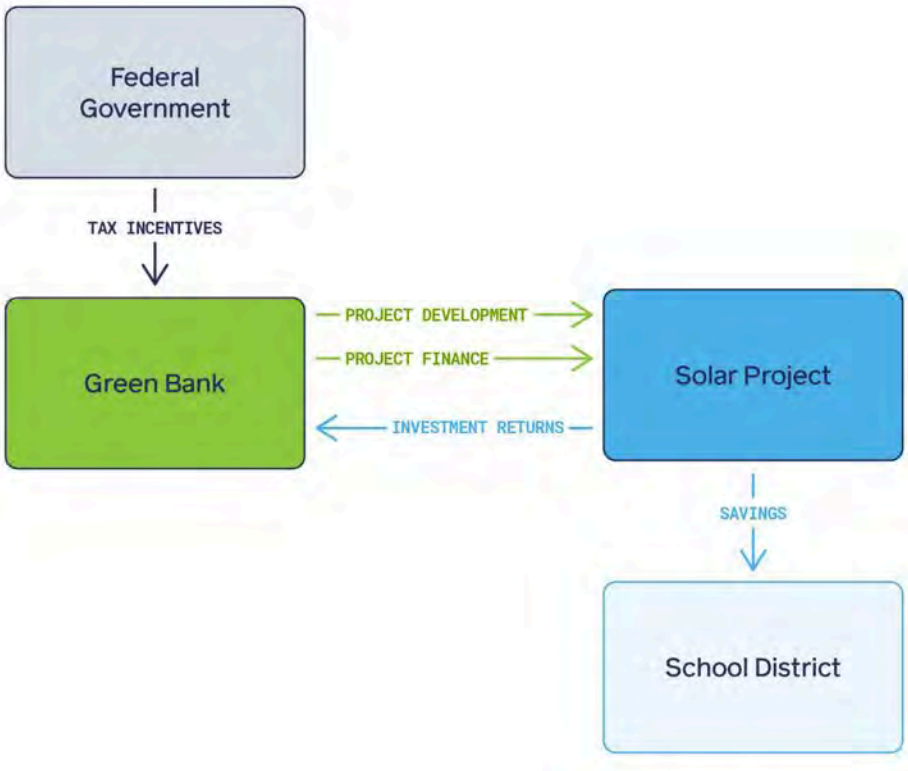
Bringing Federal Money Home

The public option development model develops solar projects that otherwise would not have happened, which makes federal tax incentives more accessible to state economies that otherwise would have gone unclaimed. A self-sustaining virtuous cycle of publicly developed solar projects allows the state of Connecticut to draw down federal resources directly to school districts while increasing public development capacity at the Green Bank itself.

The Connecticut Green Bank's solar development assistance services are provided to the school districts and municipalities at no upfront cost to schools, and are paid for by the projects themselves. Because the Green Bank owns the projects, and owns similar projects, they are able to centralize public development capacity, and distribute risks across projects, resulting in more total projects moving forward. Over time, the Green Bank draws down increasing amounts of federal funds and applies that funding to solar projects; the value created by this growing portfolio remains in the public sphere, with financial benefits passed onto school as savings, or back to the Green Bank as returns to cover the cost of capital, operations costs, or be reinvested into future projects.

FIGURE 5

How the Green Bank Draws Down Federal Tax Incentives and Passes on Savings To School Districts



Solar MAP's Project Development Component

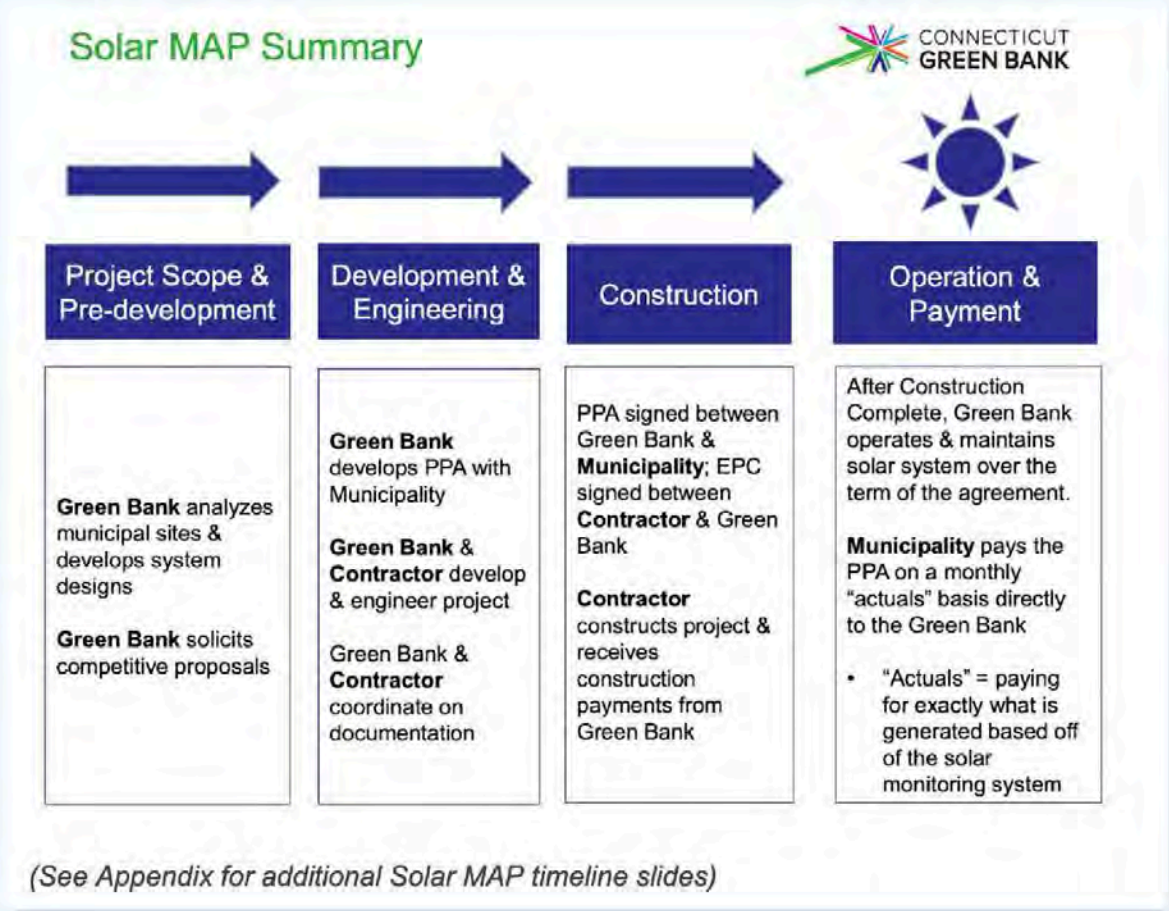
Through its turnkey development model the Connecticut Green Bank provides schools boards and other democratic decision-making bodies with tangible ready-to-vote proposals that require minimal school district staff time and no upfront costs. **Here are Solar MAP's project development steps for municipalities and school districts:**

Step 1 Public-Public Origination[51]	The Green Bank initiates contact with municipalities to propose solar projects, prioritizing disadvantaged communities. School districts and municipalities send the Green Bank a list of potential solar sites.
Step 2 Feasibility Study	The Green Bank works with a contractor to perform feasibility studies for solar projects on publicly owned buildings, and develop solar designs.
Step 3 LOI Process	Each school district and municipality signs a letter of intent (LOI) with the Green Bank, making a non-binding commitment to move forward with a set of solar projects, based on detailed annual cost savings estimates.
Step 4 Competitive EPC contract RFP Process	The Green Bank oversees a competitive bidding process and selects an EPC (Engineering, Procurement, and Construction) contractor to install and maintain multiple solar projects (8-20 total projects per annual round).[52]
Step 5 Public-Public PPA	A final PPA agreement is signed between the school district and the Green Bank.
Step 6 Construction	The selected EPC contractor oversees system acquisition and installation, in partnership with a set of Green Bank-approved vendors.[53]

[51] Origination is the process of sourcing, initiating, and structuring a project concept, usually at the earliest stages. This could include: site identification, community outreach, pre-permitting assessments, or preliminary financial modeling. In the solar development context, project origination is associated with an "origination fee" paid by the developer or long-term owner to the originator.
[52] Data from Connecticut Green Bank. Available from authors upon request.
[53] Connecticut Green Bank's approved solar vendor list here: https://www.ctgreenbank.com/wp-content/uploads/2024/12/Exhibit-B-CGB-Approved-Vendor-List-11-14-2024.pdf

FIGURE 6

Solar MAP Summary Slide from a 2019 Town Council Presentation[54]



[54] Page 17: https://ctgreenbank.com/wp-content/uploads/2019/11/Solar-MAP-11.13-webinar_11072019-002.pdf

Key Elements of the Development Process Worth Explaining Further

1. **Origination and LIDAC Targeting**
   In 2023 and 2024, **50%-75%** of K-12 solar projects were located in low-income and disadvantaged communities (LIDAC).[55] The Green Bank achieves these results by pursuing what they describe as **"a very active cataloguing of all 169 towns in the state,"** and engaging in **"very proactive outreach"** town by town and school district by school district.[56] The Green Bank uses metrics like LIDAC status, population size, and local sustainability goals to inform their prioritization. For years, senior leaders of the Green Bank's Solar MAP program have spent nights and weekends joining school board and town council meetings to explain the program to democratically elected community representatives. This public-to-public approach to engaging democratic decision making bodies unlocks projects that the private sector is unable or unwilling to develop, resulting in more equitable and more democratic solar deployment in the state.

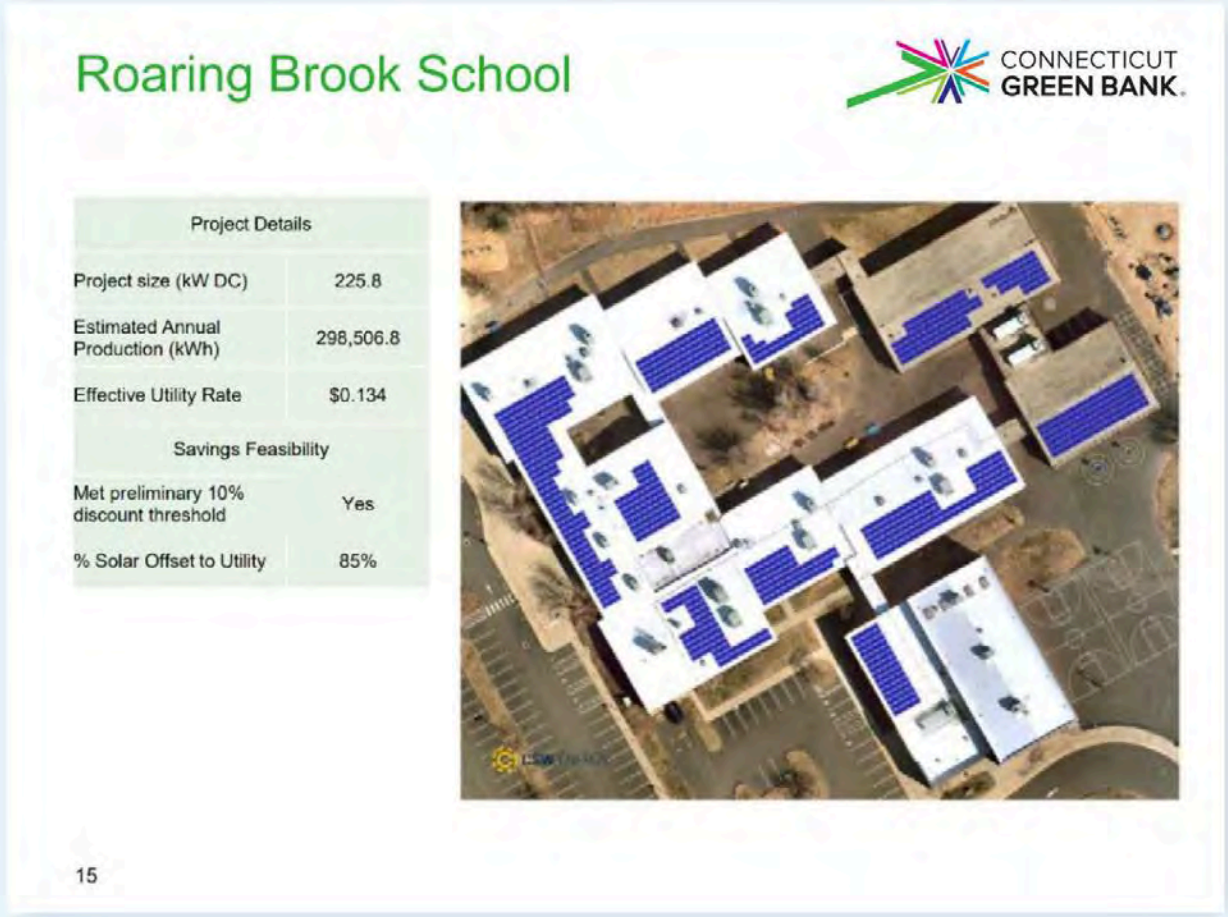
2. **Development in Rounds**
   The Green Bank is able to pass on additional savings to schools by bundling many similar tasks like design, feasibility studies, equipment procurement, installation, and financing into rounds. Instead of bidding projects one by one, the Green Bank aggregates the purchasing power of multiple schools; this "bulk order" of solar projects makes each individual project cheaper for each school, and allows in-state renewable energy companies to bid on a few large contracts rather than on multiple smaller contracts. The Connecticut Green Bank typically does one Solar MAP round per year .

3. **Free Feasibility Study**
   The staff time and upfront cost of commissioning a solar feasibility study can be a major barrier to developing K-12 solar projects. Connecticut Green Bank addresses this barrier by offering free feasibility studies and design proposals to schools. This makes the decision making process more clear to the local elected officials and facilities managers ultimately tasked with making these decisions. As part of the first round of Solar MAP in 2019, the Green Bank initiated an RFP process to select one design contractor, which further cut costs and standardized how projects would be built and how they would operate.[57] Other states, like Minnesota[58] and Pennsylvania[59] have recently initiated grant programs to help schools pay for solar feasibility studies.

[55] Data from Connecticut Green Bank, map from EPA. Available from authors upon request.
[56] Interview #1 with Connecticut Green Bank staff
[57] https://www.ctgreenbank.com/wp-content/uploads/2019/03/REQUEST-FOR-PROPOSALS-FOR-MUNICIPAL-AND-STATE-SOLAR-DEVELOPMENT-ASSISTANCE-2nd-release.pdf
[58] https://www.pahouse.com/InTheNews/NewsRelease/?id=136430
[59] https://dced.pa.gov/programs/solar-for-schools-grant-program-s4s/

FIGURE 7

Sample Feasibility Study output prepared by CSW Energy for the Town of Avon Connecticut's Roaring Brook Elementary School.[60]



CSW Energy's study estimates that this solar array will save this LIDAC elementary school $236,670 over 20 years.[61]

4. **EPC Contract RFP Process**
   The Connecticut Green Bank currently develops the project, owns the projects, and hires contractors to procure, install, and connect solar equipment at schools. These major contracts, called EPC (Engineering Procurement and Construction) contracts, are lower cost if they are aggregated across schools (akin to buying food in bulk rather than in individual packages). An RFP process led by the Green Bank allows a group of schools to receive solar at a lower cost than they each could have negotiated alone. The Green Bank's RFP process also satisfies

[60] Page 18: https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_05_06_21_mtg_web.pdf
[61] Page 19: https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_05_06_21_mtg_web.pdf

statutory competitive procurement requirements for school districts, so the Green Bank's process saves school districts a considerable amount of staff time. Because these solar projects would otherwise not have been developed, the Green Bank says that this contracting process is generating additional business for in-state solar installers, "growing the pie for everyone."[62]

5. **Contractor Standards**

The Connecticut Green Bank has successfully prioritized in-state contractors for recent K-12 solar design contracts and EPC contracts (see table below). Recent EPC RFPs[63] for K-12 solar projects have explicitly prioritized developers with a history of work with Connecticut municipalities and Connecticut state incentive programs; doing so selects for a group of existing in-state developers who have existing relationships with the Green Bank.[64] The most recent RFP includes "education requirements," requiring that solar installers invite high school students to "observe active construction" at each project site, in an effort to familiarize students with solar industry careers.[65] The Green Bank also maintains a relatively short "approved equipment vendors list" to ensure that high-stakes items like solar modules, inverters, and racking systems come from trusted sources with a history of quality long-term equipment performance.[66] Receiving federal GGRF awards, like Solar For All, has required the bank to strengthen contractor standards for recent EPC RFPs.[67]

Solar MAP Contractor	Contract Year	Contractor HQ Location
CSW Energy (Design)	2019	Meriden, Connecticut
Greenskies (EPC)	2021	North Haven, Connecticut
Verogy (EPC)	2022, 2023	Hartford, Connecticut

[62] Interview #1 with Connecticut Green Bank staff
[63] 2019 design RFP: https://www.ctgreenbank.com/wp-content/uploads/2019/03/REQUEST-FOR-PROPOSALS-FOR-MUNICIPAL-AND-STATE-SOLAR-DEVELOPMENT-ASSISTANCE-2nd-release.pdf
Round 1 EPC RFP: https://www.ctgreenbank.com/wp-content/uploads/2020/10/SolarMAP-EPC-RFP-FINAL-3.docx
Round 2 EPC RFP: https://www.ctgreenbank.com/wp-content/uploads/2022/07/Solar-MAP-Round-2-EPC-RFP-2021.pdf
Round 3 EPC RFP: https://www.ctgreenbank.com/wp-content/uploads/2022/07/CGB-2021-State-Solar-EPC-RFP.pdf
[64] A handwritten sign-in sheet from a site visit associated with a multifamily housing solar EPC RFP lists 6 prospective bidders, from 6 Connecticut-based solar installers https://www.ctgreenbank.com/wp-content/uploads/2024/12/CGB-AMFH-Site-Visit-Day-1.pdf
[65] Page 5: https://www.ctgreenbank.com/wp-content/uploads/2022/07/CGB-2021-State-Solar-EPC-RFP.pdf
[66] https://www.ctgreenbank.com/wp-content/uploads/2024/12/Exhibit-B-CGB-Approved-Vendor-List-11-14-2024.pdf
[67] https://www.ctgreenbank.com/wp-content/uploads/2024/12/CGB-Solar-MAP-EPC-RFP-AMFH-Round-1-Final.pdf

Solar MAP's Project Finance Component

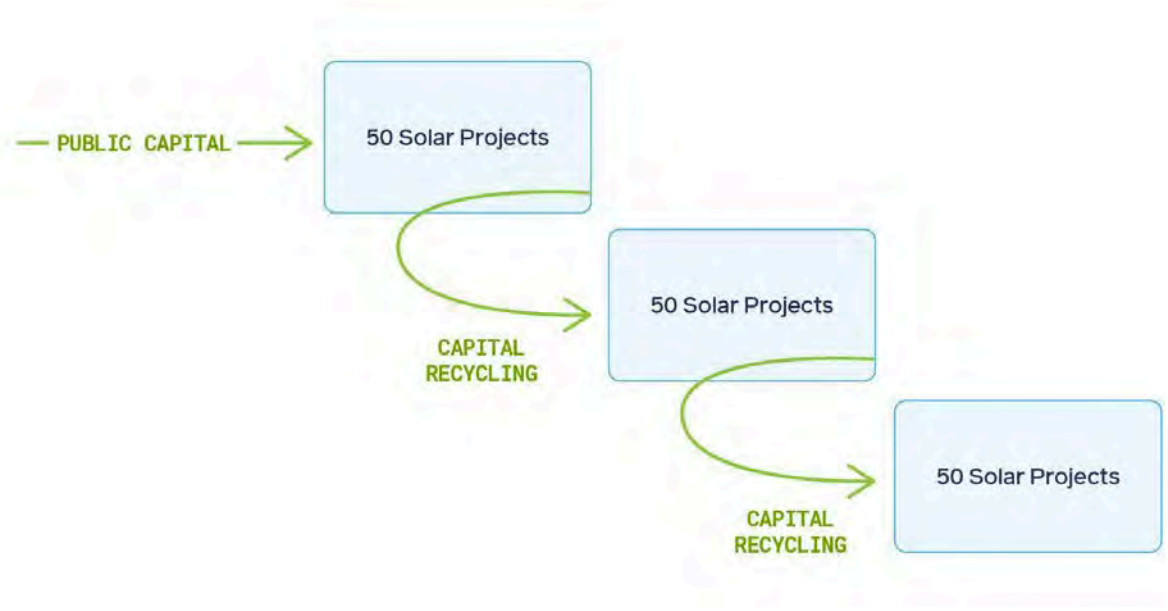
The finance side of Connecticut Green Bank's Solar MAP program delivers the funds (capital) needed to pay the solar installers on time, at the lowest possible cost to the bank.

Capital Recycling Basics

The concept of **capital recycling** is central to how all green banks operate. Connecticut Green Bank uses public capital to invest in a project, and then "recycles" that capital many times over, leveraging the value created by building one set of renewable energy projects to finance an additional set of renewable energy projects, and then another, et cetera. In order to fulfill their mission, green banks aim to recycle public capital many times over, at the quickest possible turnaround pace, while also ensuring quality control over the renewable energy assets they develop.

FIGURE 8

Simplified Capital Recycling at a Self-Sustaining Green Bank



At any given time, Connecticut Green Bank owns a number of renewable energy assets, sometimes as a portfolio of renewable energy project loans (debt), and sometimes as a portfolio of renewable energy projects like solar panels that they own directly (equity). Capital recycling allows Connecticut Green Bank to leverage the value of revenue-generating assets that they own as collateral or financial backing to invest in additional assets, thereby "recycling" their initial public capital multiple times over.

At the Connecticut Green Bank, K-12 solar projects were part of a bank-wide asset portfolio of comparable renewable energy assets, all contributing to the Green Bank's mission, and all tied to capital recycling strategies designed to free up funds to invest in the next set of projects. The value of revenue-generating assets like residential solar PPAs, commercial energy efficiency loans, and K-12 solar PPAs were all being leveraged to secure additional capital to fund additional projects, thus "recycling" their initial public capital. In this way, the Green Bank's K-12 solar investments benefitted from comparable investments across the bank's asset portfolio.

Connecticut Green Bank's Solar Project Finance Cycle

The table below shows how capital recycling fits into the Green Bank's overall solar project finance cycle.

Step 1 Public Capitalization	The vast majority of state green banks were initially capitalized with public funds from state governments.
Step 2 Project-level Capital Investments	Financing a solar project with some combination of existing liquid capital and loans, with the expectation of earning recurring returns. Green banks become self-sustaining if their average returns are equal to or greater than their average cost of capital.
Step 3 Monetize Tax Incentives	Typically a tax equity partnership structure is used, because until direct pay, only private entities could monetize federal renewable energy tax credits. With direct pay available through the IRA, this process is cheaper and simpler, because certain federal tax credits for nonprofit and public sector entities can now be monetized directly through the IRS.
Step 4 Capital Recycling	Once projects are fully complete, and producing regular returns (revenue), their increased value allows a green bank to receive asset returns, refinance loans, sell assets, or sell the cash flow from assets (through a process called securitization, often as bond sales). Capital recycling allows green banks to reduce their cost of capital and free up capital (liquidity) that can then be used for reinvestment.
Step 5 Reinvestment	Repeat Step 2, with an additional round of projects. Rinse/repeat. The initial public capital creates a self-sustaining cycle of decarbonization.

Key Elements of Connecticut Green Bank's Finance Process

1. **Public Capitalization**
   In addition to an initial capitalization,[68] Connecticut Green Bank has received additional public capital annually since 2011 from utility surcharges and auction proceeds from the Regional Greenhouse Gas Initiative (RGGI).

   - **$24-$27 million annually** from ratepayer surcharge on electric bills, about $10 per household each year.[69]
   - **$5-$9 million annually** from RGGI proceeds.[70]

   Once the Green Bank was capitalized with public money they could then deploy that capital to develop productive assets like K-12 solar projects. The Green Bank's public capital has been maintained over time, with revenue from projects covering the cost of operating expenses. For example, between 2011 and 2016, the Green Bank received $186 million in public funding, and by 2016 owned total assets worth $202 million, all while continuously financing renewable energy projects.[71] This self-sustaining quality allows the Connecticut Green Bank and similar public finance institutions to continue ambitious decarbonization efforts in spite of shifting political control at the federal level.[72]

2. **Project-level Investments**
   Connecticut Green Bank develops and owns K-12 school solar projects with financing in mind. For example, the round-by-round development process described in the previous section is able to leverage economies of scale because multiple comparable K-12 projects are being developed at once. A similar logic applies to the finance side of the program. Standard **underwriting**[73] criteria can be used to assess the financial viability of comparable projects, and then standard PPA contracts can be used across projects. By facilitating collaboration across multiple public school solar projects, the Green Bank is able to access cheaper capital (lower interest rate capital) than any one school could access individually. Access to cheaper capital allows the Green Bank to pass on more savings to individual K-12 schools.

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[68] Connecticut Green Bank had an initial capitalization of $60 million in 2011 when it became the successor agency of the Connecticut Clean Energy Fund. However, because the bank inherited grantmaking obligations, it also had to distribute $60 million in grants 2011-2013 while it transitioned from a grantmaking model to a financing model. Sources: Page 9 here: https://www.ctgreenbank.com/wp-content/uploads/2015/12/CEFIA-FY12-Audited-Financial-Statements.pdf ; See financial reports from 2011, 2012, and 2013 here: https://www.ctgreenbank.com/strategy-impact/reporting-and-transparency/

[69] https://insideinvestigator.org/unplugged-the-7-billion-tax-in-your-electric-bill/

[70] https://www.aceee.org/sites/default/files/publications/researchreports/f1602.pdf ; https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2021.pdf

[71] https://coalitionforgreencapital.com/wp-content/uploads/2017/04/CT-Green-Bank-Org-Fact-Sheet.pdf

[72] Andrew Cumbers finds that the decentralized democratic public ownership model developed in the US during the Progressive Era and New Deal Era is more resistant to privatization than national ownership models developed in the UK after World War II: https://pop-umbrella.s3.amazonaws.com/uploads/46eece06-63d9-4c0a-8324-42ea5f8408f5_Cumbers%20Diversifying%20Public%20Ownership%20EN.pdf ; More evidence from Joe Guinan here: https://www.opendemocracy.net/en/opendemocracyuk/democracy-and-decentralisation-are-their-watchwords-for-corbyn-and-mcdonn/

[73] Underwriting is the process of assessing the risk and viability of a potential investment. According to the Center for Public Enterprise, underwriting in the public enterprise context involves evaluating project risks while also designing transaction structures that align with public goals – as the Connecticut Green Bank did with Solar MAP. https://publicenterprise.org/overreading-into-underwriting/

Like other green banks, the Connecticut Green Bank's primary purpose is to rapidly deploy clean energy. To repeatedly finance clean energy projects on an ongoing basis, most green banks aspire to become financially self-sustaining, which requires them to earn an average return on investment equal to or greater than their average cost of capital, by a large enough margin to cover operating expenses, like staff salaries or office rent.

For example, in March 2020 Green Bank staff explained to their board that they can access capital at 3-3.5% interest by issuing bonds backed by investment returns (revenue) from solar project portfolios.[74] Between 2017 and 2024, Green Bank staff consistently told their board that their investments are targeting a 5% "weighted average return over 10 years."[75] If the Green Bank's investment returns (5%) are higher than their cost of capital (3-3.5%), by enough to cover the bank's operating expenses, then the bank can be self-sustaining. Instead of making a profit that is pocketed by shareholders, as a private developer would,[76] additional savings are either passed onto consumers like K-12 schools who host solar panels, or used to invest in additional clean energy projects developed by the bank.[77]

Here is an illustrative quote from a conversation with Green Bank staff about how they handled an unexpected bonus federal tax credit tied to a municipal solar project PPA:

> *"We went back, told the town, and amended the PPA to a lower rate because we're not trying to make the most money. We were already going to meet our return on the project. But when things happen that just put money on the table, well that money will go back to the customer because as long as we meet our return, we're not trying to eke out any more."*[78]

Additionally, Connecticut Green Bank will vary their target rates of return by end user, allowing them to offer lower rates to municipal projects like K-12 solar and higher rates to similar projects for private sector businesses.[79] This practice of "cross-subsidization" allows the bank to take on socially beneficial projects with lower returns, so long as they are cross-subsidized by projects with higher returns elsewhere in the bank's investment portfolio. Cross-subsidization is a common feature of public banks with a social mission around the world.[80]

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[74] Page 31 here:
https://ctgreenbank.com/wp-content/uploads/2020/05/board-of-directors-of-the-connecticut-green-bank_032520-redacted.pdf

[75] 2017, page 11: https://www.ctgreenbank.com/wp-content/uploads/2018/01/CGB_BOD_Final_Meeting-Minutes_121517.pdf
2018, page 5: https://www.ctgreenbank.com/wp-content/uploads/2018/06/CGB_Stakeholder-Webinar_Q4_FY-2018.pdf
2019, page 102:
https://ctgreenbank.com/wp-content/uploads/2019/08/board-of-directors-of-the-connecticut-green-bank_062819-redacted.pdf
2024, page 155:
https://www.ctgreenbank.com/wp-content/uploads/2024/07/Board-of-Directors-of-the-Connecticut-Green-Bank_062124.pdf

[76] Profit margins of 10%-25% per project are a typical target for a for-profit solar developer.
https://arka360.com/ros/why-solar-companies-go-out-of-business/

[77] Interview #1 with Connecticut Green Bank staff

[78] Interview #1 with Connecticut Green Bank staff

[79] Connecticut Green Bank board meeting, 12/15/2023 at 1:03:18, here:
https://youtu.be/B4Er_otnyGQ?si=IvxhtyYxtXKXElfs&t=3798

[80] Banco Popular in Costa Rica uses high-return activities to cross-subsidize the bank's low-return social lending activities, and Halk Bank in Turkey uses high-return activities to cross-subsidize public services. Public Banks: Decarbonization, Definancialization, Democratisation, by Tom Marois, page 239:
https://www.cambridge.org/core/books/public-banks/0EC8E41F837E1F10BE53FC31DA83D012

3. **Monetize Tax Incentives**
   Some form of federal tax incentive for solar has been in place since 1978.[81] These federal tax incentives make renewable energy cheaper, but require significant legwork to monetize. Renewable energy developers enter into complex legal partnerships with large private entities, usually big banks, to arrange tax equity partnership structures that are used to monetize federal tax incentives.

   Before 2023, when direct pay was not available, K-12 schools pursuing solar projects could only access federal tax incentives by working with third-party solar project owners, like private developers or green banks that arranged tax equity partnerships on their behalf.[82]

   Now, schools can access tax credits directly, and so can nonprofit and public solar developers, like green banks.

   In addition to federal incentives, the state of Connecticut offered a significant small- and medium-scale incentive program, which the Green Bank also monetized on behalf of school districts and municipalities for K-12 school installations.[83]

4. **Capital Recycling**
   Capital recycling means that dollars that are deployed by the Green Bank are able to be deployed again, multiple times.[84] Capital recycling is the essential functionality that allows green banks and development finance agencies to become self-sustaining and increase in scale as they continuously deploy renewable energy projects.

   Once a number of similar solar projects are online, that "portfolio" of assets becomes more valuable as it earns revenues from selling electricity. Owning a portfolio of projects with stable financial returns makes it easier for the bank to access additional low-cost capital, or possibly sell the portfolio of assets all together for more money than they initially spent. Leveraging projects with a positive cash flow to access additional capital is a common practice in renewable energy development,[85] and an essential tool for green banks and development finance agencies which want to finance multiple rounds of solar on K-12 schools.

The following table provides an overview of capital recycling methods used by Connecticut Green Bank over the course of its K-12 solar development work.

[81] https://nccleantech.ncsu.edu/2024/11/19/the-past-present-and-future-of-federal-tax-credits-for-renewable-energy/
[82] See "Public Option PPA Offering" for more detail
[83] ZREC program background here: https://www.eversource.com/content/residential/save-money-energy/clean-energy-options/renewable-energy-credits/status-overview
[84] Definition from Coalition for Green Capital, page 22 here: https://coalitionforgreencapital.com/wp-content/uploads/Policy-Analysis-of-the-Clean-Energy.pdf
[85] https://www.dnv.com/cases/securitization-of-solar-projects-86650/#:~:text=Securitization%20refers%20to%20the%20process,portfolio%20of%20underlying%20cash%20flows.

Capital Recycling Method[86]	Hypothetical Public Option K-12 Solar Example	Connecticut Green Bank Example	Benefit for K-12 Schools
Investment Returns	Public developer invests in 10 solar projects, signs PPAs with schools. 5% returns per year, they recycle 100% of their initial capital in 20 years.	K-12 solar projects developed 2014-2018 are still owned by Connecticut Green Bank, yielding continuous returns.[87]	Regular investment returns are then used to invest in additional K-12 solar projects.
Refinancing	Public developer invests in 10 solar projects, signs PPAs with schools. Uses the signed PPA to negotiate a 20-year loan at 5% interest to pay off a 10% interest construction loan.	In 2014 Connecticut Green Bank pooled K-12 solar projects tied to PPAs in order to secure low-interest commercial bank loans, which were used to refinance higher-interest loans used to purchase solar equipment.[88]	Lower cost of capital means a green bank can offer schools a better deal for subsequent K-12 solar projects.
Asset Sales	Public developer invests in 10 solar projects, signs PPAs with schools. Sells assets tied to PPAs for a net financial gain, with unmodified PPA contracts.	Connecticut Green Bank sold K-12 solar project PPAs to a nonprofit asset manager, Inclusive Prosperity Capital (IPC), 2020-2024.[89]	Proceeds from asset sales can be used to invest in additional K-12 solar projects.
Securitization	Public developer invests in 10 solar projects, signs PPAs with schools. Green bank aggregates these similar assets and pools their cash flows. Green bank issues revenue bonds at 3% interest to private investors, paid out from the pooled cash flows of those aggregated assets.	In 2019 Connecticut Green Bank sold $38 million in securities backed by returns from 14,000 residential solar projects.[90]	Proceeds from the sale of securities can be used to invest in additional K-12 solar projects.

[86] Adapted from CGC capital recycling framework. Page 23 here: https://coalitionforgreencapital.com/wp-content/uploads/Policy-Analysis-of-the-Clean-Energy.pdf

[87] Interview #2 with Connecticut Green Bank staff, regarding the commercial solar portions of the SL2 and SL3 special purpose vehicles (SPVs) owned by the bank.

[88] https://cbey.yale.edu/research/ct-solar-lease-2

[89] Connecticut Green Bank initially just sold the assets, to recycle capital. Then, the bank decided to sell the assets, then underwrite loans for those assets, then securitize the loans, to further leverage their initial capital and access additional low-interest credit. The underwriting for the loans was little additional work, because it was already done for the initial project development investment. Sources: 1 - initial PPA sales to IPC https://www.ctgreenbank.com/solar-projects-sold-to-ipc/ ; 2 - asset sales + loans to IPC, page 29: https://ctgreenbank.com/wp-content/uploads/2020/05/board-of-directors-of-the-connecticut-green-bank_032520-redacted.pdf

[90] Securities sold via private placement https://www.ctgreenbank.com/cgb-sells-38m-in-shrecs/

Tradeoffs Across Capital Recycling Methods for Connecticut Green Bank-Owned Assets

Connecticut Green Bank uses multiple capital recycling methods to achieve its social mission. Securitization is seen as a particularly desirable capital recycling method because it allows green banks to access low-cost capital without losing control over assets.

Capital Recycling Method	Access to Low- Cost Capital	Capital Recycling Speed	Control Over Assets
Investment Returns	Limited Capital Access	Slower	High
Refinancing	Low rates, but higher than securitization	Medium, once project is online	High
Asset Sales	Lowest rates, no interest	Fast, PPA must be sold by the end of the construction phase to claim tax credits	Low, reliant on strong PPA contracts
Securitization	Lowest rates, bond rates	Medium, once project is online	High

Ox Ridge Elementary School
Credit: Verogy

How Asset-Backed Bonds Expand the Pie for States

Owning revenue-producing assets, like K-12 school solar arrays, allows the Connecticut Green Bank to borrow at a low cost of capital, without competing directly with other public finance priorities.

States and municipalities access low-cost capital primarily through general obligation bonds (GO bonds). These bonds are "backed" by the tax base of the issuing government, which makes them appear safe to investors, and therefore well-rated by credit agencies. Governments and school districts with higher bond ratings can issue new bonds at a lower cost of capital. However, if a state issues too many GO bonds, credit rating agencies will eventually downgrade the state's credit ratings, because they worry the state will not be able to raise enough taxes to repay bondholders.

Source of Public Sector Capital	Examples	Backing	Limits	Who Buys the Bonds/ Securities?
General Obligation Bonds (GO bonds)	School bonds, municipal bonds	Backed by taxation ability (i.e. property tax revenue)	Limited. Breaching the issuer's debt limit harms the issuer's credit rating. A downgraded credit rating increases costs for taxpayers.	Private investors, mostly
Asset-Backed Bonds (or structural equivalents)	Revenue bonds, asset-backed securities (ABS), securities sold via private placement	Backed by project revenue	Unlimited. Additional bonds can be backed by additional renewable energy projects. Economies of scale and asset diversification further reduce risk.	Private investors, mostly

Solar MAP in Action: Manchester Public Schools – from “Never” to Leader

Manchester’s Journey to Yes

Located in the greater Hartford region, Manchester Public Schools is a large suburban district of 17 schools—four of which are Title I schools serving low-income communities. By the time round one of Solar MAP was starting in the lead up to 2020, private solar developers in the state had concluded that Manchester would “never do a project.” The state solar incentive program had been around for ten years, private developers had made proposals to take advantage, but a deal had not been reached.[91]

Those assumptions were upended when the Connecticut Green Bank came to the town with their new program designed to put solar on municipal buildings. Previous barriers to Manchester installing solar on its buildings included limited municipal staff capacity and sectoral expertise to lead the planning and contracting processes required.[92] Solar MAP offered a route to solar that would take the administrative burden off the municipality and put it in the hands of a trusted, experienced institution set up by the state.

The town’s Deputy General Manager and Director of Public Works made the advantages of Solar MAP clear in a memo to Manchester’s Board of Directors, the town’s elected governing body. The memo recommended that the town sign a letter of intent with the Green Bank to move forward with 11 solar projects through Solar MAP, the majority of which were for K-12 schools.

[91] Interview #1 with Connecticut Green Bank staff
[92] https://www.cga.ct.gov/2024/ETdata/TMY/2024HB-05232-R000227-Garcia,%20Bryan,%20President%20-%20CEO-Connecticut%20Green%20Bank--TMY.PDF

Senior Manchester municipal staff cited three primary reasons for recommending that the town partner with the Green Bank to develop solar projects:

1. **The Green Bank's legitimacy as a quasi-state institution.**

   "*Given the Connecticut Green Bank's role as a quasi-state institution, with a governing Board appointed by a bi-partisan group of elected state officials (Governor, Majority and Minority Leaders), there is a level of legitimacy and accountability with CGB that is not available from any other provider of solar energy. In a relative [sic] new field, this is especially important as most PPAs are for 20-25 years; and the reliability and long-term solvency of the institution with which we enter into a long term contract is critical."*[93]

2. **The Green Bank's transparency and track record.**

   "*As a quasi-state institution created by the Connecticut Legislature, there is a level of transparency and required disclosures from the CGB that would not be found with other potential solar energy firms. Listed on its website are detailed financial reports, operating procedures, ethics statements, and comprehensive plans.*[94]

   For a relatively new industry, the importance of a successful track record working with other municipalities such as the work CGB have done…is essential."

3. **The timing of the projects,** which would help the town take advantage of state-level incentive programs.[95]

The excerpts from the report indicate clearly that the quasi-public status and democratic governance structure of the Green Bank made the difference in getting Manchester from "never" to yes. Trust appeared to be just as significant as the financial calculation.

The letter of intent was signed with bipartisan support from the Board of Directors and the Power Purchase Agreement was unanimously approved six months later.[96] [97]

[93] https://ecode360.com/documents/MA2034/public/575167355.pdf
[94] https://ecode360.com/documents/MA2034/public/575167355.pdf
[95] https://ecode360.com/documents/MA2034/public/575167355.pdf
[96] https://ecode360.com/documents/MA2034/public/575167641.pdf
[97] https://ecode360.com/documents/MA2034/public/595241437.pdf

Execution and Results

In 2022, solar panels were installed at 6 of Manchester's 17 public schools, adding 1.6 MW to the town's solar energy capacity.[98] With guidance and support from the Connecticut Green Bank, this initiative has not only reduced energy costs but also reinforced the Town's prioritization of sustainability. Since the initiation of the Solar MAP projects, Manchester has established itself as a national leader in the sustainability space, with three net-zero energy school buildings and adoption of cutting-edge technologies like ground source heat pumps.[99] Manchester also has additional ongoing investments in net-zero buildings, including a new library, and plans to use IRA tax credits for further clean energy projects.

Solar installations are projected to save the Town of Manchester approximately $100,000 annually.[100] Federal tax credits further improved the affordability of the projects. Beyond financial savings, these renewable energy systems are now valuable educational tools, sparking curiosity and environmental awareness among students.

The Connecticut Green Bank's approach benefits every school in Connecticut, but it's especially impactful for smaller towns and municipalities. Smaller towns face limited resources, which can strain their ability to pursue other initiatives.

The Green Bank was instrumental in the success of the Town of Manchester's school solar projects.[101]

Chris Till
Facilities Manager
Town of Manchester, Connecticut

[98] https://www.ctgreenbank.com/manchester-announces-solar-installations-at-seven-municipal-buildings/ capacity data is from connecticut green bank. Available from authors upon request.
[99] UndauntedK12 published an overview of Manchester's ground source heat pump investments here: https://www.undauntedk12.org/playbook-for-state-leaders
[100] https://www.ctgreenbank.com/the-town-of-manchester-will-save-more-than-100000-annually-through-seven-solar-systems/
[101] Interview with Chris Till

Case Study Part 2: How Solar MAP Came to Be and Future Opportunities

Key Factors (According to Connecticut Green Bank Staff)

In our conversations with Green Bank staff,[102] here are some key factors they identified that led to the evolution of the program:

1. **Undersubscribed State Incentive Programs**
   The State of Connecticut's ZREC program, established in 2011, helped grow the number of solar schools in the state but remained undersubscribed for school-scale solar projects.[103] For the Green Bank, this was the single most salient justification for the need to enter the space as a public option solar developer, partnering with public schools to do what private developers were not capable of doing, even with incentives in place.[104]

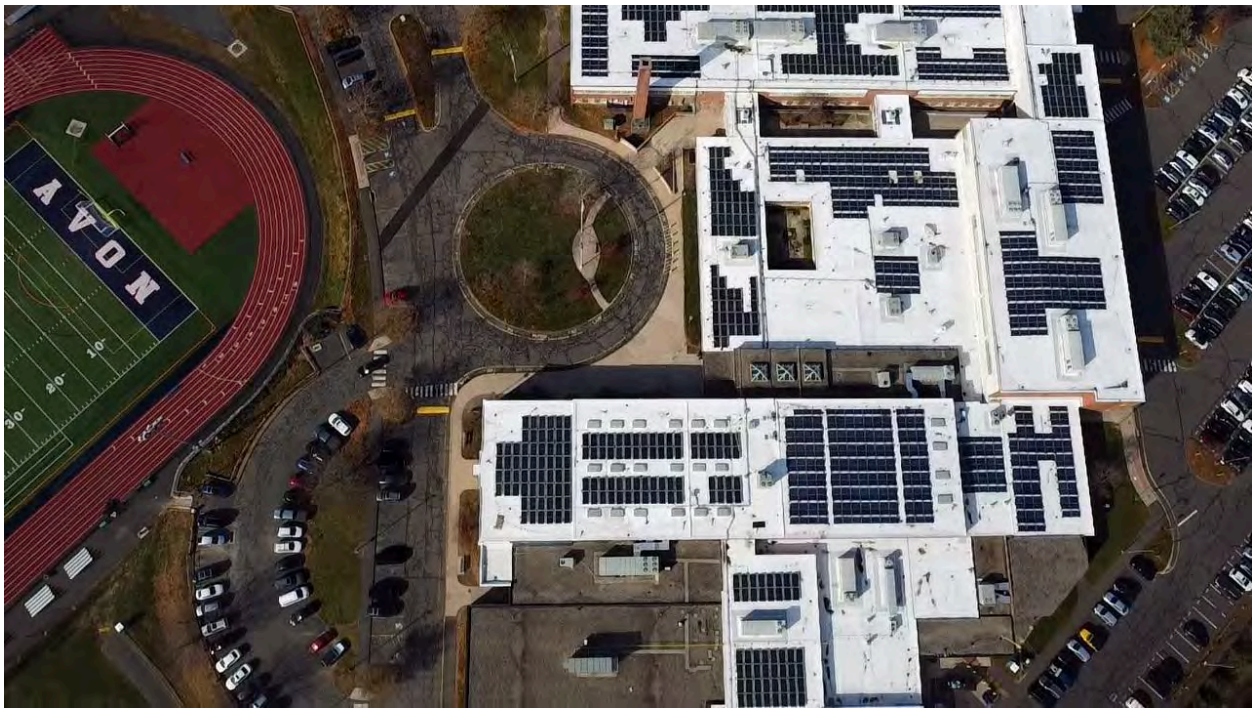
2. **A Proposal from the Green Bank Staff**
   According to Green Bank staff, the decision to offer public PPAs to K-12 schools in 2014, and the decision to target solar development capacity to K-12 schools in 2019 came from members of the team at the Green Bank itself. Green Bank staff were quick to note that their proposal was met with immediate support from state and municipal allies because of the trust the bank had built over time, as a public partner eager to collaborate with others in the public sector. The staff who proposed this expanded work were the same people who became responsible for that work, which expanded the scope of their roles at the Green Bank.

3. **Requests from Municipal Governments and School Districts**
   School districts and towns were eager to partner with Connecticut Green Bank in 2014 when their public option PPA was launched and continue calling for the program to be expanded. The PPA alone was not enough for some school projects to move forward, which prompted the bank to offer turnkey development support, including competitive RFPs for design, feasibility, and installation starting in 2020.

[102] Interviews #1 and #2 with Connecticut Green Bank staff
[103] ZREC program background here: https://www.eversource.com/content/residential/save-money-energy/clean-energy-options/renewable-energy-credits/status-overview
[104] See Connecticut Green Bank testimony on how undersubscribed the program was for school-scale projects, page 9: https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Garcia,%20Bryan,%20President%20-%20CEO-Connecticut%20Green%20Bank--TMY.PDF

4. **State Government Support**
   Bank partners at the governor's office, and state-level agencies supported the shift to turnkey development support in 2020, in part because they wanted the Green Bank to apply the same turnkey development approach to state-owned projects.

5. **Democratic Board Support**
   New Green Bank programs require board approval of written proposals, transparently voted on at publicly accessible recorded board meetings. Members of the board representing the governor's office, the state environmental community, labor unions, and community-based economic development all supported the staff's proposals to expand public development offerings to schools and other public buildings.



Avon High School / Credit: Verogy

Phases of Public Option K-12 Solar at Connecticut Green Bank (2014-2025)

The Connecticut Green Bank's Solar PPA programs evolved in phases, from 2014 to the present. According to Green Bank staff, these programs iterated off of one another, and evolved to fill market gaps based on the Green Bank's assessment of needs in the state. The programs were not modeled after other public ownership or public developer experiences in other sectors or other countries.

FIGURE 9

Phases of Connecticut Green Bank Solar Development at K-12 Schools

Phase	Years	Project Originator	Developer	Mode of Financing*	Public Ownership Duration	Asset Manager, Tax Equity Sponsor	Capital Recycling
Phase 1 Public Asset Management with Tax Equity Partners	2014-2018	Private	Green Bank	Blended Financing (Balance Sheet Financing and Debt Financing)	Long Term Public Ownership	Green Bank	Investment returns, refinancing, securitization
Phase 2 Asset Sale to Private Asset Managers	2017-2020	Private	Green Bank	Balance Sheet Financing	Temporary Public Ownership	Private	Asset sales, Securitization
Phase 3 Asset Sale to Nonprofit Asset Manager	2020-2024	Green Bank	Green Bank	Balance Sheet Financing	Temporary Public Ownership	Non- profit	Asset Sales, Securitization
Phase 4 IRA-enabled Public Asset Management	2025-	Green Bank	Green Bank	Balance Sheet Financing	Long Term Public Ownership	Green Bank	Investment Returns, Refinancing, Asset Sales, Securitization

**Note: In the "Mode of Financing" column, "balance sheet financing" means the Green Bank uses its own funds to pay for solar projects, whereas "debt financing" means the Green Bank took out a loan to pay for solar projects. "Blended financing" is a combination of balance sheet financing and debt financing. Connecticut Green Bank's ability to pursue balance sheet financing is enabled by public capitalization.*

Here is a more detailed account of each phase:

- **Phase 1: Public Asset Management with Tax Equity Partners, 2014-2018**
  Connecticut Green Bank's very first PPA offering to K-12 schools was publicly owned solar panels for projects originated by in-state solar installers, who initiated conversations with schools, and led installation work. The Green Bank owned the panels, directly negotiated PPA contracts with school districts and municipalities, and arranged a tax equity partnership to monetize the credits. Private banks provided 45% of the financing through loans.[105] The Green Bank still owns and manages these projects.

- **Phase 2: Asset Sale to Private Asset Managers, 2017-2020**
  Because of the burdens associated with tax equity partnership, the Green Bank looked for an outside partner who could buy and manage projects developed by the Green Bank, thus outsourcing the process of arranging the complex partnership needed to monetize federal tax credits. The Green Bank intended this arrangement to be a short-term stopgap measure until a nonprofit asset manager could be established.[106] Thanks to recurring public capitalization and capital recycling, the Green Bank was able to begin financing K–12 solar projects entirely through balance sheet financing by 2017.[107]

- **Phase 3: Asset Sale to Nonprofit Asset Manager, 2020-2024**
  By 2020, Green Bank staff spun out a new 501c3 nonprofit asset manager called Inclusive Prosperity Capital to buy and manage solar PPAs that were originally developed and owned by the Green Bank. The nonprofit model allows solar asset ownership to remain entirely in public and nonprofit hands for the lifespan of the projects.

- **Phase 4: IRA-enabled Public Asset Management, 2025**
  Once the IRA was enacted, Connecticut Green Bank no longer required a private tax equity partner to monetize federal tax incentives because they could file for direct pay from the IRS themselves. Now that a private sector tax equity partner is no longer needed, the Green Bank is no longer planning on selling newly developed K-12 solar PPAs.[108]

Public Development as the Common Denominator

The common factor across each phase of solar was the Green Bank's role as a public developer, negotiating public-public partnerships with school districts and municipalities. The tipping point investment decision that ultimately made these projects move forward was made by the Green

[105] Page 7: https://cbey.yale.edu/research/ct-solar-lease-2
[106] The Connecticut Green Bank's asset sale practice is tied to a public-public PPA, making this private asset management relationship far less predatory than other examples of clean energy infrastructure being bought up by private asset managers. Because of the publicly negotiated PPA, the private asset manager's returns are directly tied to consistent solar production. More on the role or private asset managers in the clean energy space here: https://www.nytimes.com/2023/05/08/opinion/inflation-reduction-act-global-asset-managers.html
[107] Page 52: https://ctgreenbank.com/wp-content/uploads/2020/03/deployment-committee-of-the-connecticut-green-bank_022720-redacted-1.pdf
[108] However, because current IRS rules do not allow public sector developers to monetize asset depreciation without a private sector tax equity partner, Connecticut Green Bank staff said that they do not want to rule out tax equity partnerships entirely.

Bank, not a for-profit actor. Our analysis zeroes in on this particular function as the single most consequential element of the program. A report from Common Wealth, a UK think tank, calls this "socialising the investment decision function."[109] Getting more renewable energy projects to "yes," a core goal of renewable energy policy, is frequently accomplished by subsidizing privately-developed renewable energy projects, in hopes of shifting these investment decisions toward renewables. Detailed modeling is often used to help policymakers predict the most likely investment decisions of for-profit actors under varying policy scenarios. Connecticut Green Bank's publicly-developed K-12 solar work removes the guesswork from this equation, resulting in consistent renewable energy development. Private developers are built to make project-by-project investment decisions based on profitability, whereas public developers, like the Green Bank, are built to make decisions based on social impact.

Key Moments in the Evolution of Solar MAP

1. **Green bank enabling legislation, 2011.**
   The Green Bank was founded as a quasi-public agency in 2011 with a mandate to invest in revenue-generating clean energy assets.[110] It was built to collaborate with the private sector, but was given broad latitude on how to do so, including the power to develop and own assets like K-12 solar projects. These broad authorities have allowed the bank to often act as the senior partner in collaborations with the private sector, expanding the clean energy market beyond the point where the private sector is willing to invest, and ensuring the value created by public projects remains in public hands, with material benefits flowing to municipal and school district budgets.

   The enabling statute also gave the bank an explicit mandate to partner with the public sector to develop commercial-scale clean energy projects, including municipalities, schools, and the state of Connecticut.

   The bank's legislatively mandated democratic board structure ensures close political ties to the state's executive agencies, and civil society groups like organized labor. Having a board with such close ties to state government has helped the bank establish high trust relationships with public sector actors like schools and insulates the bank from political pressure from private clean energy developers (see "Blowback" section below).

[109] Page 26, here: https://www.common-wealth.org/publications/the-greatest-generation-how-public-power-can-deliver-net-zero-faster-fairer-and-cheaper
[110] Page 184 https://www.cga.ct.gov/2011/act/pa/pdf/2011PA-00080-R00SB-01243-PA.pdf

FIGURE 10

The Connecticut Green Bank's Board of Directors[111]

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

2. **Bonding Authority, 2012 and 2019**
   Bonding authority granted by the state legislature to the Green Bank enables the capital recycling that allows the Green Bank to leverage capital multiple times over. Once the Green Bank had the authority to issue bonds, they were able to sell the cash flow from portfolios of similar projects to investors at a low interest rate of 3-3.5% in 2020.[112] Because these bonds are backed by cash flow from productive assets, and not by the "full faith and credit" of the state, they could be issued without having an effect on the state's credit rating. These asset-backed bonds do not compete with other state priorities, but instead expand the public sector's overall access to cheap capital.

   The state legislature passed a bill to give the Green Bank $50 million in bonding authority in 2012.[113] This law enabled the Green Bank to begin building portfolios of assets that could be

[111] Page 9: https://www.ctgreenbank.com/wp-content/uploads/2024/07/Comprehensive-Plan_FY-2025_071924.pdf
[112] Page 31 here: https://ctgreenbank.com/wp-content/uploads/2020/05/board-of-directors-of-the-connecticut-green-bank_032520-redacted.pdf
[113] Page 177 here: https://www.cga.ct.gov/2012/act/pa/pdf/2012PA-00002-R00SB-00501SS2-PA.pdf

securitized to enable faster rate of capital recycling and therefore provide additional investment in clean energy projects. By 2014, enabled by bonding authority, the Green Bank was able to secure private placement of bond securities with specific partner investors.[114] In 2019, legislation increased bonding authority from $50 million to $100 million, enabling additional bond finance.[115]

In addition to bonding authority, the State of Connecticut also offered the Green Bank the same public finance mechanism that helps other quasi-public finance agencies issue low-interest bonds. In Connecticut, quasi-public agencies making public-purpose investments are granted access to the state's Special Capital Reserve Fund (SCRF) — a fund capitalized by public money and designed to enhance the security of bonds they issue. This mechanism, known as a **credit enhancement**, helps lower borrowing costs for quasi-public entities. With access to the SCRF, Green Bank-developed clean energy projects can access the same low-interest finance that supports the development of airports, sewers, recycling facilities, childcare facilities, and public housing.[116] The Green Bank can therefore issue bonds backed by both asset revenue and a publicly-funded reserve fund, which allows Green Bank bonds to be issued at a lower interest rate than if it only had one or none of those supports – allowing the Green Bank to offer more favorable solar PPA terms to K-12 schools.

3. **Public Option PPA Offering, 2014**

In 2014, the Connecticut Green Bank began offering Green Bank-owned solar PPAs to residential customers and K-12 schools. This was a response to the rise of national installers like SolarCity who were offering similar products to residential consumers.[117] National installers increased overall solar deployment in Connecticut but reduced the market share for Connecticut-based solar installers, none of which offered PPAs at the time. The Green Bank's partnership was seen as a way to support the state's renewable energy sector while also offering a competitive cost-saving product to customers like homeowners and public schools.

The Green Bank's existing staff capacity for underwriting solar loans was able to shift to underwriting solar assets. In order to compete with the national solar installers, the Green Bank arranged a tax equity partnership[118] to monetize the federal tax credits associated with the solar projects — a complex financing function that local solar installers were not able to manage without a partner.

Connecticut Green Bank sponsored a tax equity partnership with a private bank that temporarily transferred legal ownership of a portfolio of solar projects to the private bank in order to monetize federal tax credits.[119] Once the credits were fully monetized, full ownership of the solar portfolio flipped back to the Green Bank, and the tax equity partnership was dissolved.[120]

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[114] Page 45 here: https://doee.dc.gov/sites/default/files/dc/sites/ddoe/service_content/attachments/20170403_Green%20Bank%20Technical%20Report%20for%20DOEE_FINAL.pdf
[115] https://cga.ct.gov/2015/rpt/2015-R-0174.htm
[116] Page 190 here: https://www.climatebonds.net/files/files/CTGB%20July%202020%20EMMA%20statement.pdf
[117] See pages 6-7 here: https://cbey.yale.edu/research/ct-solar-lease-2
[118] This 2016 RFP from the Connecticut Green Bank illustrates the tax equity partnership process and is similar to the one used to structure the 2014 partnership: https://www.ctgreenbank.com/wp-content/uploads/2016/06/SolarPPAFundRFP.pdf
[119] For more information about the Connecticut Green Bank's 2014 solar PPA tax equity partnership, see pages 7-9 here: https://cbey.yale.edu/research/ct-solar-lease-2
[120] Page 113: https://www.ctgreenbank.com/wp-content/uploads/2025/01/REDACTED-Board-of-Directors-of-the-Connecticut-Green-Bank_1213241.pdf

The K-12 solar projects developed by the Green Bank in 2014 remain on the bank's balance sheet in 2025.[121] The schools continue to make monthly PPA payments to the bank, and the bank continues to oversee operations and maintenance contracts (O&M) on these assets.[122]

The Connecticut Green Bank's 2014 decision to publicly finance public PPAs for K-12 schools is distinct from green banks who instead choose to publicly finance private PPAs. For example, Maryland's Montgomery County Green Bank issues publicly-subsidized loans to for-profit companies to encourage them to sign PPAs with K-12 public schools.[123] With this model, the Montgomery County Green Bank does not own the solar assets and does not receive cash flow from the PPAs. This limits its ability to set the terms of the PPA agreement in a way that maximally benefits school districts, and keeps the investment decision in the hands of a for-profit actor, rather than a public actor. For-profit developers require higher rates of return on projects than public developers, which limits the types of projects they can take on without subsidies, as illustrated by the table below:

FIGURE 10

Comparing Two Public Finance Models for Commercial-Scale Solar Development:[124]

	Public finance for private development	Public finance for public development
High-return projects? (10-25%)	Yes, with additional returns going to investors[125]	Yes, with additional returns passed on to project hosts.
Modest-return projects? (5-8%)	Possibly, if risk is low, and developer is not backed by private equity[126]	Yes, this is the Connecticut Green Bank's target rate of return.
Low-return projects? (0-4%)	Unlikely	Possibly, with cross-subsidization

4. **Asset Sales to Avoid a Tax Equity Partnership, 2018**
From 2014 to 2017, the Green Bank arranged a tax equity partnership for K-12 solar projects developed and owned by the Green Bank. For reasons of costs, staff time, and low negotiating

[121] Interview #2 with Connecticut Green Bank staff
[122] O&M RFP from 2023 here: https://www.ctgreenbank.com/wp-content/uploads/2023/04/FY2024_OM_Resi_SL-2RFP-5-22-2023.pdf
[123] For example: https://mcgreenbank.org/the-nora-school-installs-48-1kw-rooftop-solar-pv-system/ ; multiple K-12 solar projects are featured as case studies on the program's website https://mcgreenbank.org/category/case-studies/commercial/
[124] According to Brett Christophers' book The Price is Wrong, typical returns for solar and wind projects fall in the 5% to 8% range, while oil and gas projects earn returns of 15% or more. Pages 212-214, here: https://www.versobooks.com/products/3069-the-price-is-wrong
[125] https://arka360.com/ros/why-solar-companies-go-out-of-business/
[126] https://www.harbourvest.com/insights-news/insights/climate-investing-private-markets-return-focused-perspective/

leverage, Green Bank staff decided that this work would be better housed under a national nonprofit asset manager that many Green Bank staff were in the process of spinning off, called Inclusive Prosperity Capital (IPC). However, because it took years for IPC to be ready to purchase and manage solar projects, the bank sold projects to private asset managers 2018-2022.

The Green Bank's tax equity partnership allowed it to monetize federal tax credits, but it was also cumbersome and costly. Renewable energy developers commonly partner with large private banks which consistently owe large sums in taxes — known as a large "tax appetite" — which then monetize the tax credits on behalf of renewable energy companies who have very small tax appetites. Nationwide, 80% of federal tax credits are monetized by large US banks.[127]

Because only the largest banks and corporations have tax appetites large enough to engage in tax equity partnerships, they have historically been able to extract 15-25% of the tax credit's value.[128] Also, the process of creating the partnership requires upfront resources to fund specialized legal expertise and bank staff capacity to review financial models.[129] Throughout this tedious process, developers are at a negotiating disadvantage because they need the partnership deal to close before the solar project can start generating electricity (and therefore revenue).[130]

Selling assets developed by the Green Bank allowed them to avoid additional tax equity partnerships. These asset sales were a form of tight-turnaround capital recycling, allowing the bank to use money from the asset sales to invest in additional K-12 solar projects.

Even after a sale is complete, the strong PPA contract negotiated between the green bank and the school district remains intact. For example, one Green Bank template PPA contract used across projects includes: standards for performance, explicit underperformance remedies, termination rights in the events of bad maintenance, and explicit end-of-life decommissioning obligations.[131] Public control of the point of investment decision allows for stronger public-public PPA contract language than publicly-subsidized private PPAs whose contracts are negotiated with a for-profit developer.

5. **In-house Project Origination Increases Equity, 2020**
Beginning in 2020, the Connecticut Green Bank incorporated project origination into their PPA offering, allowing them to deploy solar far more equitably.

When the Green Bank let private sector solar installers lead on origination, only **0%-14%** of K-12 solar projects were located in low-income and disadvantaged communities (LIDAC), based on an analysis of projects that came online between 2014 and 2020.[132]

Once the bank started leading on origination, **50%-75%** of K-12 solar projects were located in low-income and disadvantaged communities (LIDAC), from projects that came online 2023-2024.

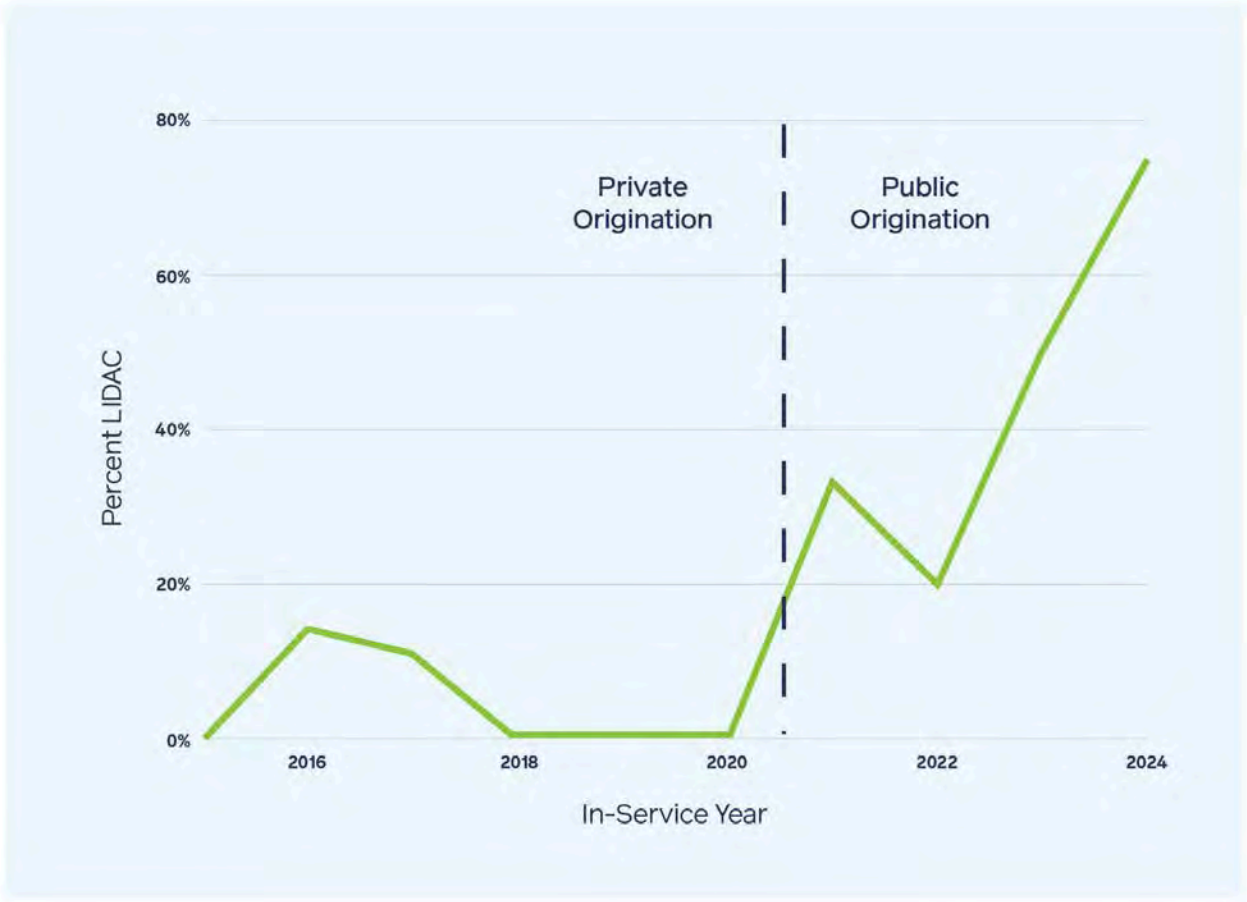
[127] https://acore.org/resources/tax-equity-enabling-clean-energy-and-growing-the-american-economy/
[128] 15% number here: https://www.americanprogress.org/article/understanding-direct-pay-and-transferability-for-tax-credits-in-the-inflation-reduction-act/ 25% number here: https://x.com/jessejenkins/status/1436680236930899981?s=46
[129] https://pivotal180.com/pros-and-cons-of-transferability/
[130] https://www.reunioninfra.com/insights/december-rush
[131] https://www.ctgreenbank.com/wp-content/uploads/2025/01/Exhibit-C-Project-Agreements-4th-Master-PPA-FINAL.pdf
[132] Data from Connecticut Green Bank. Available from authors upon request.

See image below:

FIGURE 11

Public Origination Allows the Connecticut Green Bank to Increase Solar at LIDAC Schools

Percent of K-12 Solar Reaching LIDAC Schools



Note: Publicly originated projects began to come online in 2020. By 2023-2024, 100% of the Connecticut Green Bank's K-12 solar projects coming online were originated in-house by the Green Bank.

By taking responsibility for origination, the Green Bank was able to dramatically improve equity outcomes for the program as a whole. Financial incentives alone were not enough, and public ownership of panels was not enough; only a hands-on approach to targeting investments that brought project planning itself out of the private sector and into the public sphere allowed the bank to achieve more equitable solar development.

Origination within the solar development process is associated with a one-time "origination fee," paid

from the financing partner to the originator at the time of development, or at the time of an asset sale. From 2014 to 2019, solar installers approached schools about public option solar PPAs, offering to bring in the bank as a finance partner, and pitching themselves as an installation partner. A successful pitch to a school could land a private installer 1 - an origination fee, and 2 - an installation contract. However, once the bank originated their own projects, the only way a solar installer could partner with the bank was by bidding on EPC contracts against other in-state solar developers, with only one or two developers selected per Solar MAP round. According to Green Bank staff:

> *"Yes… the opportunity for [private solar developers] to step in and provide development assistance and charge fees that are typically twice what we charge? That was not there. But the opportunity to actually build those projects was there and it would not have happened if not for the Green Bank."*[133]

Insourcing origination within the bank's Solar MAP program allowed the Green Bank to make new allies with municipalities and school districts who otherwise would not have gone forward with solar projects. However, according to Green Bank staff, this decision in 2019 also led to conflict down the road with private solar installers who did not appreciate the Green Bank's evolving relationship with the private sector (see "Blowback" section below).

6. **Blowback from Private Sector Critics, 2024.**
   In the spring of 2024, a small number of vocal solar developers worked with Democrats in the Connecticut State Legislature and the state's solar trade association to introduce a bill that would block the Green Bank from developing solar projects at public schools and other municipal sites. The effort was ultimately unsuccessful, but it required the Green Bank to bring the full weight of its political coalition to the table to block the attack.

   The Green Bank's critics argued that the bank was competing directly for market share with the private sector – particularly on K-12 school projects.[134] The bank argued that their interventions "grew the pie"[135] for K-12 solar in the state, because many of the schools they worked with had said no to for-profit PPA offers previously, but yes to the Green Bank's public offering.[136]

   Support for the Green Bank came from town managers,[137] town boards,[138] state executive agencies,[139] and notably, the Connecticut Roundtable on Climate and Jobs,[140] whose Board Chair is a representative from the IBEW (International Brotherhood of Electrical Workers).[141]

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[133] Interview #1 with Connecticut Green Bank staff
[134] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Trahan,%20Michael,%20Executive%20Director-CT%20SOLAR%20-%20STORAGE%20ASSOCIATION-Supports-TMY.PDF
[135] Interview #1 with Connecticut Green Bank staff
[136] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Garcia,%20Bryan,%20President%20-%20CEO-Connecticut%20Green%20Bank--TMY.PDF
[137] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Stephanou,%20Steve,%20Town%20Manager-Town%20of%20Mancester-CT--TMY.PDF
[138] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-McCarthy,%20Shirley,%20Chair%20-%20Branford%20CE-AH-C-Branford%20Clean%20Energy%20Committee-Opposes-TMY.PDF
[139] PURA: https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Gillett,%20Marissa,%20Chairman-PURA--TMY.PDF ; DEEP: https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Dykes,%20Katie,%20Commissioner-CT% 20DEEP--TMY.PDF
[140] https://www.cga.ct.gov/2024/ETdata/TMY/2024HB-05232-R000227-Dehkan,%20Aziz,%20Executive%20Director-CRCJ–TMY.PDF
[141] https://ctclimateandjobs.org/board-of-directors/

State affiliates of national environmental organizations submitted testimony, but did not defend the Green Bank from attacks.[142] Teachers unions did not weigh in.[143]

Testimony from the head of the CT solar developers' trade association states that: **"every public school system has been approached multiple times by multiple private sector solar developers,"** presumably to offer private PPAs at no upfront cost.[144] His argument was that the state solar industry was mature enough to serve the entire K-12 market without a public option, but the Green Bank saw this as proof that the private offering was not meeting the needs of most K-12 schools. Otherwise, the state incentive program would not be undersubscribed. To further illustrate the point, consider testimony from the town of Branford, where a conservative-leaning board of selectmen[145] approved two K-12 solar projects developed by the Green Bank:[146]

> "*The Town of Branford, has been approached by many private solar developers over the years, some that are currently still in business and some that are not. The Green Bank's background and leadership in green energy gave the Town of Branford the confidence to sign a 20-year solar agreement with a partner that we were certain would exist well into the future to provide any support or guidance if needed. If not for the Green Bank, providing this level of confidence and comfort to our leadership, I am certain that these projects would not have come to fruition." [147]*

The Green Bank eventually prevailed, and they left with a couple of key takeaways: the importance of clarifying their niche relative to private sector developers and the importance of building constant political support for their work.[148]

7. **State Incentive Program Oversubscribed, 2024.**
Over time, the state incentive program for larger schools and commercial buildings became oversubscribed, causing Solar MAP to shift to smaller school projects, and even pause on K-12 solar projects briefly.

The oversubscribed program caused friction with the private developer community, because it heightened competition between projects for limited credits, paving the way for the legislative fight described above.

Fortunately, the Connecticut state legislature recently created a new carve-out for K-12 schools in particular with a very high cap on credits. The state program evolved to accommodate a mix of both public and private developers working simultaneously to expand school solar.[149]

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[142] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Brown,%20Lori,%20Executive%20Director-CT%20League%20of%20Conservation%20Voters-Supports-TMY.PDF ; https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Dynowski,%20Samantha,%20State%20Director-Sierra%20Club%20Connecticut-Supports-TMY.PDF

[143] No position from teachers unions: https://www.cga.ct.gov/aspx/CGADisplayTestimonies/CGADisplayTestimony.aspx?bill=HB-05232&doc_year=2024

[144] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Trahan,%20Michael,%20Executive%20Director-CT%20SOLAR%20-%20STORAGE%20ASSOCIATION-Supports-TMY.PDF

[145] https://www.branford-ct.gov/boards-commissions-committees/board-selectmen

[146] https://patch.com/connecticut/branford/town-moves-ahead-solar-initiative-schools-homeowners

[147] https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-McCarthy,%20Shirley,%20Chair%20-%20Branford%20CE-AH-C-Branford%20Clean%20Energy%20Committee-Opposes-TMY.PDF

[148] Interview #2 with Connecticut Green Bank staff

[149] https://www.cga.ct.gov/asp/cgabillstatus/cgabillstatus.asp?selBillType=Bill&bill_num=HB05052&which_year=2024

8. **IRA-Enabled Direct Pay, 2023-2024**
   Once the IRA went into effect, the Connecticut Green Bank was able to keep K-12 solar assets on their books entirely, without selling them off or arranging a tax equity partnership. In an interview with Green Bank staff they said: “We now see owning the projects ourselves as attractive because we don't have to deal with incredibly complicated tax equity structures… At least in the short term, we do plan to own the projects in-house ourselves and take advantage of direct pay.”[150]

   Direct pay allows the bank to monetize the full value of federal tax credits, avoiding the 15-25% tax credit reduction associated with tax equity partnerships, and the significant staff time and legal fees associated with negotiating the partnerships in the first place.

   Direct pay also makes long-term public asset ownership far more viable for green banks. As public asset owners, green banks can have more control over operation and maintenance; upgrades, like battery storage; and end-of-term considerations, like PPA renewal or responsible decommissioning.

Improving and Expanding Solar MAP

1. **Negotiate a Project Labor Agreement (PLA) for All K-12 Solar Projects**
   A Project Labor Agreement (PLA) is a collective bargaining agreement between building trade unions and project developers, commonly mandated for major public projects. Negotiating a PLA ahead of time ensures that private solar installers hire qualified tradespeople, while also ensuring that solar jobs provide family-sustaining incomes and long-term careers. Projects with PLAs in place typically employ a higher percentage of union workers than projects without PLAs.[151] Applying PLAs to publicly-developed solar projects at all scales is a top demand from the carbon-free and healthy schools campaign in New York City,[152] along with other states.[153] Because they avoid labor unrest and workforce-related delays, PLAs are sometimes seen as a way to make sure a project is completed by a deadline.[154] A PLA could be negotiated between the Green Bank and state building trade representatives before issuing an EPC RFP.

2. **Set Additional Labor and Equity Standards for K-12 Solar Projects**
   The Green Bank has the market power to set labor and equity standards for the Connecticut solar industry. These standards can be included in each RFP for multi-school K-12 solar contracts, or a PLA negotiated with unions ahead of issuing an RFP. Labor standards should

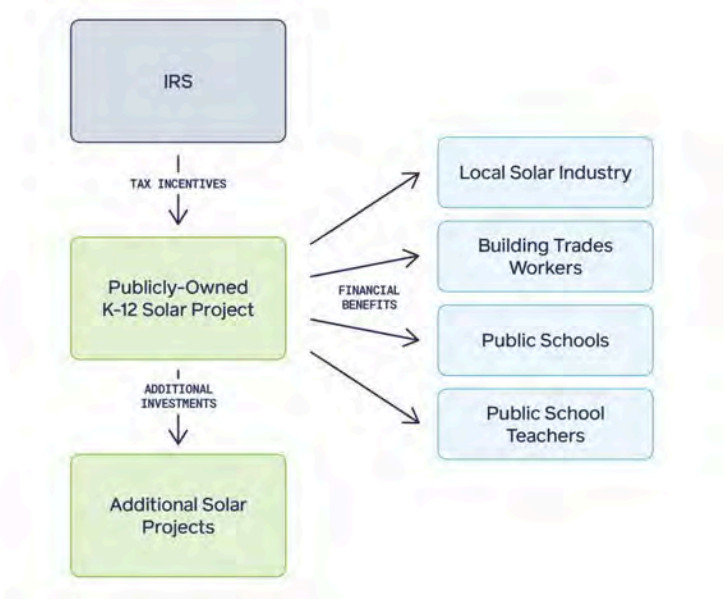
[150] Interview #1 with Connecticut Green Bank staff
[151] https://www.nprillinois.org/illinois/2025-03-21/new-report-finds-project-labor-agreements-lower-costs-boost-competition-in-illinois
[152] Page 20: https://www.cjnrc.org/wp-content/uploads/2022/05/NYC-Full-Report-Finalized5.10_compress.pdf
[153] See list of other Climate Jobs National Resource Center state coalitions: https://www.cjnrc.org/coalitions/
[154] https://www.commerce.gov/sites/default/files/2025-01/Updated-PLA-Best-Practices-DOE-DOC-DOT.pdf ; https://www.americanprogress.org/article/how-project-labor-agreements-and-community-workforce-agreements-are-good-for-the-biden-administrations-investment-agenda/

include: prevailing wage standards,[155] community hire provisions, high road labor practices,[156] and responsible contractor policies that give preference to contractors who offer fair wages, healthcare coverage, pensions, and access to training. In addition to labor standards, contractor preference could be established for firms that keep money in the state economy by prioritizing locally owned firms, prioritizing worker-owned firms, or prioritizing non-profit solar installers. The bank could also adopt federal contracting standards for encouraging contracting and subcontracting to disadvantaged business enterprises (DBEs).[157] If existing firms do not meet these standards, the bank is in a position to finance transitions to new business models or the creation of new firms.[158]

One caveat: each solar project has a finite amount of material benefit to spread around. At a certain point (i.e. once extractive out-of-state interests like private equity[159] are cut out of the equation), additional benefits for a worker-owned unionized solar installer could come at the expense of savings to schools, or resources for teachers, or reduce the number of viable K-12 solar projects altogether. The Green Bank is a democratically governed entity that should be a site of political contestation between these competing interests. By bringing interests like labor and state agencies together into the governance structure of the bank, a deliberative stakeholder council is formed that can grapple with these tradeoffs and chart the best path forward for the ecosystem as a whole.[160] Below is an outline of how benefits could be distributed with proper standards:

FIGURE 12

Who Benefits from Public Option K-12 Solar?



[155] A GGRF requirement under Davis Bacon. Page 9: https://www.ctgreenbank.com/wp-content/uploads/2024/12/Overview-of-Federal-Compliance-Requirement-for-Green-Bank-Solar-RFP-12-13-2024-slides.pdf

[156] More info here: https://www.bluegreenalliance.org/wp-content/uploads/2020/07/StatePolicyToolkit_Report2020_vFINAL.pdf

[157] DBEs are small businesses that are at least 51% owned and controlled by people who are socially and economically disadvantaged.https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise

[158] https://newsroom.clevelandclinic.org/2018/05/10/collaboration-between-cleveland-clinic-and-evergreen-cooperative-laundry-supports-health-and-wellbeing-of-local-community

[159] https://pestakeholder.org/reports/a-dark-side-to-green-energy-private-equity-risking-the-future-economy-by-neglecting-renewable-workers/

[160] For additional context, see: https://www.tandfonline.com/doi/full/10.1080/09538259.2021.1898110

A publicly capitalized self-sustaining green bank does not require a profit. Any solar project returns beyond the cost of capital can be passed on to workers, public sector customers, socially beneficial firms, and/or used to invest in additional solar projects with similar socially beneficial outcomes. Projects that yield a higher return for the green bank allow projects with lower financial returns (or zero returns) to move forward, a process called "cross-subsidization."

3. **Expand Solar MAP to include Geothermal Heat Pumps, Battery Storage, and Other Clean Energy Technologies at K-12 Schools**
   The Solar MAP model of public option development could be readily applied to other decarbonization projects. For example, capital-intensive geothermal loops and ground source heat pumps could be developed and owned by the Green Bank with schools paying the Green Bank for thermal energy as part of an energy as a service (EaaS) arrangement. In partnership with local utilities, K-12 geothermal loops could be connected to a network of loops to provide renewable heating and cooling to nearby residential neighborhoods.[161,162]

   Similarly, the Green Bank could become a distributed energy resources (DER) aggregator, using sites like K-12 schools to host batteries, solar, and electric buses to provide grid services as a virtual power plant (VPP) operator.[163] Such arrangements could yield additional financial benefits for schools while also allowing schools to provide shelter and power to the community during emergencies.

   Connecticut Green Bank staff frame future program expansion as an "opportunity to use solar as a platform for more."[164] The Green Bank recently expanded Solar MAP to include battery storage.[165]

4. **Support Direct Ownership of K-12 Solar by School Districts and Municipalities**
   In addition to developing and owning solar projects for K-12 schools, the Green Bank could offer components of their development and finance services to schools interested in directly owned solar projects. Green Bank staff say they are currently considering an arrangement like this.[166]

   For example, the development component of Solar MAP could be offered as a stand-alone fee-based product. This could include overseeing the solar feasibility study contracting, EPC contracting, and technical assistance to monetize tax credits. Like Solar MAP, contracting could be structured in rounds to aggregate projects and unlock cost efficiencies. The Green Bank is already pursuing a version of this for K-12 school bus electrification.[167]

   On the finance side, the bank could offer bridge loans for direct pay tax credits,[168] construction loans to allow a project to break ground, and long-term loans once a project is online. A portfolio

[161] Using one major geothermal project at a publicly owned site to anchor a thermal energy network has been modeled in Southampton, UK https://www.iea-dhc.org/fileadmin/documents/DHC_CHP_Case_Studies/KN1640_Southampton_v2.pdf
[162] A networked geothermal project is currently underway at a 38-building affordable housing complex in Wallingford, CT: https://portal.ct.gov/deep/energy/ulbrich-heights-community-geothermal-project
[163] https://publicenterprise.org/wp-content/uploads/CPE-VPP-Report-July-2024-1.pdf
[164] Email correspondence with Connecticut Green Bank staff, July 2025
[165] https://www.ctgreenbank.com/community-solutions/solar-solutions-for-communities/solar-map/
[166] Interview #2 with Connecticut Green Bank staff
[167] https://www.ctgreenbank.com/fleet-electrification-accelerator/
[168] UndauntedK12 explains the need for bridge finance in K-12 projects on page 38 of this report: https://www.undauntedk12.org/playbook-for-state-leaders

of long-term loans could then be securitized, allowing the bank to access additional cheap capital.

The Green Bank could also proactively engage school districts that are already issuing general obligation bonds for major renovations—encouraging them to use that low-cost capital to fund school-owned renewable energy systems or to lower the cost of a Green Bank–developed solar PPA through a "bond–PPA hybrid" arrangement.[169]

5. **Bundle Roof Repair and Solar Development**
   Some schools are incapable of hosting solar because their roofs are in a state of disrepair. The Green Bank could help these schools fix their roofs and install rooftop solar simultaneously. The federal tax credit that applies to solar panels also applies to the "incremental cost" of roof upgrades needed to accommodate solar.[170] If a school needs a new roof anyway, and a reflective roof that would increase the performance of bifacial solar panels costs twice as much as a standard roof, then that incremental cost (i.e. half the roof) is eligible for the tax credit in addition to the solar equipment.[171]

   Aggregating multiple roofing projects can reduce costs for schools, while integrating energy-saving measures such as roof insulation can generate long-term financial returns. Designing to meet insurance-backed standards like FORTIFIED may also lower insurance premiums. Financing roof repairs alongside solar allows for more comprehensive solar deployment in LIDAC communities.

6. **Create a Custom Offering for Cities**
   Connecticut Green Bank's Solar MAP program has overseen development rounds catered specifically to the needs of suburban and rural municipal governments, and the state government.[172] We recommend that Solar MAP build out an offering designed explicitly for cities who have viable K-12 school sites that are not currently served by private developers.[173] For example, cities like Hartford or Bridgeport could each help draft custom EPC RFPs issued by the Green Bank to meet their unique needs, including input around scope of work and contractor criteria.

7. **Public Procurement of Solar Equipment**
   The Connecticut Green Bank is responsible for so much solar in the state that it could consider making bulk purchases of solar equipment to reduce costs, to qualify for additional federal incentives, and to support local or regional businesses. In particular, public procurement could allow the Green Bank to acquire solar panels and other solar equipment that meets the "Build America Buy America" (BABA) requirements linked to the GGRF funding available to green banks.[174] Connecticut could also use procurement policies to support clean energy manufacturing facilities in the state or collaborate with green banks and development finance

[169] https://www.nrel.gov/docs/fy12osti/53622.pdf
[170] See "incremental cost" section: https://www.federalregister.gov/documents/2024/12/12/2024-28190/definition-of-energy-property-and-rules-applicable-to-the-energy-credit
[171] Example from page 58 of this pdf: https://www.govinfo.gov/content/pkg/FR-2024-12-12/pdf/2024-28190.pdf
[172] Page 17: https://www.ctgreenbank.com/wp-content/uploads/2024/07/Comprehensive-Plan_FY-2025_071924.pdf
[173] See K-12 solar map: https://generation180.org/resource/brighter-future-a-study-on-solar-in-us-k-12-schools-2022/
[174] EPA waived solar module BABA requirements for all three GGRF programs (NCIF, CCIA, SFA) in January 2025, for solar modules installed by June 2026 https://www.epa.gov/baba/build-america-buy-america-baba-approved-waivers

agencies in neighboring states to support a regional New England clean energy manufacturing strategy.

8. **Collaborate With Teachers Unions for all K-12 School Projects.**
As major stakeholders in K-12 school solar projects, teachers unions should be engaged from the earliest stages of the project development. This engagement can help bring public awareness to the projects and their benefits for the community. It can also bring teachers unions into the political coalition supporting solar on schools and the green bank's programs. These alliances can pay off as support for individual projects, and they can pay off during unexpected moments like a state legislative fight over the future of the green bank's programs (see "Blowback" section above). Some teachers unions have recognized these interest alignments and begun to proactively engage in the K-12 school solar space. The Chicago Teachers Union (CTU) prioritized K-12 school solar investments in their recent contract campaign, recognizing the opportunity for the school district to use solar projects to attract federal financing that benefits all stakeholders.[175]

   Additionally, public teacher pension funds have a history of being leveraged for public purposes,[176] and could potentially be used to accelerate the deployment of K-12 school solar projects developed by the green bank.[177] One way this could work, would be for the pension fund to act as a credit enhancement mechanism, much like Connecticut's State Credit Reserve Fund (SCRF) described above (see "Bonding Authority"). The Green Bank could issue securities – such as bonds — that are backed by revenue from K-12 solar PPAs, and also backed by a capped amount of money from the teachers' pension fund.[178] In exchange for taking on this financial risk, unionized teachers would be in a place to make additional demands about how savings from green bank solar projects are allocated.

9. **Reduce Interconnection-Related Delays and Costs via Statewide Grid Planning**
From a grid operations perspective, adding major DER assets like solar and battery storage is more beneficial in some K-12 school locations than others. The for-profit development model for DER does not typically account for this, but a public state-level developer like a green bank certainly can. Institutions capable of statewide planning and targeted DER development, like the green bank, should coordinate with statewide regulators and grid operators to identify potential sites for DERs that maximize resilience of the broader distribution and transmission network, and maximize decarbonization potential with an eye toward decommissioning fossil fuel generation. The Center for Public Enterprise (CPE) recommends commissioning public studies to map out DER site identification,[179] while also socializing the costs of DER-enabling network upgrades between ratepayers and the state government.[180]

   By aggregating DER assets like solar and batteries, the green bank could be paid by utilities to

[175] https://www.labornotes.org/2025/04/chicago-teachers-win-greener-schools
[176] In 1975, New York City's United Federation of Teachers used their pension fund to save New York from bankruptcy: https://www.uft.org/your-union/our-history/back-brink-how-uft-saved-new-york-bankruptcy
[177] As a useful analogue, this report from Americans for Financial Reform explains how worker pension funds can support development in the housing sector: https://ourfinancialsecurity.org/wp-content/uploads/2024/11/AffordableHousing_final_web-1.pdf
[178] The European Investment Bank uses a similar credit enhancement for bonds that finance infrastructure projects. https://www.iisd.org/credit-enhancement-instruments/institution/european-investment-bank-project-bond-credit-enhancement/
[179] Page 14 https://publicenterprise.org/wp-content/uploads/CPE-VPP-Report-July-2024-1.pdf
[180] https://newsletter.publicenterprise.org/capacity-factor-may-2024/

perform valuable grid services, allowing for additional financial benefits for K-12 schools. Analysis from CPE suggests that such planned DER development could result in a “virtuous cycle” that accelerates DER deployment for all developers, by bringing down interconnection costs, reducing interconnection uncertainty, and reducing unexpected interconnection delays for some projects.[181]

10. **Make a Statewide Plan to Build On-Site Solar at 100% of K-12 Schools**

Last year, at a ribbon cutting ceremony for a K-12 school solar project supported by the Green Bank, Connecticut Governor Ned Lamont said: “I think we ought to have each and every one of our schools with more solar power. That's about 1,400 schools spread across the state.”[182] The green bank has the tools to make the governor’s vision a reality, and should work with the governor’s office to identify a 100% K-12 solar target and write a plan to achieve that goal.[183]

The Connecticut Green Bank consistently takes the position that it “does not want to compete with the private sector,” and instead chooses to focus on “underserved or maturing markets.”[184] This intention could be applied to a sectoral planning process that regularly assesses market gaps, and lays out a comprehensive plan to build the clean energy projects that the private sector will not or cannot build.

For example, in the past five years, Connecticut has added 26 solar schools each year.[185] At this rate, meeting Governor Lamont’s goal of building onsite solar at 100% of CT’s schools in the next 10 years would require tripling or quadrupling the number of additional solar schools in a given year. If the private sector is not capable of doing this work, the Connecticut Green Bank should make plans to fill that gap, further clarifying its relationship with private sector developers. As a public developer, the Green Bank is in the position to allocate resources to meet state goals in a way that for-profit developers are not.

[181] Page 14 https://publicenterprise.org/wp-content/uploads/CPE-VPP-Report-July-2024-1.pdf
[182] https://www.wshu.org/connecticut-news/2024-04-15/ct-schools-solar-power-ned-lamont
[183] This would be in addition to the existing multi-year planning work the bank currently does: https://www.ctgreenbank.com/wp-content/uploads/2024/07/Comprehensive-Plan_FY-2025_071924.pdf
[184] Page 4: https://www.cga.ct.gov/2024/etdata/TMY/2024HB-05232-R000227-Garcia,%20Bryan,%20President%20-%20CEO-Connecticut%20Green%20Bank--TMY.PDF
[185] Data from Generation180 and Connecticut Green Bank

Recommendations: How States Can Replicate Connecticut Green Bank's Public Option K-12 Solar Model

An existing public, quasi-public, or nonprofit finance institution like a green bank, or development finance agency, would require some combination of the following elements to launch a public option K-12 solar program modeled after Solar MAP:

1. **Basic Authority to Develop and Own K-12 Solar Projects.**

   - **Solar Project Development and Ownership Authority**
     Some green banks operate exclusively as lenders, focusing entirely on loans for energy efficiency and renewable energy projects like the New York City Energy Efficiency Corporation (NYCEEC).[186] Also, some development finance agencies have the authority to own assets, but lack the authority to develop and own renewable energy projects. For example, Pennsylvania introduced legislation in 2024 to grant the Pennsylvania Economic Development Authority (PEDA) authority to develop and own solar.[187] Entities that have the mandate to develop and own solar assets, generally also have the authority to take equity stakes in solar projects, and create subsidiaries and special purpose vehicles (SPVs) to facilitate capital recycling via securitization.

   - **Public-Public Partnership Authority**
     Legal authority to enter into PPAs, leases, or Energy Service Agreements (ESAs) with public entities like school districts, municipalities, and state agencies. In Connecticut, the green bank almost lost this authority in 2024 (see "blowback" section).

   - **Third Party Ownership Authority**
     Arrangements like PPAs or solar equipment leases are not legal in every state.[188] The 29 states that explicitly allow solar PPAs are responsible for 92% of K-12 solar.[189]

2. **Publicly Facilitated Access to Capital.**

   - **State Capitalization**
     Green banks and DFAs require capital to begin developing K-12 solar projects. Public

[186] https://nyceec.com/wp-content/uploads/2024/05/The-Green-Bank-Opportunity-Mobilizing-Capital-for-Low-Carbon-Energy-in-Buildings-April-2020.pdf
[187] https://penncapital-star.com/briefs/pa-house-passes-bill-that-would-allow-the-state-to-use-federal-funds-for-energy-development
[188] https://ncsolarcen-prod.s3.amazonaws.com/wp-content/uploads/2023/11/DSIRE_3rd-Party-PPA_Nov_2023.pdf
[189] Page 12 https://generation180.org/resource/brighterfuture-a-study-on-solar-in-us-k12-schools-2024/

funding can come as an initial lump sum, or on an ongoing basis, like Connecticut's Green Bank's annual funding from utility payments.

- **Bonding Authority**
  Public and quasi-public developers typically require explicit authority to issue their own debt, as bonds or other securities. Bonding authority allows public developers to access low-cost capital, often backed by a revenue stream like regular K-12 solar PPA payments. For example, Efficiency Maine, Maine's quasi-public green bank, does not have authority to issue bonds.[190] Bonding authority often enables other forms of securitization such as private placement and the sale of securities backed by renewable energy assets (i.e. asset-backed securities, or ABS).

- **State Credit Enhancements**
  Connecticut Green Bank's bonds are backed by a state capital reserve fund (SCRF), which allows the bank to access even cheaper credit. The bank is offered the same arrangement that is offered to other public finance entities with bonding authority, like the airport construction authority, or the water and sewer authority. Other state credit enhancements similar to SCRFs include conditional state guarantees,[191] or state tax exemption for bond sales.[192]

- **State Conduit Financing**
  In some cases, one state agency might act as the "conduit issuer," issuing bonds on behalf of a public developer. For example, Hawaii's state green bank, the Hawaii Green Infrastructure Authority (HGIA), was initially capitalized by a $150 million conduit bond issuance led by the state's Department of Business, Economic Development & Tourism (DBEDT)[193] Public developers without bonding authority can partner with public state agencies to use conduit financing to access low-cost capital.

3. In-House Personnel to Develop and Finance Projects.

- **In-house Project Development Personnel**. Even with contractor support for design and installation, in-house staff were capable of planning a series of K-12 projects, and then making a compelling pitch for those projects to town councils and school boards. In-house employees speak to the "trust" component that is so central to the Connecticut model.[194] These in-house staff positions are often initially paid for with public funding, but once a public developer becomes financially self-sustaining, staff capacity could be covered by investment returns, assuming the bank's average returns are greater than the average cost of capital.

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[190] https://legislature.maine.gov/statutes/35-a/title35-Asec10103.html
[191] New York state's water infrastructure bank, the Environmental Facilities Corporation (NYEFC), issues bonds backed by a conditional guarantee, or "moral obligation," as opposed to a GO bond. This conditional guarantee reduces the cost of capital without counting toward the state's obligatory debts like a GO bond. https://efc.ny.gov/system/files/documents/2024/09/2024b-os.pdf
[192] Connecticut offers tax exemptions for Connecticut residents, which applies to bonds from quasi-public entities like Connecticut Green Bank https://www.buyctbonds.gov/why-buy-ct-bonds/frequently-asked-questions/
[193] https://gems.hawaii.gov/wp-content/uploads/2015/01/DBEDT-Recognized-For-Innovative-Green-Energy-Market-Securitization-Program.pdf
[194] Page 11: https://bouldercounty.gov/climate/greenbank/

- **In-house Structured Finance Personnel**
  The Connecticut Green Bank hired in-house underwriters for products like C-PACE loans as early as 2013, and was then able to apply that underwriting capacity to other products, like bank-owned solar PPAs.[195] Nurturing those key functions in-house allowed the program to scale over time in a way that may not have been possible if those roles were outsourced.[196]

4. Political Legitimacy.

- **State Executive Branch Champions**
  Support from the governor, and career staff at key executive agencies covering energy and economic development, is critical to any public developer's "public" quality.

- **State Legislative Branch Champions**
  Consistent vocal support from legislators is key for expanding legislative authorities and maintaining existing authorities.

- **Supportive School Districts**
  An initial cadre of school districts and their municipal governments was crucial for getting CT's K-12 solar program off the ground.

- **Labor Allies**
  In Connecticut, the state's Roundtable on Climate and Jobs (CRCJ) – whose board is chaired by a representative of the electrical workers union (IBEW) – has been a key ally for the Green Bank in recent years. The Roundtable's founder, affiliated with the Machinists Union, currently sits on the Green Bank board. K-12 solar in particular has the potential to attract the combined support of building trades unions (such as IBEW), and teachers unions (such as AFT and NEA).

- **Democratic Board Governance**
  The Connecticut Green Bank is considered a model for board transparency, with video recordings of board meetings, publicly available copies of board memos, and recorded votes for major decisions.[197] Its enabling statute requires that it include representatives from key constituencies (labor, environment, community development),[198] and that it reports to the legislature annually.[199]

5. Clean Energy Policies.

- **Net Metering**
  Net metering allows K-12 schools to achieve cost savings on their electricity bills if they produce their own solar, selling surplus solar electricity back to the grid at the same rate they

[195] Page 22: https://doee.dc.gov/sites/default/files/dc/sites/ddoe/service_content/attachments/District%20of%20Columbia%20Green%20Bank%20Report%20%28Prepared%20by%20Coaltion%20for%20Green%20C....pdf
[196] https://publicenterprise.org/overreading-into-underwriting/
[197] https://www.ctgreenbank.com/strategy-impact/reporting-and-transparency/
[198] Page 9: https://www.ctgreenbank.com/wp-content/uploads/2024/07/Comprehensive-Plan_FY-2025_071924.pdf
[199] https://www.ctgreenbank.com/wp-content/uploads/2024/10/CT-Green-Bank-Final-ACFR-2024R-2024.10.25.pdf

would pay for electricity. By 2023, 34 states had developed mandatory net metering rules for at least some utilities,[200] and in 2024, 47 states plus Washington D.C. and Puerto Rico adopted some sort of policy action pertaining to distributed solar, in many cases updating net metering policies.[201] Some states have low system capacity caps for net metering that would only allow small single-family home-sized solar projects to qualify for net metering, excluding commercial-scale solar projects that would fill the roof of a typical public K-12 school.[202]

- **Commercial-Scale Solar Financial Incentives**
  Many states have some kind of financial incentive program to support commercial-scale solar projects. Relevant state policies for K-12 solar include: Solar Renewable Energy Credits (SRECs), Performance Based Incentives (PBIs), capacity-based rebates and grants, refundable or transferable tax credits, and solar equipment sales tax exemptions.[203]

- **Interconnection Best Practices**
  Interconnection best practices relating to costs, timeline, and review processes vary across states.[204] Equitable interconnection policies developed by public utility commissions are crucial for allowing solar developers to predict project costs and construction timelines.

- **Mandatory Utility Collaboration**
  If necessary, state utility commissions can mandate collaboration between state utilities and public developers. For example, in some cases the Connecticut Public Utility Regulatory Authority (PURA) has mandated that the state's for-profit investor-owned utilities participate in programs proposed by the green bank, like on-bill financing, and solar+storage aggregation.[205]

[200] https://ncsolarcen-prod.s3.amazonaws.com/wp-content/uploads/2023/11/DSIRE_Net_Metering_Nov2023.pdf
[201] https://nccleantech.ncsu.edu/2025/01/23/the-50-states-of-solar-states-continue-moves-away-from-traditional-net-metering-while-fixed-charge-increases-rebound-in-2024/
[202] https://quickelectricity.com/commercial-solar-net-metering/
[203] https://www.dsireusa.org/
[204] https://ilsr.org/energy/community-power-map/
[205] This 2021 decision from PURA mandates that electric distribution companies (EDCs) work with the green bank to implement the bank's solar+storage proposal: https://www.dpuc.state.ct.us/2nddockcurr.nsf/8e6fc37a54110e3e852576190052b64d/6991ef77ba07bae185258752007994f7/$FILE/171203RE03-072821.pdf

Conclusion: The Case for State-Level Public Renewable Energy Developers

Connecticut Green Bank's K-12 solar work represents a transition from a more limited approach of using public finance to lower the cost of capital for projects, to a more comprehensive public development model that can dramatically expand the speed and scale of decarbonization.[206] The public development model used by the Connecticut Green Bank is replicable across the country, and across sectors, which can enable renewable energy deployment well beyond the set of projects that for-profit developers are currently able to build.

FIGURE 13

Why Can Public Renewable Energy Developers Develop Projects that For-Profit Renewable Energy Developers Cannot?

Factors	Results
Trust. Aligned social missions, presumed long-term solvency, and democratic boards all result in more trust with customers (esp. public and nonprofit customers).	Customers who say "no" to for-profit developers say "yes" to public developers.
Turnkey Products. Public developers can lead best practice public procurement processes that include third party feasibility studies, resulting in less work and lower costs for customers (esp. public sector customers)	Customers who say "no" to for-profit developers say "yes" to public developers.
Process Efficiencies. Competitive RFP processes for design and installation contracts, bundling projects into large procurement rounds.	Lowers project costs, allowing more low-return and modest-return projects to move forward.
Capital Access. Accessing bond-rate capital through public asset-backed bonds, and access to public credit enhancements to bring down the cost of capital.	Allows more low-return and modest-return projects to move forward.

[206] According to the Center for Public Enterprise, the public development model "engages with all of the steps in a project development pipeline from planning projects to raising capital to operating and maintaining assets to marketing their outputs, all the while cultivating technical and operational expertise." https://publicenterprise.org/report/public-developers/

No Profit Requirement. Beyond covering operating expenses, and capital costs, public developers do not have to pay shareholders or investors. Additionally, cross-subsidization allows projects with high returns to subsidize projects that operate with low (or zero) returns.	Allows more low-return and modest-return projects to move forward.
Planning Orientation. Patient long-term planning, coordination across public entities, coalition building, and deliberation with democratic governing bodies can unlock new projects.	Allows more technically challenging or democratically accountable projects to move forward.

Public Developers Can Build Trust that Quickly Gets Projects to "Yes"

The word "trust" came up constantly in interviews and testimony praising the Connecticut Green Bank's public-public partnerships. Public renewable energy developers can build the trust needed to get to "yes" at a scale and speed that the private sector does not achieve. Features like the lack of profit motive, presumed long-term solvency, and democratic accountability of the Connecticut Green Bank's board allow the Green Bank to successfully engage with other democratic decision-making bodies like town councils and school boards who have aligned social missions.

Public Developers Can Make Renewable Energy Projects Cheaper

Access to low-cost capital through asset-backed capital recycling techniques, like issuing bonds, allows green banks to borrow money at a lower interest rate than private developers. Issuing RFPs for portfolios of similar projects drive down design costs, installation costs, and the cost of procuring solar equipment. Taken together, these process and finance efficiencies have the potential to drive down the cost of renewable energy projects across sectors.

Public Developers Can Increase the Number of Financially Viable Projects In a State

Even without the cost efficiencies described above, public and nonprofit developers can unlock additional projects that for-profit developers cannot. For-profit renewable energy developers are only going to invest in projects that allow them to turn a profit. Public option developers on the other hand only require a return equal to or greater than their cost of capital to remain self-sustaining. This means that in any given state without a public renewable energy developer, there are projects that are viable for a public developer, but not viable for a private developer.[207]

Public Developers Can Use Cross-Subsidization to Further Expand Financially Viable Projects

Public developers often target lower return projects, however, if a public developer chooses to pursue the same sort of higher-margin projects that the private sector is currently developing, the public developer could use those additional returns to "cross-subsidize" low-return but socially

[207] The Price is Wrong, by Brett Christophers, pages 375-379 https://www.versobooks.com/products/3069-the-price-is-wrong

beneficial projects that otherwise would not go forward. This sort of cross-subsidization is a common feature in public banks like KfW in Germany and Banco Popular in Costa Rica.[208]

Public Developers Can Deploy Renewables Faster Through Planning

As this case study illustrates, the Connecticut Green Bank's most recent rounds of K-12 solar development began with "cataloguing all 167 towns" in the state, and overlaying prioritization criteria to build out a project pipeline. This level of coordinated land use planning, paired with state executive branch stakeholders on the Green Bank board, are precisely the type of whole-of-government planning activities identified by think tanks like the Roosevelt Institute and Climate and Community Institute as some of the key ingredients in accelerating the pace of solar development in the US.[209] According to a recent report, evidence suggests that addressing this lack of planning and coordination will have a bigger impact on speeding up solar deployment than focusing solely on permitting reform, as called for by some policymakers.[210]

Public Developers Are Politically Resilient

The Connecticut Green Bank's K-12 solar work continued apace even as control of the legislative and executive branch changed hands at the federal level. Connecticut's state-level politics are dominated by a consistent Democratic majority, but the Green Bank's K-12 solar initiatives have also received support from Republican board members and municipal elected officials whose constituents have benefited from the program. Even in the face of political pushback from for-profit solar developers, the bank was able to rally a broad coalition of local elected officials, state agency representatives, and labor leaders to their side and prevail. The shared material benefits inherent to the solar projects, and constituency-oriented structure of the bank's board were key factors in the bank's legislative victory.

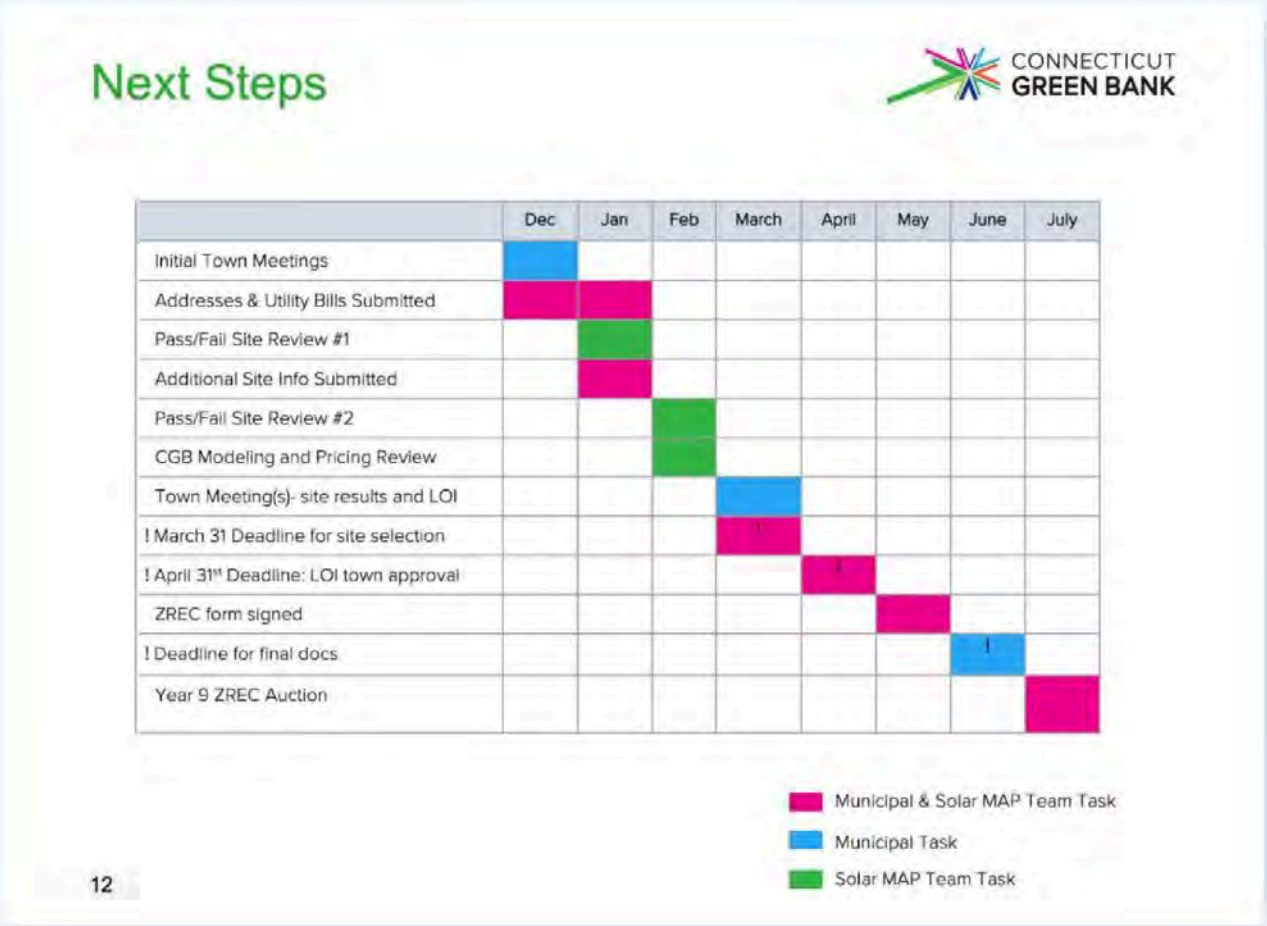
Public Developers Can Expand the Speed and Scale of Decarbonization

This case study illustrates how a public developer can produce 27% of the solar projects in a given sector over a 10-year period. According to testimony from towns and school districts, these are projects that would not have proceeded with for-profit developers. The cost-reducing features of the Connecticut Green Bank development model and the inherent ability to remain financially self-sustaining suggest that similar models could increase the speed and scale of decarbonization in other states and in other sectors.

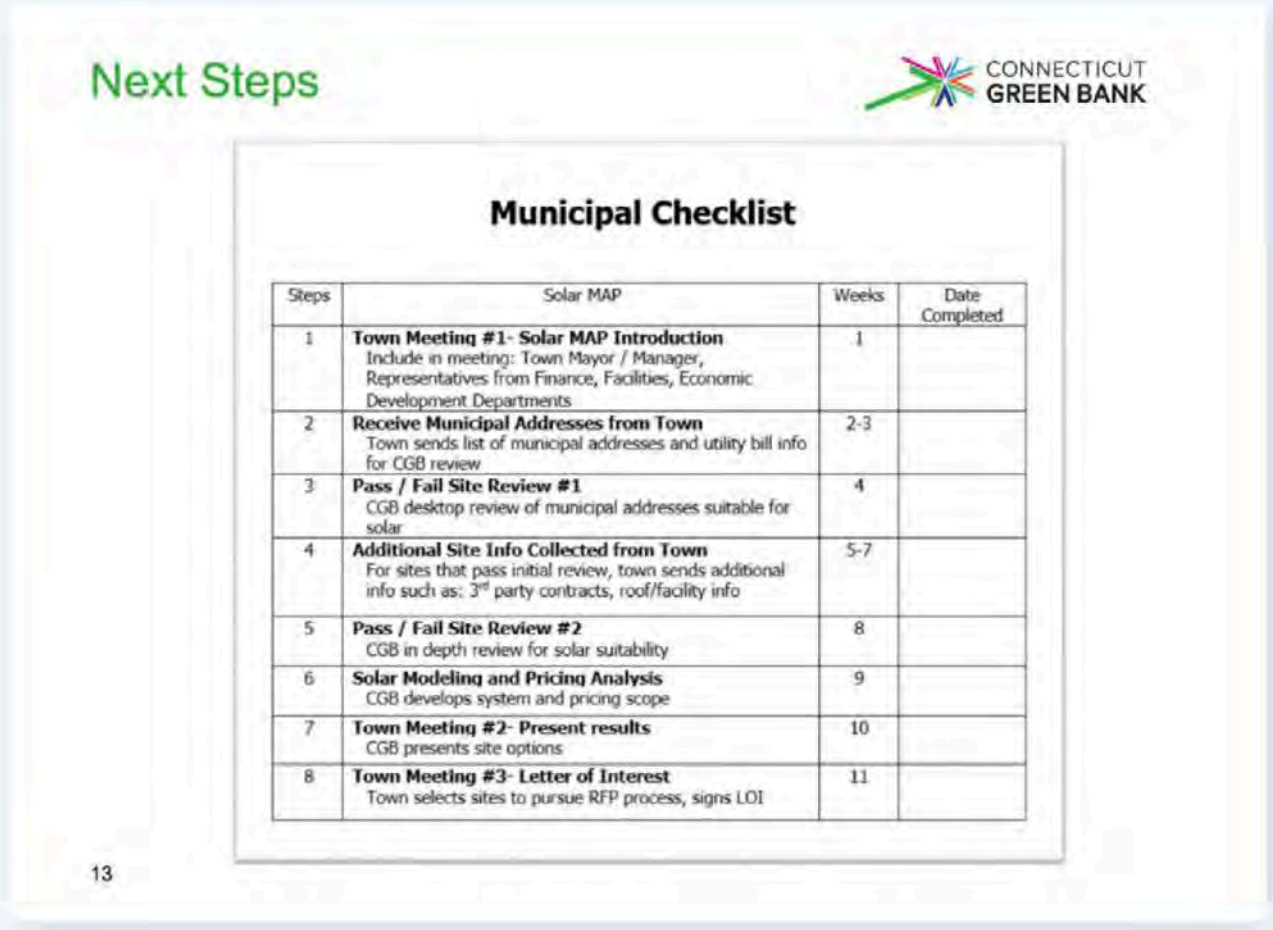
[208] Public Banks: Decarbonization, Definancialization, Democratisation, by Tom Marois: https://www.cambridge.org/core/books/public-banks/0EC8E41F837E1F10BE53FC31DA83D012
[209] Page 42: https://rooseveltinstitute.org/publications/planning-to-build-faster-a-solar-energy-case-study/
[210] Page 12: https://rooseveltinstitute.org/publications/planning-to-build-faster-a-solar-energy-case-study/

Appendix:

1. **Solar MAP Timeline Slides**
   These slides were presented to town governments and school boards by Connecticut Green Bank Solar MAP staff:[211]



[211] Pages 12-13 https://ctgreenbank.com/wp-content/uploads/2019/11/Solar-MAP-11.13-webinar_11072019-002.pdf



Next Steps

CONNECTICUT GREEN BANK

Municipal Checklist

Steps	Solar MAP	Weeks	Date Completed
1	**Town Meeting #1- Solar MAP Introduction** Include in meeting: Town Mayor / Manager, Representatives from Finance, Facilities, Economic Development Departments	1	
2	**Receive Municipal Addresses from Town** Town sends list of municipal addresses and utility bill info for CGB review	2-3	
3	**Pass / Fail Site Review #1** CGB desktop review of municipal addresses suitable for solar	4	
4	**Additional Site Info Collected from Town** For sites that pass initial review, town sends additional info such as: 3rd party contracts, roof/facility info	5-7	
5	**Pass / Fail Site Review #2** CGB in depth review for solar suitability	8	
6	**Solar Modeling and Pricing Analysis** CGB develops system and pricing scope	9	
7	**Town Meeting #2- Present results** CGB presents site options	10	
8	**Town Meeting #3- Letter of Interest** Town selects sites to pursue RFP process, signs LOI	11	

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2. Solar Development Timeline for the Town of Avon, Connecticut

Here is a detailed example of the solar development process, with links to sample documents exchanged between the town of Avon, Connecticut and Connecticut Green Bank staff.

- **2021:**
  - The Town of Avon gave the Green Bank a list of 10 buildings suitable for solar.[212]
  - Eight out of 10 buildings passed the Green Bank's initial "desktop review"[213]
  - The Green Bank's design firm drew up designs and cost savings estimates for solar on six of those eight buildings[214]
  - The Town of Avon signed a letter of intent with the Green Bank to go forward with rooftop solar projects on all six buildings[215]

[212] Page 25 https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_05_06_21_mtg_web.pdf
[213] Page 25 https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_05_06_21_mtg_web.pdf
[214] Pages 17-22 Page 25 https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_05_06_21_mtg_web.pdf
[215] Page 6 https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_05_06_21_mtg_web.pdf

- The Green Bank issued an EPC RFP for solar projects on all six buildings.[216]

- **2022:**
  - The Green Bank drew up final PPA contracts for only two of the six buildings because of structural concerns with the roofs on four out of the six buildings.[217]
  - The town closed on PPA deals with the bank for two schools.
- **2023:**
  - The two school projects came online: Roaring Brook Elementary (140kW), and Avon High School (250kW)[218]

Here is a project milestones summary slide from a Connecticut Green Bank presentation prepared for Avon's Town Council:[219]

Avon Project Milestones

CONNECTICUT GREEN BANK

Milestone	Date
Program Introduction	March 2021
Desktop Review of Town Addresses	April 6 2021
ACEC presentation – Initial Review	April 21 2021
Site visits	April 29 2021
Town Council presentation – Initial Review	May 6 2021
Town signed Letter of Intent	May 7 2021
Incentive application for project	June 2021
Incentive Awards	August 2021
Green Bank RFP for construction partner	Oct 14 2021
RFP Bidder site visits	September 2021
Green Bank RFP selection and final pricing	December 2021
ACEC & Town Council presentation – Final Review	Feb/March 2022
BOE & Town Council presentations – Final Review	March/April 2022
PPA Execution	April 2022

4

[216] Page 3 https://www.ctgreenbank.com/wp-content/uploads/2022/07/Solar-MAP-Round-2-EPC-RFP-2021.pdf
[217] Page 3 https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_04_07_22_mtg_web.pdf
[218] Data from Generation180 and Connecticut Green Bank
[219] Page 15 https://www.avonct.gov/sites/g/files/vyhlif151/f/minutes/tc_04_07_22_mtg_web.pdf

Public Option Solar for K-12 Schools: A Case Study of Connecticut Green Bank's Solar Marketplace Assistance Program (Solar MAP)

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Original research article

Solar cities: A case study analysis of city-level enablers of expanded solar energy access

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ABSTRACT

Rooftop solar photovoltaic (PV) adoption can benefit households by reducing electricity bills and enhancing energy resiliency. Low and moderate-income (LMI) households have been less likely to adopt PV and experience these benefits in the United States than higher-income households. Adopter income trends are often explored through quantitative analysis with limited explanatory power. Our quantitative analysis only explains around one-third of city-level variation in LMI adoption trends through socioeconomic factors such as median home values and income inequality and PV market factors such as cumulative adoption and incentives. We implement semi-structured interviews in three case studies of cities with relatively high rates of LMI PV adoption to better understand the factors that explain PV adopter income trends. The case studies partly reiterate findings from quantitative analysis, such as the role of PV incentives. The case studies reveal a broader set of LMI adoption drivers that are missed in quantitative analyses. The case studies show how city contexts can affect LMI adoption, such as the role of supportive city governments. The case studies also reveal the importance of partnerships, such as partnerships between city governments and state LMI PV program implementers. Finally, interviewees emphasized the importance of building trust among prospective LMI PV adopters. Interviewees suggested that partnerships, outreach, and consumer protection measures were crucial to building trust in PV installers among LMI households.

1. Introduction

Around 4.7 million households had adopted rooftop solar photovoltaic (PV) systems in the United States by the end of 2023 [1]. PV can benefit adopters by reducing electricity bills and, if paired with storage, protecting against power outages. Low and moderate-income (LMI) households experience these same benefits and may experience additional benefits from reducing the impacts of energy costs on constrained household budgets [2]. However, LMI households have been less likely to adopt PV than higher-income households [3], and there is evidence that LMI adopters experience fewer adoption benefits than higher-income adopters [4,5].[1] In 2023, about 68 % of all U.S. households were LMI households, while only about 49 % of PV adopters were LMI households according to a data set covering most PV markets [6] (see Section 3 for details on data sources).

Several studies have explored factors that explain relatively low LMI adoption rates in the United States [7–11]. These studies identify factors associated with adopter income disparities, such as access to incentives, differences in local owner-occupancy rates, and household perceptions of PV. However, quantitative modeling does not fully explain adopter income disparities, with models generally explaining less than half of statistical variation in adoption rates. Further, prior studies have generally focused on average effects and provide limited insights into explaining why LMI adoption is higher in some areas than others. To illustrate this point, data from Forrester et al. [6] indicate that LMI households accounted for about 49 % of PV adopters across 1175 cities with at least 100 adopters in 2023. Yet, 113 of those cities had an LMI adoption share greater than 70 %, and 32 cities had an LMI adoption share greater than 80 %. These trends prompt the research question explored in this study: what explains the relatively high rates of LMI rooftop PV adoption in certain cities?

Here, we explore factors that explain LMI rooftop PV adoption rates

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[1] Following standard conventions, throughout this study we define LMI households as those earning less than 120 % of area median incomes, as estimated by the U. S. Department of Housing and Urban Development.

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across cities. We begin by exploring existing literature on PV adopter income trends and discuss how prior research can explain those trends. We use insights from prior research to develop a quantitative model that analyzes which factors best describe patterns in city-level LMI adoption rates. Like prior research, the statistical analysis explains less than one-third of the variation in LMI adoption rates across cities, leaving a gap in our knowledge of what explains city-level LMI adoption trends. To begin to fill that gap, we conducted a series of semi-structured interviews with key market participants in three cities with relatively high LMI adoption rates: Chicago, Illinois; Hartford, Connecticut; and Richmond, California. Our objective in these case studies was to identify insights not easily gleaned from statistical analysis.

2. Literature review

A growing literature explores PV adopter income disparities and the factors that could explain those disparities [3]. That literature identifies several socioeconomic factors that create the underlying conditions for adopter income disparities, most notably income inequality [7,12,13]. In a society composed of households with varying incomes, higher-income households can use their resources to adopt emerging technologies—such as PV—before LMI households [14]. As a result, adopter income disparities are common across emerging technologies and are not unique to PV [13]. Previous research demonstrates that PV adoption income disparities are greater in regions with greater levels of overall income inequality [7]. One relevant consequence of income inequality is income segregation, meaning the unequal distribution of income across geographies [15].[2] Income segregation can drive installers to market more frequently in relatively affluent areas than in LMI areas [16] and can drive installers to locate their operations disproportionately in relatively affluent areas [17]. Income segregation can also thwart social processes that would otherwise drive adoption in LMI areas. Another set of related socioeconomic factors is the fact that LMI households are more likely to live in multifamily housing and are more likely to rent. These income-related differences in housing type and tenure affect LMI PV adoption because renters and multifamily housing occupants face specific and substantial barriers to rooftop PV adoption [18,19]. By the end of 2023, renters accounted for about 4 % of U.S PV adopters and multifamily buildings accounted for about 3 % of PV installations [6], compared to a renter share of around 35 % of all U.S. households and a multifamily share of 38 % of U.S. households, according to U.S. Census data.[3]

Several studies explore how policies have shaped PV adopter income trends. Federal, state, and local policies have played fundamental roles in shaping the U.S. rooftop PV market. Most of these policies were not designed with specific LMI adoption goals, and income-neutral policies have in some cases exacerbated adopter income disparities [20]. Some state and local policymakers have implemented measures to directly support LMI adoption. Common measures include exclusive or enhanced incentives for LMI customers, or otherwise prioritizing LMI customers in incentive programs [21]. Prior research suggests that LMI-targeted incentives have accelerated LMI adoption [8,21,22]. Most of these programs exist at the state level, meaning that such incentives may not explain differences in LMI adoption across cities within states. Paulos et al. [23] only identified 2 city-level programs (among 41 active LMI programs, mostly at the state level) and Gao & Zhou [21] only identified 4 city-level programs.

Other research has explored how PV business models have influenced PV adopter income trends. Research suggests that some installers may more effectively reach LMI customers than others [6,7], though that research does not specify what differentiates those installers. On a larger scale, prior research shows that the emergence of third-party ownership (TPO) has accelerated LMI adoption [8,24]. Under TPO, adopters make lease payments or buy PV system output from a third party (e.g., a bank) who owns the system installed on the adopters' rooftops. However, not all households have equal access to TPO. Access to TPO varies based on state policy: 6 states prohibit adopters from buying power output from third parties (though leases may be allowed), and 15 states have unclear rules that may impede the TPO business model. Another limiting factor is that TPO is offered by a relatively small group of installers with large sales volumes, such that the marketing practices of these installers can dictate who has access to TPO.

PV adopter income trends may also reflect patterns in PV diffusion, the process by which new technologies are adopted by customers. Diffusion typically entails a period of early adoption by relatively affluent customers followed by a period of mass adoption, including adoption by LMI households [25]. PV diffusion exhibits the expected trends, with an ongoing shift to increasing LMI adoption over time [13]. One well-documented driver of PV diffusion is that households are more likely to adopt PV when they have seen PV installed on nearby rooftops or interacted with PV adopters [26]. Due to income segregation, this process of social influence has disproportionately occurred among high-income households living in relatively affluent neighborhoods. Still, prior research shows though social influence can drive LMI adoption, and that the effects of influence are particularly strong when LMI households see systems installed on other LMI households or interact with other LMI adopters—as opposed to high-income adopters [27]. Early LMI adoption can therefore create a self-sustaining cycle that drives future LMI adoption. As a result, cities where significant early investments were made to support solar access among LMI households should have higher LMI adoption rates today, all else equal, compared to cities where LMI solar initiatives were launched more recently.

Finally, factors related to local grid electricity supply could affect LMI adoption. One factor is the retail electricity rate for electricity, which is a key determining factor in the amount of money that households can save by adopting PV and thus determines incentives to adopt. Especially among LMI households, relatively high electricity prices mean large shares of household budgets are allocated to electricity costs, a condition that could motivate PV adoption. Further, the ability of customers to adopt PV is partly determined by the ability of local grids to "host" PV systems. Brockway et al. [28] find that inferior grid conditions in LMI areas limit the ability of LMI households to interconnect PV systems to the local grid relative to households in more affluent areas.

3. Methodology

Our objective is to understand why LMI adoption rates are higher in some cities than in others. We explore this question quantitatively through an empirical model and qualitatively through a series of three case studies.

3.1. Quantitative model

We develop an ordinary least squares regression model to estimate how much different factors explain city-level variation in LMI adoption. We run the model using data described in Forrester et al. [6], consisting of household-level PV installation records for over 3 million households cumulatively and 635,873 records for installation in 2023 (the most recent year with available estimates), with estimated household income for each adopter. We focus our analysis on a subsample of 209,463 installations in 2023, located in the 335 cities with at least 100 records in 2023 and all data required to construct the variables defined in Table 1.

Our dependent variable is the LMI adoption rate. To normalize that

[2] Income inequality and income segregation are distinct but inter-related concepts. Without income inequality, income segregation could not exist. However, income inequality is, itself, driven to some extent by geographical factors (i.e., regional differences in labor markets and cost-of-living).

[3] This comparison may be imperfect due to potentially distinct approaches to identifying "multifamily" housing in the solar adoption data and the Census data.

Table 1
Results of regression of drivers of LMI adoption.
Y = LMI adoption ratio.

Variable	Units	Description	Mean (standard deviation)
LMI adoption ratio (dependent variable)	Ratio	Ratio of the LMI share of PV adopters to the LMI share of households. We estimate this ratio by replicating the method described in O'Shaughnessy et al. [13], which uses U.S. Census income bins to infer a number of LMI households assuming log-normal income distributions. *Source: U.S. Census*	0.7 (0.16)
Income inequality	GINI	GINI coefficient: A unitless metric of income inequality where approaching 0 represents perfect income equality (all households earn the same) and 1 represents perfect income inequality (all income accrues to one household). *Source: U.S. Census*	0.44 (0.04)
Income segregation	$100,000/ year	Median income spread: Difference in the 10th and 90th percentile of tract-level median incomes within each city *Source: U.S. Census*	1.18 (0.52)
Median income	$100,000/ year	Median city-level household income as reported in U.S. Census data *Source: U.S. Census*	0.92 (0.38)
Median home value	$100,000	Median city-level value of owner-occupied homes *Source: U.S. Census*	5.79 (3.85)
Owner-occupancy rate	%	Share of housing units that are owner occupied *Source: U.S. Census*	0.61 (0.13)
Single-family detached home share	%	Share of housing units that are single-family detached homes *Source: U.S. Census*	0.6 (0.17)
Incentives	$/W	Average value (across customers) of incentives (e.g., up-front rebates, tax credits, net present value of production-based incentives) not associated with LMI programs (see Section 2) *Source: Berkeley Lab*	0.02 (0.11)
LMI incentives	$/W	Average value (across customers) of incentives from LMI programs (see Section 2.2.1) *Source: Berkeley Lab*	0.01 (0.02)
Install price	$/W	Average PV system installation price across customers *Source: Berkeley Lab*	4.4 (0.63)
Electricity rate	$/kWh	Average retail electricity rate reflecting bill savings from PV adoption. We discounted the value by 10 % for states without full retail-rate net metering in 2022 to reflect a rough assumption of the impacts of alternative rate structures on the perceived bill savings of PV adopters	0.27 (0.05)
Cumulative adoption	% points	Cumulative % of households that had adopted solar as of 2023, a measure of the potential impacts of diffusion (see Section 2) *Source: U.S. Energy Information Administration* *Source: Berkeley Lab*	18.81 (13.72)

variable for differences in LMI populations across cities, we define the variable as the ratio of the LMI share of adopters (# of LMI adopters/# of adopters) to the LMI share of all households in the city (# of LMI households/# of households). We refer to this metric as the LMI adoption ratio. The ratio accounts for differences in LMI populations and general population sizes, allowing for easier comparison of LMI adoption rates across cities. A ratio of 1 would reflect a city where LMI households are proportionately represented among PV adopters compared to the LMI share of the overall population. For easier interpretation of the results, we logged the LMI adoption ratio such that coefficients can be interpreted in terms of percentage changes in LMI adoption ratios.

Table 1 provides definitions and summary statistics for the dependent variable and our selection of independent variables. The independent variables were selected based on drivers of adopter income disparities previously identified in the literature, as discussed in Section 2. One notable exception from the independent variables is a variable for TPO. The availability of TPO is determined by state-level laws, such that access to TPO does not meaningfully vary across the cities in our data sample. Some of the independent variables are strongly correlated: the median income and median home values have variance inflation factors greater than 5—a level generally indicative of problematic multicollinearity—and the owner-occupancy rate has a factor of 4.8. We present multiple variations of the model excluding strongly correlated variables to accurately describe the roles of each factor in explaining LMI adoption rates.

Regression coefficients help us understand the quantitative relationships between city-level LMI adoption rates and the factors discussed in Section 2. Further, we are interested in how much these factors contribute to the variation in LMI adoption rates across cities. We dissect how each explanatory variable separately contributes to that variation by estimating the marginal contributions of each independent variable to the model's explanatory power (i.e., R^2), also known as Shapley values.

3.2. Case study methodology

Case studies are in-depth explorations of complex real-world phenomena that cannot be easily or fully explained through quantitative analysis [29]. Importantly, case study results can be used to build and refine generalizable theories, but case study results are not necessarily generalizable across populations [30]. We study cases of cities with relatively high LMI adoption rates to form hypotheses about factors that have been underappreciated or missed in quantitative analysis. We decided to implement three case studies each comprising five semi-structured interview to optimize the breadth and depth of the case studies given project resources. Beginning from a base of 635 cities with at least 100 records in the PV adopter data set described in the prior section, we identified 100 cities with the highest LMI adoption ratios. From that shortlist we evaluated potential case study candidates based on metrics such as the LMI adoption ratio, LMI adoption rate, city population, and city energy burden (i.e., shares of household incomes spent on electricity and gas bills). We prioritized potential candidates based on cities and regions where the project partner Greenlink

Analytics had preexisting networks that could facilitate interview implementation. We also considered geographic diversity in our selection of potential case studies. We then vetted a shortlist of potential case study candidates through preliminary discussions with city officials and community-based organizations to gauge potential participant interest and knowledge. Through this process we identified Chicago, IL, Hartford, CT, and Richmond, CA as three cities for case studies to explore factors that could explain relatively high levels of LMI rooftop solar adoption. Table 2 summarizes the factors that led to these decisions. The three case study cities had LMI adoption ratios ranging from 0.81 to 0.97 (Fig. 1), relatively close to the ratio of 1 indicating proportional LMI adoption. For comparison, the average LMI adoption ratio across all 635 cities in the base sample was 0.71.

We conducted semi-formal interviews with five key practitioners from each city using consented audio recording, transcription, and qualitative coding platforms and procedures. To understand why LMI adoption is relatively high in some cities, we asked interviewees: In your experience, what do you think could be contributing to high rooftop solar adoption by LMI households in your city? We built on that foundational question with other semi-structured questions related to LMI adoption (the full interview guide is available upon request from the corresponding author). Interview and interview coding tasks were distributed among coauthors to ensure data validity. The project partner Greenlink Analytics implemented all interviews. The interviews were conducted and recorded via Zoom then uploaded to a qualitative research platform named Dovetail. Transcriptions developed by Dovetail were manually corrected by Greenlink staff and shared with participants to ensure accuracy and transparency. Greenlink identified frequent keywords and themes in the transcriptions and used a Dovetail tool to comprehensively identify interviewee comments associated with those keywords and themes. Themes that were most frequently identified by Dovetail were condensed into the categories defined in Table 3: incentives, city context, partnerships, and trust building. The interview transcripts, Dovetail outputs, and Greenlink coding were then reviewed by coauthors with expertise in residential PV markets and LMI PV adoption research. The coauthors worked with Greenlink to analyze the key themes as presented in Section 5.

The interview outreach and implementation protocol was approved by the Berkeley Lab's Human Subjects Committee. Initial outreach to prospective interviewees began in October 2024, and from November 2024 to February 2025 Greenlink Analytics led 15 interviews with 18 individuals from the organizations and institutions listed in Table 2. Informed consent was obtained from all interviewees.

Table 2
Case study selection.

City	LMI adoption ratio (2023)	Other considerations	Organizations interviewed
Chicago, IL	0.87	Chicago has uniquely high LMI adoption rates among midwestern cities. Chicago stakeholders generally demonstrated strong interest during the initial vetting process.	- A Just Harvest - Chicago Urban League - Elevate Energy - Illinois Citizens Utility Board - Illinois Power Agency
Hartford, CT	0.97	Hartford is the only city with a population greater than 10,000 households ranked in the top 5 of LMI adoption ratios calculated over a 5-year period.	- City of Hartford - Connecticut Department of Energy and Environmental Protection - Connecticut Green Bank - Eversource - Posigen
Richmond, CA	0.81	Richmond has a substantially higher LMI adoption ratio than other cities in the region such as Berkeley (0.49) and Oakland (0.63).	- California Environmental Justice Alliance - City of Richmond - GRID Alternatives - MCE - Vote Solar

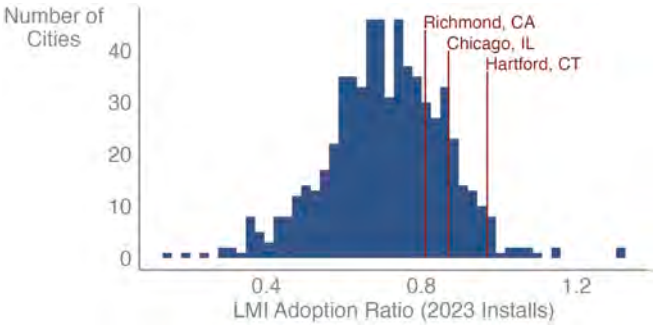

Fig. 1. Distribution of LMI adoption ratios across 635 cities in 2023.

Table 3
Core drivers of LMI adoption.

Core drivers	Driver components
Incentives	Incentive programs; program flexibility; rate structure; net metering
City context	Policies and legislation; consumer protections; funding; history; urban layout
Partnerships	Community engagement; public authority; multilevel stakeholders
Trust building	Community involvement; transparency; education; outreach and marking; vetted processes

4. Results: quantitative analysis

The model suggests that LMI adoption ratios are lower in cities with more income inequality and income segregation (Table 4). In terms of income inequality, the coefficient suggests that LMI adoption ratios decline by around 134 % from a hypothetical city with a GINI coefficient of 0 (perfect income equality) to a hypothetical city with a GINI coefficient of 1 (perfect income inequality). However, most cities in the sample have a GINI coefficient in the range of 0.3 to 0.6. Applying the regression coefficient over that range, the model suggests that LMI adoption ratios decline by around 40 % when moving from the most income-equal cities in the data to the most income-unequal cities in the

Table 4
Regression results (state clustered robust standard errors in parentheses).

Variable	All variables	Model variation 1	Model variation 2
Income inequality	−1.34* (0.28)	−1.85* (0.41)	
Income segregation	−0.04* (0.01)		−0.05* (0.01)
Median income	−0.003 (0.04)	−0.28* (0.05)	
Median home value	−0.02* (0.01)		−0.03* (0.003)
Owner-occupancy rate	−0.38* (0.15)	−0.01 (0.05)	
Single-family home share	0.15 (0.18)		0.09 (0.14)
Incentives	−0.04 (0.08)	−0.04 (0.08)	−0.02 (0.11)
LMI incentives	0.61 (0.45)	0.88 (0.83)	1.06* (0.37)
Install price	0.03 (0.02)	0.02 (0.02)	0.03 (0.02)
Electricity rate	0.37 (0.44)	0.22 (0.48)	0.52 (0.35)
Cumulative adoption	−0.003* (0.0004)	−0.002 (0.001)	−0.004* (0.001)
R^2	0.31	0.28	0.27
N	335	335	335

* $p < 0.05$.

data. The model also suggests that LMI adoption ratios are significantly lower in cities with relatively high home values. We offer two plausible hypotheses for this result: 1) LMI households are less likely to own homes in cities with higher property values and are thus less likely to adopt rooftop PV; and 2) LMI households allocate more income to property expenses in cities with high property values, leaving less disposable income for other investments such as rooftop PV. The model also suggests that LMI adoption ratios are lower in cities with higher owner-occupancy rates, a result that counters our expectations that higher LMI owner-occupancy rates should support more LMI adoption. The counterintuitive result could reflect issues of multicollinearity, as suggested by the fact that the coefficient is statistically insignificant in Model Variation 1.

The model suggests that LMI adoption ratios are lower in cities with more cumulative adoption, which runs counter to our expected result based on the discussion of diffusion in Section 2. Other than that result, the model does not suggest that the PV market-specific have statistically significant associations with LMI adoption ratios. The model suggests that LMI adoption ratios increase by 61 % per each dollar (per watt of installed PV) of LMI incentives, though the effect is not strong enough to be statistically significant. This is not to say that these factors do not matter, only that these factors do not yield strong statistical signals in our model using this data sample.

One important caveat to and potential reason for the lack of statistical significance is that most of the PV market variables are estimated at the state rather than the city level (with the exception of the diffusion variable). For instance, because the LMI incentives in our data set are determined at the state level, the LMI incentive variable does not significantly vary across cities within states, LMI incentives may be an important driver of differences in LMI adoption between states (as strongly suggested by the case studies explored in Section 5), but in our model LMI incentives explain less variation in LMI adoption ratios between cities. City-level LMI initiatives may be highly impactful, but these initiatives are too rare to directly integrate into our model (see Section 2). Part of the objective of the case studies in Sections 4–6 is to highlight the impacts of isolated city-level initiatives that cannot otherwise be measured through quantitative modeling.

Fig. 2 depicts the Shapley values for the 11 factors. The four factors with the most explanatory power all reflect broad socioeconomic factors (e.g., income inequality) rather than factors that emerge within PV markets (e.g., incentives). Socioeconomic factors such as median home value, median income, and income inequality explain about 26 % of the variation in LMI adoption ratios, while PV market factors such as cumulative adoption and incentives explain about 4 % of that variation. To reiterate, these results do not imply that factors such as incentives do not matter, only that these factors explain relatively little of the variation in *city-level* LMI adoption rates in our data sample.

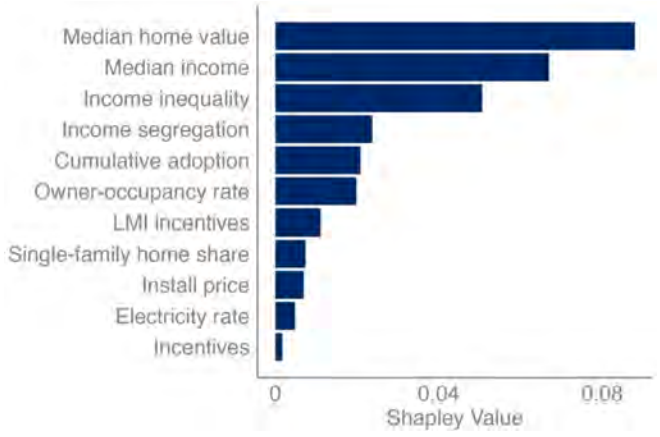

Fig. 2. Contributions of different factors to variation in LMI adoption ratios across cities as measured by Shapley values.

Collectively, these variables explain around 31 % of the statistical variation in LMI adoption ratios across cities. Quantitative modeling could explain more statistical variation through the development of more variables or alternative specifications. Darghouth et al. [7], for instance, explain around 48 % of variation in tract-level LMI adoption rates, though the model includes fixed effects that may account for a significant share of the explained variation. However, while model refinements are possible, no quantitative model can explain variation due to factors that can't be proxied through available quantitative data. In our case, the quantitative variables fail to explain around 69 % of the variation in our sample. That is, our data analysis leaves unexplained more than two-thirds of the variation in LMI adoption ratios across cities.

The unexplained variation in quantitative models is the motivation for the case study analysis in the following section. Qualitative analysis does not necessarily explain the remaining variation. That is, the results provided in the following section do not explain the 69 % of unexplained variation in our quantitative model. However, qualitative analysis can indicate factors that are missing from quantitative models, either because data for these factors are not readily available, or because some factors are too intangible for quantitative analysis. Coupled with quantitative results, the insights from the case studies in the following section can begin to provide a fuller picture of the factors driving or mitigating adopter income disparities.

5. Results: case study analysis

Table 5 identifies the four key drivers from the three case studies, as identified through the process described in Section 3.2. The driver category of incentives (explored in Section 5.1) echoes previous findings from the literature on the importance of incentives for expanding PV access, while the three remaining drivers (explored in Sections 5.2–5.4) have received less attention in the literature. Individual drivers interact with and often depend on other drivers, a point we discuss throughout this section and in the Conclusions.

Note that we aim as much as possible in this section to accurately portray the perspectives, expertise, and experience of interviewees. It is worth recognizing that the perspectives of a small sample of practitioners and experts may not necessarily comprehensively or accurately portray LMI adoption drivers in these cities. We do not evaluate the empirical validity of interviewee claims.

5.1. Incentives

All interviewees across the case studies acknowledged the role of state-level PV incentive programs in driving LMI adoption. For context, Table 6 summarizes the state-level incentive programs cited by the interviewees. Interviewees broadly stated that state-level incentive programs were critical for reducing PV adoption costs for LMI households low enough to enable LMI adoption.

All Chicago interviewees discussed the state-level Illinois Shines and Solar for All programs as important drivers of LMI adoption in Chicago. Four of the five interviewees stated that the Illinois Shines program was the more important of the two programs in driving LMI adoption in Chicago during our study period (this distinction was not discussed in the fifth interview). State program data show that Illinois Shines had supported the installation of around 94,000 small-scale solar systems, compared to around 1400 installations supported by the Illinois Solar For All program.[4] While Illinois Shines is not targeted at LMI households, the interviewees discussed two reasons why the program has nonetheless driven LMI adoption: 1) the interviewees noted that the

[4] Both estimates based on reported figures in project maps in the program websites as of January 8, 2025.

Table 5
Synthesis of key drivers from case studies.

Case study	Case study common themes	Shared drivers			
		Incentives	City context	Partnerships	Trust
Chicago	LMI adoption supported by two state-level incentive programs that include consumer protection provisions, consumer protection groups that help LMI households navigate the adoption process, and a city grid that was well positioned to interconnect rooftop PV	Illinois Shines, Illinois Solar for All	The city's urban layout may enable high LMI adoption	Consumer protection groups and the local utility	Consumer protection planned into state programs to overcome legacy of predatory marketing to LMI customers
Hartford	LMI adoption supported by partnership between the City of Hartford and Posigen, the implementer of Connecticut's state LMI incentive program	Connecticut Solar For All, Residential Renewable Energy Solutions	The City of Hartford actively supported Posigen to promote and implement the state's LMI PV program	City of Hartford and Posigen	The City of Hartford and Posigen used "community-based marketing" to build trust and promote the state's LMI PV program
Richmond	A local oil refinery provides a motivating influence for civil society and sustainability efforts, including LMI PV adoption; those motivations are augmented by state incentives that support GRID Alternatives, an installer based close to Richmond that specializes in LMI PV systems	Single-family Affordable Solar Homes Program	Motivating influence of Richmond oil refinery on community-driven policy	City of Richmond and GRID Alternatives	Importance of accumulated and maintained trust in GRID Alternatives with their customers to enhance their ability to support LMI adoption

Table 6
PV incentive program summaries.

Case study	Program (timeline)	Summary
Chicago	Illinois Shines (2016–current)	Provides incentives to all residential systems (subject to program capacity limits) by subsidizing the prices of renewable energy certificates generated by rooftop PV programs. According to Illinois Shines program materials, the program is predicated on the idea that installers "pass through" the subsidies to customers in the form of more competitive pricing, a mechanism that has been observed in other PV incentive contexts. Installers must comply with consumer protection requirements to receive the incentives.
Chicago	Illinois Solar for All (2016–current)	Same incentive as Illinois Shines, except that for income-qualifying customers the state requires that systems be sold to customers with no up-front costs and that ongoing payments cannot exceed 50 % of the value of the output of the systems.
Hartford	Solar for All (2015–2021)	The Connecticut Green Bank provides below-market rate loans to support subsidized PV leases for LMI customers. The Green Bank partnered exclusively with a single provider (Posigen) to implement the program. The program ran from 2015 to 2021.
Hartford	Residential Renewable Energy Solutions (2022–current)	Utilities are required compensate all PV output at a specified rate. Customers earning less than 60 % of the state's median income and customers living in "distressed municipalities" are eligible for enhanced compensation rates. As of January 2024 Hartford was one of 37 municipalities eligibility for the distressed municipality incentive.
Richmond	Single-family Affordable Solar Homes (2006–2021)	Program required that 10 % of California's PV incentives be reserved for low-income households. Eligible households could receive highly subsidized PV systems. The program was implemented through a single partner-installer GRID Alternatives.

Table note: The information in this table was compiled by the authors and is not based on the case-study interviews.

lower installation prices enabled by the program are particularly important for making adoption financially accessible for LMI households; 2) the Illinois Shines program's consumer protection measures are especially important for LMI households, a theme we explore in further depth in Section 5.4.

Interviewees in Hartford also consistently emphasized the importance of state-level incentive programs. The impacts of the Solar for All program are observable in our PV adoption data set (Fig. 3). Interviewees emphasized three program characteristics that distinguish Connecticut Solar for All from other state-level LMI incentive programs. First, the program is administered by the state Green Bank, described as a quasi-public institution by one interviewee. The program is made possible by the Green Bank's ability to lend at below-market rates to achieve state clean energy objectives. Second, the program is structured around low-cost leases. Interviewees noted how leasing—a form of TPO as discussed in Section 2.2—eliminates certain barriers to LMI adoption, such as challenges for cash-constrained LMI households to buy systems or obtain loans. Interviewees emphasized how credit scores are not a criterion for program participation, unlike other TPO offerings. Interviewees noted that the lack of credit qualification criteria has not posed significant challenges to LMI PV programs, stating that LMI households were able to consistently make their payments. Third, the Connecticut Green Bank implemented the program through a single partner—Posigen—rather than making incentives available to an open installer network like the case of Chicago. Several interviewees discussed how the close collaboration between the Connecticut Green Bank, Posigen, and communities such as the City of Hartford was critical to building trust around Posigen and the program, a theme explored in further depth in Section 5.4.

Interviewees in Hartford likewise emphasized the importance of

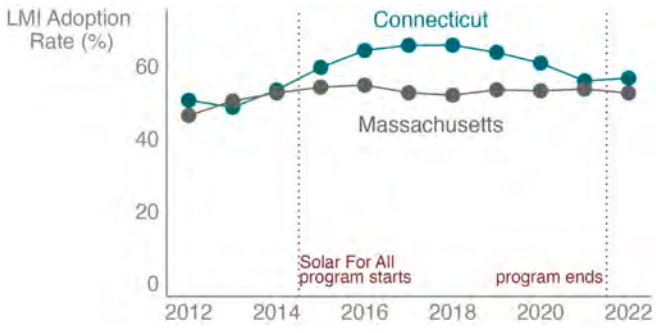

Fig. 3. Impacts of Connecticut LMI PV incentives as illustrated by LMI adoption rates (LMI % of all adopters) in Connecticut and Massachusetts.

Residential Renewable Energy Solutions (RRES) program that effectively replaced Solar for All in 2022. Unlike Solar for All, the RRES is implemented as a subsidy on customer electricity rates that can be claimed by any installer. One interviewee noted that the state does not control whether those subsidies accrue to customers or to installers, creating a risk that installers use the subsidies to enhance profits rather than provide greater savings to LMI customers. Notwithstanding that risk, another interviewee described the RRES subsidies as a way of attracting more installers to serve LMI customers. The interviewee noted how many installers are discouraged by the higher costs of installing PV on LMI households, such as costs associated with installations on older buildings or diseconomies of scale from installing smaller systems. The interviewee stated that RRES subsidies for LMI customers "equalize" the costs of serving LMI and non-LMI customers by defraying those cost premiums and could thus encourage more installers to engage with LMI customers. Further, several interviewees noted how consumer protections are integrated into the RRES program in ways that may enable LMI adoption. For instance, installers participating in the RRES must complete annual compliance filings and are subject to "strikes" for deceptive marketing practices.

Interviewees in Richmond less frequently discussed state-level PV incentives than interviewees in the other cities. Nonetheless, California's Single-family Affordable Solar Homes program is fundamental to the business model of the installer GRID Alternatives, a key partner in Richmond whose role will be discussed in more depth with the other drivers.

5.2. City context

Interviewees in all three cities discussed city-level factors that explained high LMI adoption rates.

The importance of city-level context was particularly notable in the Richmond case study. All Richmond interviewees emphasized how a local oil refinery has created a city-level context that has driven LMI PV adoption. Interviewees described the refinery as a defining feature of Richmond's economy and culture. Interviewees discussed how litigation has forced the refinery to finance local LMI PV programs: in 2014, the refinery agreed to funding a $6.25 M program for rooftop PV and energy efficiency that prioritizes LMI households.[5] Several interviewees described how the refinery has catalyzed action by public agencies and community-based organizations and grassroots organizing groups. Interviewees described the perceived environmental harms of the refinery as an impetus for the City of Richmond and other local stakeholders to implement sustainability measures. One interviewee also discussed how the proximity of Richmond residents to the refinery may create broader awareness of energy issues among residents and theorized that such awareness may prime Richmond households for PV adoption.

In Chicago, two interviewees noted that Chicago's relatively progressive city and local government provide an enabling context for LMI adoption. One interviewee suggested that Chicago's relatively well-maintained and updated grid mitigated limited hosting capacity as a barrier to LMI adoption (see Section 2.2). Another interviewee suggested that high LMI adoption may reflect Chicago's urban layout. Fig. 4 explores this hypothesis by plotting PV system locations in Chicago on top of tract-level median incomes. As suggested by the interviewee, the urban center immediately to the north and west of the Navy Pier is characterized both by relatively high household income levels and relatively few PV systems. In contrast, PV clusters are present in the less densely populated and lower-income areas surrounding the urban center. These data are consistent with the interviewee's hypothesis, though further research would be required to demonstrate that urban layout meaningfully affects LMI adoption rates.

5.3. Partnerships

Many interviewees emphasized the important role of partnerships. Interviewees described contexts in which city governments and load-serving entities actively engaged with and enabled installers focused on LMI customers. The interviewees provided a sense that these partnerships were mutually beneficial and achieved outcomes that would not have been possible had the partners worked in isolation.

In the cases of Hartford and Richmond, partnerships involved two installers with unique business models: Posigen in Hartford and GRID Alternatives in Richmond. These two installers specialize in serving LMI households, making them largely unique in the PV installation industry. According to our data, Posigen installed around 23 % of all PV systems on LMI household in Hartford in the decade from 2014 to 2023, and GRID installed around 15 % of all LMI systems in Richmond.

In Hartford, interviewees described a critical partnership between the Connecticut Green Bank, the City of Hartford, and Posigen. The Green Bank and Posigen were responsible for implementing the state's Solar for All incentive program until 2021, and Posigen remains a participant in the state's new RRES program (see Table 6). According to interviewees, the Green Bank partnered with the City of Hartford to conduct program outreach. The City actively engaged with Posigen to help the installer acquire program-eligible LMI adopters in Hartford. The City's Office of Community Engagement worked with Posigen to market its program, such as by connecting Posigen with community events. An interviewee with the Connecticut Green Bank stated that the ability of the Solar for All program to reach LMI households hinged on partnerships with municipalities such as the City of Hartford. These partnerships helped Posigen identify appropriate neighborhoods, neighborhood leaders, and communication channels for reaching prospective LMI customers. Interviewees described the partnership as crucial to the trust-building exercise necessary for the program's success, a theme explored in further depth in Section 5.4.

Richmond interviewees also consistently emphasized the importance of partnerships. A prominent example is the ongoing collaboration between GRID Alternatives, the City of Richmond, and MCE (formerly known as Marin Clean Energy). MCE is the load-serving entity providing retail electricity service in Richmond. These three parties were interviewed for the case study, and each party consistently cited the other two parties as key stakeholders driving LMI adoption in Richmond. The interviewees described ongoing, informal cooperation between the three parties. GRID's non-profit model is based on leveraging funds from a variety of sources to install PV at no cost to its customers. A key source of finance for GRID installations are California state-level incentives (see Table 6). In Richmond, GRID has leveraged additional funds provided by the City of Richmond and MCE (the MCE interviewee noted that the MCE funding was paused in 2022). According to an interviewee from GRID, these multiple funding sources have allowed GRID to serve more customers in Richmond than in other communities in California. Beyond providing an additional funding source, GRID described the City of Richmond as an active partner. In the words of the interviewee, "the City actually gave a darn," and has consistently enabled GRID's marketing activities to expand LMI PV adoption in Richmond.

In Chicago, two interviewees described the local utility as a collaborative partner in LMI initiatives, and one of those interviewees suggested that Chicago's relatively well-maintained and updated grid has mitigated hosting capacity limits as a barrier to LMI adoption (see Section 2.2). Interviewees discussed how the willingness of Chicago's utility to support PV initiatives contributed to collaboration.

[5] Based on Chevron Refinery Modernization Project Environmental and Community Investment Agreement, Attachment 2, Exhibit B, page 13, retrieved from the Sabin Center for Climate Change Law Community Benefits Agreements Database: https://climate.law.columbia.edu/sites/climate.law.columbia.edu/files/content/CBAs/Richmond-Chevron%20Refinery.pdf.

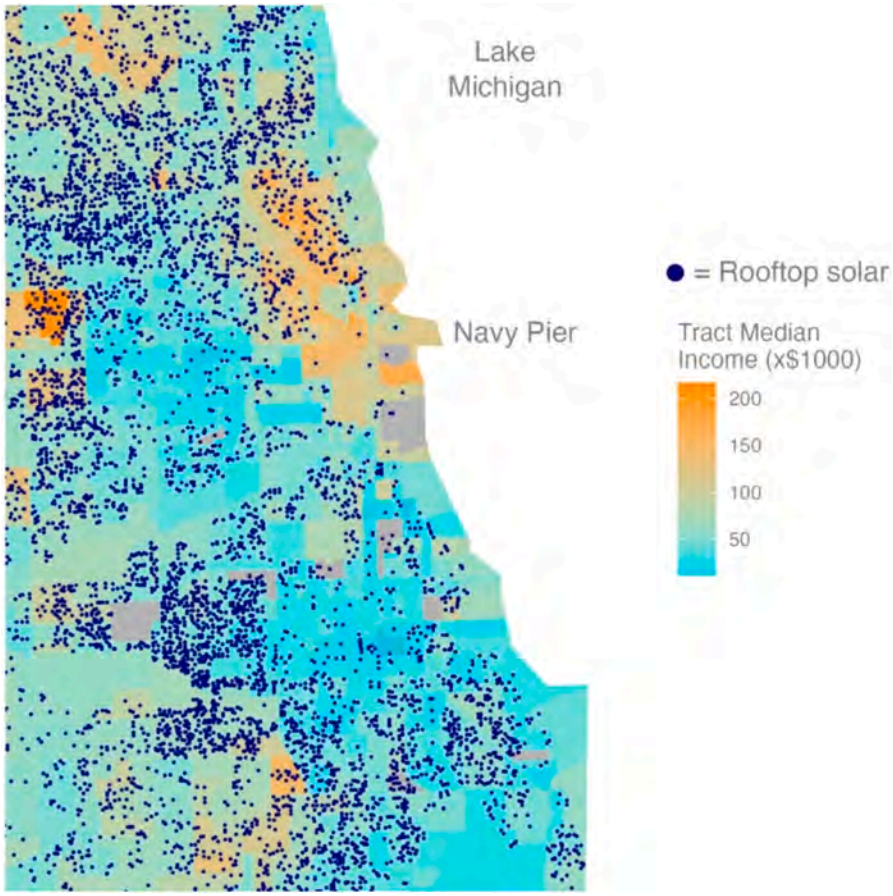

Fig. 4. Locations of rooftop solar installations in Chicago with tract-level median incomes.
Note: Census tract median income data not available for tracts colored gray.

5.4. Trust

Interviewees across the case studies described the importance of building trust among prospective LMI adopters in PV system installers. Many interviewees used the term "trust" specifically, while other interviewees discussed related concepts such as confidence and transparency. While we did not ask interviewees to define their concept of trust, the term as applied in the interviews broadly adheres to the common usage of the term. The Cambridge Dictionary, for instance, defines trust as a belief that something is "safe and reliable." Interviewees consistently emphasized the importance of creating perceptions among LMI households that PV was not a risky investment, especially in LMI communities exposed to predatory marketing practices. Interviewees discussed how community organizations with existing relationships with LMI households were effective in building that trust.

Interviewees in Hartford and Richmond described program marketing as a process of building trust in the key program partners: Posigen in Hartford and GRID in Richmond. The GRID interviewees in Richmond, for instance observed that a key factor in their ability to support LMI adoption was the trust that GRID has been able to accumulate in their two decades of activity in Richmond. The interviewees described trust-building as an ongoing process facilitated by GRID's network of previous customers and interactions with community-based organizations. One Hartford interviewee described the Solar for All program as "basically lots of outreach." Several interviewees described marketing as a process of building trust in the community. An interviewee from the City of Hartford stated that it was important to market locally in communities "to meet people where they are."

A common theme across the case studies was the importance of consumer protection measures, often framed as necessary for building LMI trust in the PV adoption process. Chicago interviewees portrayed a broad culture of consumer protection across public authorities and organized community groups in Chicago. That culture is underpinned by rules that installers comply with consumer protection requirements to participate in the state's PV incentive programs [31]. In addition to the consumer protection measures codified in the state incentive programs, prospective PV adopters in Chicago benefit from consumer protection services provided by non-governmental institutions. Three Chicago interviewees represent institutions that provide services related to consumer protection, among other services. The interviewees suggested that the broader context of consumer protection was crucial for driving LMI adoption. Interviewees observed that LMI households are less capable of taking financial risks than are more affluent households, and consumer protection can mitigate financial risks by providing more certainty around the long-term financial benefits of rooftop solar adoption. For instance, one interviewee noted that the state programs provide resources for "stranded" customers who begin the adoption process with an installer who subsequently cannot or will not install the system. Those resources mitigate the risks that customers invest in a project that is not ultimately installed. The interviewee noted that such risks are particularly untenable for LMI households, such that resources for stranded customers are especially relevant for LMI adoption decisions.

Interviewees in Chicago and Hartford grounded the importance of PV consumer protection in the context of a history of predatory marketing by retail electricity suppliers in Illinois and Connecticut, respectively. Interviewees indicated that retail electricity suppliers have used predatory marketing practices to persuade customers to leave utility service, like practices documented in other states such as Massachusetts

[32]. The interviewees indicated that predatory marketers were particularly likely to target LMI households. That history, according to interviewees, has created challenges for PV marketers in Illinois and Connecticut, an issue that may exist in other states with competitive retail electricity markets. Several interviewees described an environment of "distrust" of electricity marketers among LMI households. The interviewees indicated that consumer protection measures are thus critical for overcoming that distrust and the legacy of predatory marketing and providing LMI households with enough confidence to pursue PV adoption.

6. Conclusions

A growing body of research explores factors that explain income disparities in rooftop PV adoption. Much of that research relies on quantitative analysis of PV adopter data. Quantitative analysis can usefully identify factors that contribute to or mitigate PV adopter income disparities, but quantitative analysis cannot fully explain differences in adopter income disparities across space. Prior quantitative studies have generally explained less than half of variation in adopter income trends. We similarly find limited explanatory power in a quantitative model developed for this study. Through a linear regression of adopter-level data, we find that socioeconomic factors such as median home values and income inequality and PV market factors such as cumulative adoption and incentives explain less than one-third of the statistical variation on PV adopter incomes across a large sample of PV adopters.

To begin to develop a more comprehensive understanding of PV adopter income disparities, we implemented interviews in three case-study cities with relatively high levels of LMI adoption. As with all case study research, the case study results are not necessarily generalizable across cities. The results reflect the specific context of each city and the unique perspectives of the 15 interviewees that participated in the case studies. The generalizability of the findings would need to be tested through methodologies with larger sample sizes and rigorous statistical modeling. Nonetheless, the case studies provide insights from 15 practitioners in three cities with relatively high LMI adoption rates. These insights can hone our understanding of adoption income disparities and guide future research.

The case studies partly reiterate previous research and results from quantitative analysis, such as the fact that PV incentives can drive LMI PV adoption. The case studies also reveal a broader set of LMI adoption drivers that are not evident in quantitative analyses. The case studies indicate that unique city-level contexts can create conditions that enable or impede LMI adoption. For instance, many interviewees emphasized the importance of having a city government that actively engaged in or enabled measures to support LMI adoption. The case studies also revealed the importance of partnerships. Interviewees emphasized the crucial role of partnerships between the respective city governments and the state LMI program implementers. Finally, interviewees consistently emphasized the importance of building trust—or related concepts such as transparency—among prospective LMI PV adopters. Interviewees suggested that partnerships, outreach, and consumer protection measures were crucial to building trust in PV installers. Building trust may be especially necessary in areas where a history of predatory marketing of related services (e.g., competitive retail electricity supply) has created a culture of distrust among LMI households.

The perceived need for building trust could provide broader insights into the challenges of expanding PV access. PV access and adoption have expanded over time due partly to the development of alternative financing options such as TPO and, more recently, PV system loans. The interviews suggest that the impacts of these financial models on PV access are affected by customer trust or distrust in installers and financial institutions. For instance, interviewees suggested that "no money down" financing options may be suspicious to some households, especially LMI households who have experienced predatory marketing. Building trust through approaches such as consumer protection measures could therefore be crucial for expanding PV access through alternative financing models.

The interviewees did not discuss LMI adoption drivers in isolation, and it is important to recognize overlap between the drivers. Interviewees described partnerships as crucial for building trust, such as the case where City governments helped build trust in PV system installers in Hartford and Richmond. City context was crucial to understanding the formation of partnerships, such as how the Richmond oil refinery motivated multilevel stakeholder collaboration in Richmond. Similarly, incentives enable local installers, such as Posigen and GRID Alternatives, to effectively serve LMI households, thus encouraging the establishment of trust and maintenance of a positive reputation with their customers.

We conclude by suggesting areas for further research based on key themes from the case studies. Some themes could be explored through quantitative analyses. Future researchers could explore the hypothesis that local governments can play a key role in enabling LMI adoption, as suggested throughout the interviews. One option would be to develop proxies to identify cities that are more likely to have city governments who support PV adoption measures, such as cities with U.S. Department of Energy SolSmart certifications. Future researchers could use geospatial methodologies to explore the hypothesis posed by a Chicago interviewee that adoption income disparities may be affected by urban layout. Future researchers could also explore the effects of trust and distrust by analyzing correlations between predatory marketing practices in retail electricity sales and LMI adoption patterns. Overall, quantitative measures are limited in explaining adoption patterns, suggesting a greater need to explore mixed-data analysis. Qualitative research, in the form of semi-structured interviews and multi-level stakeholder engagement, could be useful for capturing the nuances that quantitative data cannot explain and exploring how local idiosyncrasies affect access to PV adoption.

CRediT authorship contribution statement

Eric O'Shaughnessy: Writing – original draft, Visualization, Validation, Methodology, Investigation, Formal analysis, Data curation, Conceptualization. **Angelica Chavez Duckworth:** Writing – review & editing, Supervision, Investigation. **Samantha Houck:** Writing – review & editing, Supervision, Investigation. **Galen Barbose:** Writing – review & editing, Project administration, Investigation, Funding acquisition, Conceptualization.

Declaration of competing interest

The authors declare no competing interests. EO is an independent consultant, a list of his clients is available at www.cleankws.com.

Data availability

The data that has been used is confidential.

Acknowledgments

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To: Green Bank Board of Directors
From: Bert Hunter, EVP and CIO and Priyank Bhakta Associate Director
CC: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Jane Murphy, EVP Finance and Administration; Eric Shrago, VP of Operations
Date: October 17, 2025
Re: Compliance and Risk Management Overview

As part of Connecticut Green Bank's ("Green Bank") commitment to ensuring proper risk management and adherence to lending and investment best practices, the subject memo outlines key steps staff take to manage our lending and investment portfolio along with an overview of the portfolio as of June 30, 2025.

- **Monthly Delinquency Review Meeting:** Green Bank staff have a recurring monthly meeting, with representatives from Legal, Operations, Financing Programs and Investments to discuss problem credits, emerging risks and create an action plan for a resolution. Staff reconvene monthly to discuss progress of steps taken towards a resolution and will pivot to an alternative approach in the event progress is not satisfactory.
- **Quarterly & Annual Compliance Monitoring & Risk Rating:**
    - Project Finance Portfolio: The Green Bank includes usual and customary financial and reporting covenants in our project finance portfolio which is typically received in the form of a covenant compliance certificate and will encompass covenants such as debt service coverage ratio (generally 1.35x) and minimum debt service and/or operating and maintenance reserve account (generally 1-2 quarters worth). In most instances, compliance certificates include supporting documentation such as income statements, balance sheets, energy production reporting (actual vs expected) and bank statements to verify accuracy.
    - C-PACE: in alignment with industry standards, C-PACE loans do not include covenants outside of an ongoing requirement to maintain insurance coverage on an annual basis. Green Bank staff are currently working with a third-party vendor to implement an automated process to obtain and verify insurance coverage on an annual basis (currently performed manually). Staff anticipate implementing this system by the end of FY26. Of note, in lieu of ongoing covenants, C-PACE loans are underwritten to a strict standard at origination, and on an ongoing basis confirmation of on time property tax and mortgage payment history is performed as part of the Monthly Delinquency Review Meeting noted above.
    - Risk Rating: Green Bank staff are currently in the process of implementing a formal risk rating process. Staff consulted with other Green Banks and reviewed standard industry practices in developing a bespoke risk rating methodology for Green Banks' portfolio of loans. Furthermore, as a recipient

of Greenhouse Gas Reduction Funds, our risk management process and risk rating methodology was reviewed by an independent third party, consulting and accounting firm EY. The Green Bank is in the process of implementing the suggestions offered by EY which were primarily centered towards enhancing definitions in the risk rating model, clarifications regarding regular loan monitoring, and other miscellaneous items. The Green Bank received an overall result of "suggestions offered".

  - Project Finance: as part of the process noted above, loans will be formally risk rated on an annual basis (CY Q3) based off certain financial metrics (EBITDA trend, DSCR, and liquidity ratio), energy production, repayment history, collateral (lien perfection and reserve accounts) and if applicable, guarantor strength. Projects are informally risk rated on a quarterly basis, and staff have ongoing discussions with borrowers in instances of underperformance.
  - C-PACE: loans will be risk rated on an annual basis and will be rated on compliance with metrics such as outstanding loan amount to municipal appraised value, compliance with insurance requirements, delinquency history and property type.

- **Portfolio Management & Delinquency Dashboard Overhaul:** The Operations and Data team are currently in the process of implementing a new dashboard that consolidates data from various sources into one central repository. Once implemented, staff will be able to create bespoke reporting in an efficient and timely manner. This process will facilitate a standardized reporting regimen to the Board.

Portfolio Delinquencies as of June 30, 2025 (Source: FY25 ACFR)

- **C-PACE:** There have been no foreclosures of C-PACE liens in the fiscal year ending on June 30, 2025. As of June 30, 2025, there are (7) uncured delinquencies totaling $83,520 inclusive of late fees. The outstanding loan balance of those seven delinquent customers amounts to $1,166,910. This represents approximately 1.62% of the $71,988,172 C-PACE portfolio. Staff are actively working on outreach with borrowers and their mortgage holders in order to manage delinquencies. In the case of certain outlier scenarios, staff are exploring redirecting solar tariff revenue to the Green Bank in order to cure delinquencies. Staff do not believe the delinquent status of these loans will migrate to a loss to the Green Bank. Please note: FY25 ACFR include non-Green Bank C-PACE loans in the delinquency report.
- **Commercial PPA & Leases:** To date there are no defaults and as of June 30, 2025, there are 17 delinquencies totaling $25,827. As of August 2025, a majority of these delinquencies have been resolved, and staff are working on ensuring any remaining delinquencies are addressed in a timely manner. Staff do not believe the delinquent status of these loans will migrate to a loss to the Green Bank.
- **Smart-E:** As of 6/30/25, there have been 247 defaults, all of which have been charged off by the lenders with outstanding principal balances totaling $2,577,811

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or 1.5% of the portfolio, and 117 delinquencies with outstanding principal balances totaling $1,155,873 or 0.68% of the portfolio. Based on the total principal outstanding, as of 6/30/25, there were charged off defaults of $2,577,811 or 3.5% and delinquencies of $1,155,873 or 1.54%. To date the secondary loan loss reserve provided by the Green Bank in accordance with the Smart-E program loan agreement with the lenders has been used to reimburse two participating lenders for nine defaulted loans totaling $73,542 or 0.043% of the portfolio or 0.098% of the outstanding principal.

- **Multifamily / LIME Loans:** To date there have been no defaults and as of 6/30/2025 there were no delinquencies.
- **CT Solar Loan:** To date there has been one default with an original principal balance of $26,698 or 0.44% of the portfolio. This was resolved and brought current. As of 6/30/2025, there were no delinquencies.
- **CT Solar Lease:** To date, there are 5 voluntary lease terminations due to various workmanship issues and squirrel damage with an outstanding principal balance of $64,992 or 0.0048% of the Residential Solar Lease portfolio and one default valued at $4,950 due to a property fire. As of June 30, 2025, there are 13 delinquencies totaling $25,697, or 0.019% of the portfolio.
- **Small Business Energy Advantage Program ("SBEA"):** As of June 30, 2025, there was 1 delinquent SBEA loan with a balance of $1,161 on a $6,160,228 portfolio (representing 0.018%). SBEA loans benefit from a guarantee from the Connecticut Energy Efficiency Fund. Accordingly, Staff believes no delinquent loans will migrate to a loss to the Green Bank.

Portfolio Snapshot as of June 30, 2025

Loan Classification	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding
Residential	37,683,004	20,464,983	54%
Commercial	50,677,355	2,892,471	6%
C-PACE	71,988,172	2,076,817	3%
Capital Assets (Leases & PPAs)	65,455,000	-	0%
Total:	**225,803,531**	**25,434,271**	**11%**

as of 6/30/2025

Loan Classification	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding
Senior & Capital Assets	195,475,488	4,617,302	2%
Subordinated	30,328,043	18,058,380	60%
Total:	**225,803,531**	**22,675,682**	**10%**

as of 6/30/2025

Technology Type	Loan Outstanding	%
Solar	165,741,665	73.4%
Fuel Cell	25,509,207	11.3%
Various	20,787,318	9.2%
Hydro	12,187,787	5.4%
Wind	1,089,554	0.5%
Anaerobic Digester	488,002	0.2%
Total:	**225,803,531**	**100%**

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Portfolio Exposure Snapshot (as of June 30, 2025)

Top Exposure (Overall)	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding	# of Projects
PosiGen	22,213,402	19,508,589	88%	42,000*
FuelCell Energy, Inc	21,860,915	1,791,288	8%	9
Capital for Change Inc.	14,547,186	879,719	6%	4,617
Cargill Falls	11,534,612	403,711	4%	1
Skyview Ventures	8,173,858	358,236	4%	54
Inclusive Prosperity Capital, Inc	6,607,380	118,648	2%	25
Scale Microgrids	3,983,606	381,595	10%	34
Total:	**88,920,959**	**23,441,786**	**26%**	

as of 6/30/2025
**estimate*

Top Exposure (Subordinated)	Loan Outstanding	Loan Loss Reserves	LLR / Loan Outstanding	# of Projects
PosiGen	16,750,000	16,750,000	100%	42,000*
FuelCell Energy, Inc	11,500,000	1,150,000	10%	9
Wind Colebrook	1,089,554	108,955	10%	1
Canton Hydro	653,175	32,659	5%	1
Scale Microgrids	335,315	16,766	5%	1
Total:	**30,328,043**	**18,058,380**	**60%**	

as of 6/30/2025
**estimate*

C-PACE Delinquencies (as of June 30, 2025)

Opportunity	Days Late	Loan Balance	Total Past Due	Property Type
Bauch Advanced Technologies - Solar	181	$ 279,935	$ 17,361	Industrial
Bauch Advanced Technologies - Solar Lease	181	$ 307,800	$ 12,426	Industrial
Shiloh	518	$ 82,644	$ 5,418	Place of Worship
OIC	547	$ 64,884	$ 15,789	Non-Profit
JBG Ventures	181	$ 79,484	$ 3,974	Office
Thames River	518	$ 150,483	$ 20,303	Office
1841 Broad LLC	181	$ 201,681	$ 8,250	Industrial
Total:		**$ 1,166,910**	**$ 83,520**	

Amount Due as of 6/30/2025

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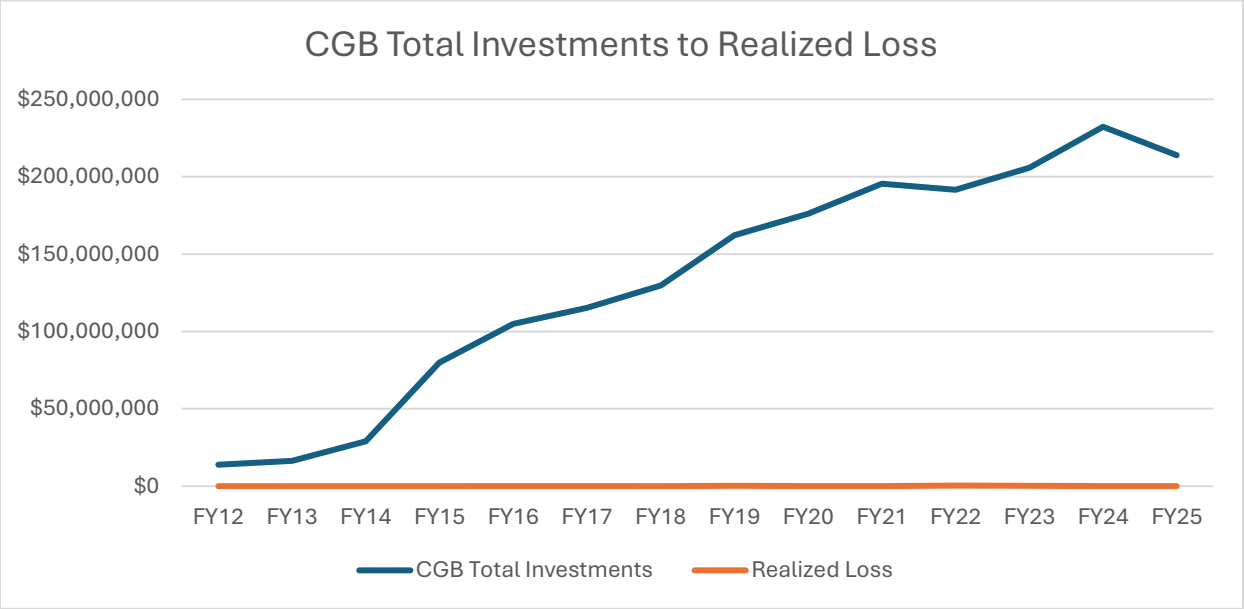
Realized and Unrealized Loss Snapshot (Since Inception, as of June 30, 2025)



Category	Realized Losses
Bad Debt Expense Related to Loans	211,819
Loan write-off's	124,946
SI2/SL3 System write-off's	525,169
CPACE bond write-downs	460,710
Total (Since Inception)	**1,322,644**
PosiGen (Loss Reserve)	**19,508,589**
Total	**20,831,234**

Annual Comprehensive Financial Report

of

Connecticut Green Bank
(a Component Unit of the State of Connecticut)

For the Fiscal Year Ended June 30, 2025
(With Summarized Totals as of and for the Fiscal Year Ended June 30, 2024)

Department of Finance and Administration
75 Charter Oak Avenue, Suite 1-103
Hartford, Connecticut

Connecticut Green Bank

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Introductory Section

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October 24, 2025

As we complete our fourteenth year as the nation's first green bank, we are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Connecticut Green Bank (Green Bank) for the fiscal year ending June 30, 2025 accompanied by summarized totals as of and for the fiscal year ended June 30, 2024.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls that it has established for this purpose. To provide a reasonable basis for making these representations, the management of Green Bank has established a comprehensive internal control framework that is designed both to protect the entity's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of Green Bank's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh the benefits, Green Bank's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As such, management asserts that this financial report is complete and reliable in all material respects to the best of managements' knowledge and belief.

PKF O'Connor Davies, LLP has issued an unmodified opinion on the Green Bank's financial statements for the fiscal year ending June 30, 2025. The independent auditors' report is presented in the financial section of this report. This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The Green Bank's MD&A can be found immediately following the report of the independent auditors.

Kestrel Verifiers has issued an independent opinion that the metrics, data collection, calculation methodologies, and transparency for the social and environmental benefits supported by the Green Bank are sound and represent best practice. The independent opinion is presented in the non-financial statistics section of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Connecticut Green Bank for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This is the tenth consecutive year that the Green Bank has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Profile of the Connecticut Green Bank

The Green Bank[1] was established in a bipartisan manner by the Governor and Connecticut's General Assembly on July 1, 2011 through Public Act 11-80 (i.e., CGS 16-245n) as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund. As the nation's first green bank, the Green Bank makes clean energy more affordable and accessible for all Connecticut citizens and businesses. In July of 2021, after a successful first decade of operations increasing and accelerating investment in and deployment of clean energy, through the bipartisan passage of Public Act 21-115, the scope of the Green Bank was broadened to include environmental infrastructure to create a thriving marketplace to accelerate the growth of the green economy in Connecticut. The Green Bank facilitates investment in clean energy and environmental infrastructure deployment by leveraging a public-private financing model that uses limited public dollars to attract and mobilize private capital investments. By partnering with the private sector, we create solutions that result in long-term, affordable financing to increase the number of clean energy and environmental infrastructure projects statewide.

As outlined in its Comprehensive Plan: Green Bonds US,[2] the Green Bank's 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:

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.

These goals support the implementation of Connecticut's clean energy policies be they statutory (e.g., Public Act 11-80, Public Act 13-298, Public Act 15-194, Public Act 21-115, Public Act 21-53, Public Act 25-33), planning (e.g., State Plan of Conservation and Development, Comprehensive Energy Strategy, Integrated Resources Plan, Water Plan, Green Plan, Forest Action Plan), or regulatory (e.g., Docket No. 17-12-03(RE03)) in nature. The powers of the Green Bank are vested in and exercised by a Board of Directors that is comprised of twelve voting and one non-voting member each with knowledge and expertise in matters related to the purpose of the organization. Board of Directors and Staff are governed through the statute, as well as an Ethics Statement and Ethical Conduct Policy, Resolutions of Purposes, Bylaws, and Comprehensive Plan.

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

[2] https://www.ctgreenbank.com/wp-content/uploads/2025/07/Comprehensive-Plan_FY-2026_Final_072525.pdf

Initiatives and Results

Accelerate the Growth of and Investment in the Green Economy
The Green Bank makes clean energy and environmental infrastructure more accessible and affordable for all Connecticut citizens and businesses by creating a thriving marketplace to accelerate the growth of the green economy. As a result of the efforts undertaken over the past fourteen years, we are enabling more investment in the green economy of our state than ever before (see Table 1).

Table 1. Project Investments between FY 2012 through FY 2025[3]

Fiscal Year	Total Investment (MM)	Green Bank Investment (MM)	Leverage Ratio	% of Funding as Grants	Installed Capacity (MW)
2025	$ 250.6	$ 36.3	6.9	17%	39.5
2024	$ 452.7	$ 66.5	6.8	48%	139.1
2023	$ 149.0	$ 38.5	3.9	39%	46.7
2022	$ 116.7	$ 13.7	8.5	26%	21.2
2021	$ 268.5	$ 34.1	7.9	35%	64.3
2020	$ 285.9	$ 32.9	8.7	45%	73.9
2019	$ 319.5	$ 32.5	9.8	47%	64.3
2018	$ 221.8	$ 28.5	7.8	44%	56.4
2017	$ 180.4	$ 30.1	6.0	41%	50.0
2016	$ 320.0	$ 38.0	8.4	52%	65.8
2015	$ 320.8	$ 58.7	5.5	56%	62.2
2014	$ 106.9	$ 31.8	3.4	65%	23.4
2013	$ 111.1	$ 18.5	6.0	67%	23.5
2012	$ 9.9	$ 3.4	2.9	100%	1.9
Total	$3,113.8	$ 463.5	6.7	46%	732.2

By investing $463.4 million of Green Bank funds,[4] we have helped attract $2,650.4 million of private investment in clean energy for a total investment of over $3.1 billion in Connecticut's green economy. In addition, $157.9 million in estimated tax revenues have been generated from this investment. This supports the deployment of 732.2 MW of clean renewable energy, saving an estimated 93.9 million MMBtu of energy, producing 25.3 million MWh of clean energy, and avoiding an estimated 11.9 million tons of CO_2 emissions over the life of the projects, while creating over 30,000 job-years, and improving public health benefits by $234.8 to $530.8 million as a result of cleaner air.

Responsible Public Investment in Clean Energy

The Green Bank receives funding through a number of public revenue sources, including a Systems Benefit Charge (i.e., Clean Energy Fund), and allowance proceeds from the Regional Greenhouse Gas Initiative (RGGI), as well as earned revenues from renewable energy certificate (REC) sales, interest income from its loans, fees, and the federal government. The Green Bank's predecessor organization's programs were primarily structured as grants, which meant the funds were spent with no expectation of return. This model put the organization at the mercy of these funding streams which, while reliable, are largely determined by activities outside of our control such as levels of state electricity use and RGGI allowance prices. With the transition to a new financing model, the Green Bank is able to invest its funds in activities that earn a return and begin to build earned revenue streams that can be reinvested in clean energy and environmental infrastructure in Connecticut while strengthening the financial position and sustainability of the organization.

[3] Includes closed transactions approved by the Board of Directors consistent with its Comprehensive Plan and Budget.
[4] Including, but not limited to public resources such as the Clean Energy Fund and Regional Greenhouse Gas Initiative allowance proceeds, as well as earned revenues such as interest income, sales of renewable energy certificates and fees.

Acknowledgements

First and foremost, we would like to thank the Staff of the Connecticut Green Bank. Through their hard work, commitment and innovation, in fourteen years we have eclipsed $3.1 billion of investment into Connecticut's green economy helping more than 77,000 families and businesses reduce energy costs. We have built a model that is delivering results for our state and serving as a model across the country and around the world, including inspiring the $27 billion Greenhouse Gas Reduction Fund included within the Inflation Reduction Act passed by the US Congress and signed into law by President Biden in August of 2022.

We are grateful to our independent auditors, PKF O'Connor Davies, LLP and Kestrel Verifiers, for their assistance and advice during the course of this audit and review, and for supporting our interests in continuing to disclose not only our financial position, but also the public benefits to society resulting from increasing public and private investment and the deployment of clean energy and environmental infrastructure.

Finally, we thank the Board of Directors, Connecticut General Assembly, and the Governor for their continued leadership and guidance as we continue to prove that there is a new model for how government is able to support the growth and development of a green economy, at a faster pace, while using public resources responsibly.

Respectfully submitted,

Bryan T. Garcia
President and CEO

Jane J. Murphy
Executive Vice President - Finance

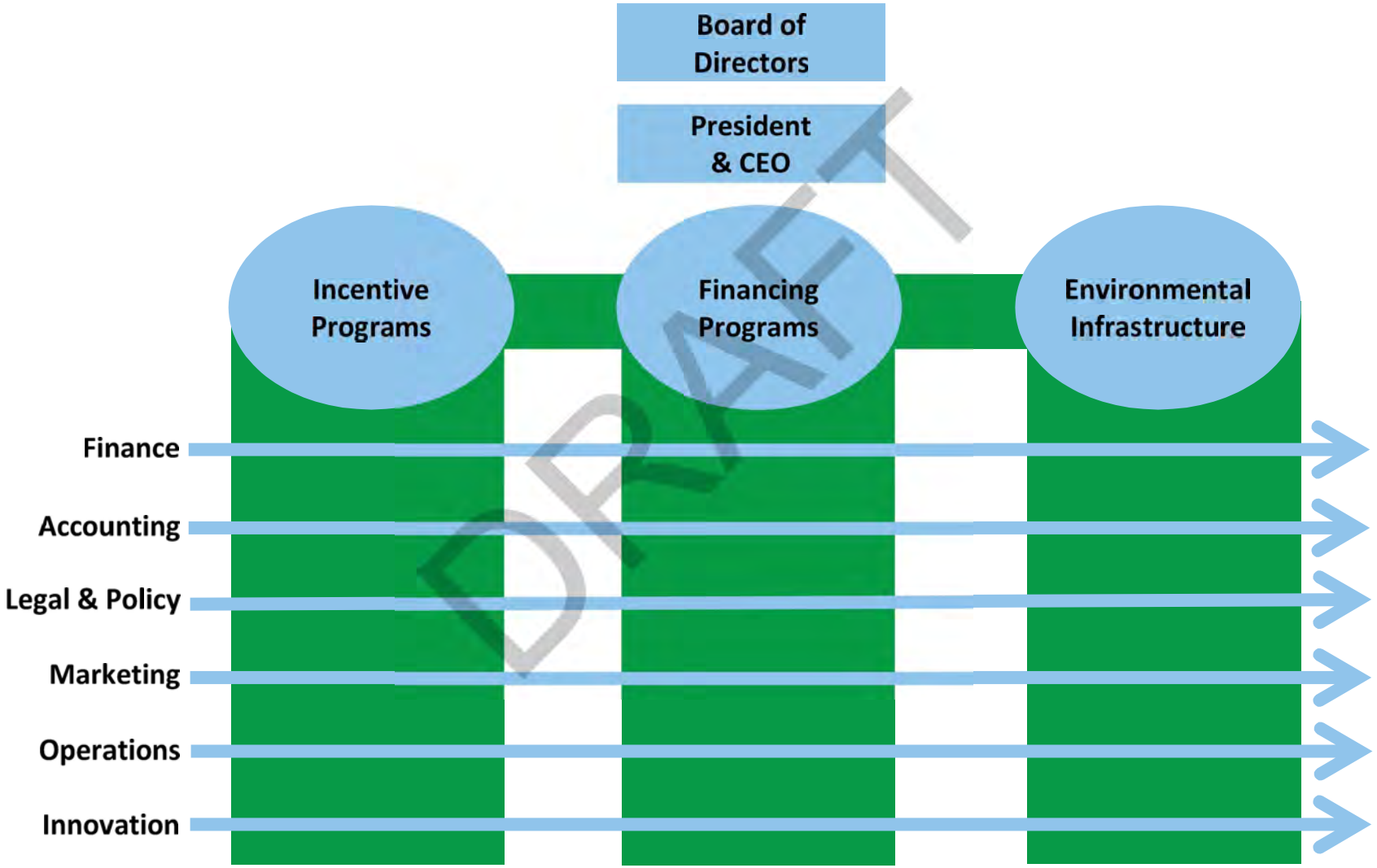
Board of Directors

Connecticut Green Bank

Position	Status	Voting	Name	Organization
State Treasurer (or designee)	Ex Officio	Yes	Kimberly Mooers [5]	Treasurer's Office
Commissioner of DEEP [6] (or designee)	Ex Officio	Yes	Joseph DeNicola [7]	DEEP
Commissioner of DECD [8] (or designee)	Ex Officio	Yes	Allison Pincus [9]	DECD
Secretary of the Office of Policy Management (or designee)	Ex Officio	Yes	Joanna Wozniak-Brown	OPM
Residential or Low-Income Group	Appointed	Yes	Brenda Watson [10]	North Hartford Partnership
Finance of Renewable Energy	Appointed	Yes	Adrienne Farrar Houël	Greater Bridgeport Community Enterprises
Finance of Renewable Energy	Appointed	Yes	Dominick Grant	Dirt Capital Partners
Environmental Organization	Appointed	Yes	Matthew Ranelli [11]	Shipman & Goodwin
Finance or Deployment	Appointed	Yes	Thomas Flynn [12]	Coral Drive Partners
Investment Fund Management	Appointed	Yes	James Cosgrove [13]	First Selectman Town of Branford
Labor Organization	Appointed	Yes	John Harrity [14]	Connecticut Roundtable on Climate and Jobs
R&D or Manufacturing	Appointed	Yes	Lonnie Reed [15]	Former Chair of E&T Committee
President of the Green Bank	Ex Officio	No	Bryan Garcia	Connecticut Green Bank

[5] As of June 5, 2024, Kim Mooers was designated to represent the State Treasurer, which position was previously held by Bettina Bronisz.
[6] Department of Energy and Environmental Protection
[7] Vice Chair of the Board of Directors
[8] Department of Economic and Community Development
[9] As of June 13, 2024 Allison Pincus was designated to represent DECD
[10] Chairperson of the Joint Committee of the EEB and CGB
[11] Secretary of the Board of Directors
[12] Chairperson of the Audit, Compliance and Governance Committee
[13] James Cosgrove was appointed as of June 11, 2025. Laura Hoydick served until March 20, 2023
[14] Chairperson of the Budget, Operations, and Compensation Committee
[15] Appointed by Governor Lamont and designated as Chair on October 10, 2019

Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

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Connecticut Green Bank

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Financial Section

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Directors
Connecticut Green Bank

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the reporting entity totals of Connecticut Green Bank (a component unit of the State of Connecticut), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Connecticut Green Bank's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the reporting entity totals of Connecticut Green Bank, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Connecticut Green Bank, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Green Bank's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Connecticut Green Bank's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Green Bank's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Prior Year Summarized Comparative Information

We have previously audited Connecticut Green Bank's June 30, 2024 financial statements, and our report dated October 25, 2024, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited basic financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, and the pension and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory, statistical and non-financial statistics sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025 on our consideration of the Connecticut Green Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Connecticut Green Bank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Connecticut Green Bank's internal control over financial reporting and compliance.

Wethersfield, Connecticut
October 24, 2025

Basic Financial Statements

CONNECTICUT GREEN BANK

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) provides an overview of the financial performance of the Connecticut Green Bank (Green Bank), formerly known as the Clean Energy Finance and Investment Authority, (a component unit of the State of Connecticut) for the fiscal year ended June 30, 2025. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements and notes to the financial statements included in the "Basic Financial Statements" section of this report.

The Green Bank as a reporting entity is comprised of the primary government and eleven blended component units as defined under generally accepted accounting principles.

FINANCIAL STATEMENTS PRESENTED IN THIS REPORT

On June 6, 2014, Public Act 14-94 of the State of Connecticut changed the name of the Clean Energy Finance and Investment Authority to the Connecticut Green Bank.

Green Bank is a quasi-public agency of the State of Connecticut established on July 1, 2011 by Section 16-245n of the Connecticut General Statutes ('CGS'), created for the purposes of, but not limited to: (1) implementing the Comprehensive Plan developed by Green Bank pursuant to Section 16-245n(c) of the CGS, as amended; (2) developing programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects, and such others as Green Bank may determine; (3) supporting financing or other expenditures that promote investment in clean energy sources to foster the growth, development and commercialization of clean energy resources and related enterprises; and (4) stimulating demand for clean energy and the deployment of clean energy sources within the state that serve end-use customers in the State. Green Bank constitutes the successor agency to Connecticut Innovations for the purposes of administering the Connecticut Clean Energy Fund in accordance with section 4-38d of the CGS and therefore the net position of such fund was transferred to the newly created Green Bank as of July 1, 2011.

On July 6, 2021, Public Act No. 21-115 extended the green bank model beyond clean energy and increased the scope of the Green Bank's mission to now include environmental infrastructure (structures, facilities, systems, services, and improvement projects related to water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets such as carbon offsets and ecosystem services).

The basic financial statements include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. The Statement of Net Position provides a measure of Green Bank's economic resources. The Statement of Revenues, Expenses and Changes in Net Position measures the transactions for the periods presented and the impact of those transactions on the resources of Green Bank. The Statement of Cash Flows reconciles the changes in cash and cash equivalents with the activities of Green Bank for the period presented. The activities are classified as operating, noncapital financing, capital and related financing, and investing activities.

Notes to the basic financial statements provide additional detailed information to supplement the basis for reporting and nature of key assets and liabilities.

FINANCIAL HIGHLIGHTS OF FISCAL 2025

Net Position

Green Bank's net position, which is reflective of the reporting entity's overall financial position, increased year over year. Net position as of June 30, 2025 and 2024 was $180.2 million and $166.1 million, respectively, an increase of $14.1 million. Unrestricted net position increased to $100.3 million as of June 30, 2025 as compared to $88.4 million as of June 30, 2024, an increase of $11.9 million. This increase was mostly attributable to operating income of $15 million. See discussion below on the changes in net position section for more specifics on operating income. Net position restricted for energy programs increased to $31.0 million as of June 30, 2025 as compared to $27.0 million as of June 30, 2024, an increase of $4.0 million. Note II. F. Restricted Net Position provides additional details of the amounts restricted by program.

Green Bank assets increased $102.1 million in fiscal year 2025 to $407.4 million. As of June 30, 2024, assets totaled $305.3 million. This increase was predominately due to the Green Bank being a subrecipient of the Coalition for Green Capital's (CGC) winning $5 billion award through the National Clean Investment Fund (NCIF), one of the three competitions under the U.S. Environmental Protection Agency (EPA)'s Greenhouse Gas Reduction Fund (GGRF). As a subrecipient to CGC's NCIF award, Green Bank received a total of $93.5 million subgrant from CGC. As of June 30, 2025, the funds awarded have been frozen by the EPA. The Green Bank and other grant recipients and subrecipients await court resolution.

Unrestricted cash and cash equivalents increased $26.2 million to $52.3 million as of June 30, 2025 compared to $26.1 million as of June 30, 2024 and restricted cash and cash equivalents increased $98.5 million to $126.3 million as of June 30, 2025 from $27.8 million as of June 30, 2024. The increase in unrestricted cash was primarily the result of increased repayments and decreased disbursements of program loans in fiscal year 2025. The increase in restricted cash was primarily the result of the NCIF grant in fiscal year 2025. The Statement of Cash Flows provides additional details on changes in cash balances in the current year.

Capital assets net of depreciation decreased $4.1 million to $65.5 million as of June 30, 2025 from $69.5 million as of June 30, 2024. This decrease was due primarily to depreciation expense for the total reporting entity of $3.5 million. Note II. C. Capital Assets provides further details on capital assets by type.

Green Bank liabilities increased by $98.9 million to $230.3 million as of June 30, 2025 from $131.4 million as of June 30, 2024. Current liabilities, comprised of current maturities of long-term debt, accounts payable, accrued payroll and related liabilities, accrued expenses, short-term notes payable, warranty management, unearned revenue, line of credit and performance bonds increased $96 million to $116.8 million as of June 30, 2025 from $20.8 million as of June 30, 2024. This increase was primarily due to the $94.6 million balance related to the NCIF grant and interest earned on the account that is included as unearned revenue.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net pension liability increased $5.7 million to $23.1 million as of June 30, 2025 compared to $17.4 million as of June 30, 2024. The related deferred outflows of resources, which represents timing differences in actual experience, plan earnings, assumptions and Green Bank pension contributions increased $4.8 million to $12.0 million as of June 30, 2025 compared to $7.2 million as of June 30, 2024. Deferred inflows of resources related to the pension liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions decreased $1.4 million to $2.8 million as of June 30, 2025 compared to $4.2 million as of June 30, 2024. Note IV.A provides further detail regarding the pension plan. Green Bank is responsible for the net pension liability.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net other post-employment benefit (OPEB) liability increased $3.3 million to $27.1 million as of June 30, 2025 compared to $23.8 million as of June 30, 2024. The related deferred outflows of resources, which represents actual experience, timing differences in plan earnings, assumptions, and Green Bank OPEB contributions decreased by $0.4 million to $11.2 million as of June 30, 2025 compared to $11.6 million as of June 30, 2024. Deferred inflows of resources related to the OPEB liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions and other actuarial assumptions, decreased $3.7 million to $6.9 million at June 30, 2025 compared to $10.6 million at June 30, 2024. Note IV.B provides further details regarding the OPEB plan. Green Bank is responsible for this net OPEB liability.

Long term debt decreased $6.9 million to $58.1 million as of June 30, 2025 as compared to $65.0 million as of June 30, 2024. The decrease is due to principal payments being made on outstanding debt in fiscal year 2025. Note II.E Long Term liabilities provides a breakout by dollar amount of the types of long-term debt including changes during fiscal year 2025.

As of June 30, 2025, the Green Bank's unfunded contingent grant and loan commitments, which are obligations of the primary government, the majority of which represent loan commitments for Solar PPA, Clean Transportation, CPACE, and Multifamily/LMI loan programs as well as Performance Based Incentive ('PBI') payments to third party owners of solar facilities as described in Note III.B, totaled $114.3 million. These grant and loan commitments are expected to be funded over the next one to five years from current and future unrestricted cash balances.

The following table summarizes the net position of the reporting entity at June 30, 2025 and 2024:

Summary Statement of Net Position
June 30,

	2025	2024	Increase (Decrease)
Cash and cash equivalents-unrestricted	$ 52,246,100	$ 26,065,152	$ 26,180,948
Cash and cash equivalents-restricted	126,280,142	27,782,421	98,497,721
Investments	880,202	1,113,685	(233,483)
Receivables (net):			
Program loans	128,468,853	141,118,945	(12,650,092)
Solar lease notes	549,982	1,181,962	(631,980)
Promissory notes	5,063,350	4,589,924	473,426
Capital assets, net	65,455,471	69,517,799	(4,062,328)
Other assets	28,482,993	33,931,603	(5,448,610)
Total assets	407,427,093	305,301,491	102,125,602
Deferred outflows of resources	25,109,829	20,714,382	4,395,447
Current liabilities	116,792,785	20,848,839	95,943,946
Other long term liabilities	5,100,742	4,345,686	755,056
Long-term debt, less current maturities	58,128,926	65,002,612	(6,873,686)
Net pension liability	23,182,604	17,457,556	5,725,048
Net OPEB liability	27,108,120	23,770,649	3,337,471
Total liabilities	230,313,177	131,425,342	98,887,835
Deferred inflows of resources	22,020,273	28,496,952	(6,476,679)
Net position:			
Net investment in capital assets	48,862,300	50,634,366	(1,772,066)
Restricted - energy programs	31,021,578	27,047,825	3,973,753
Unrestricted	100,319,594	88,411,388	11,908,206
Total net position	$ 180,203,472	$ 166,093,579	$ 14,109,893

Changes in Net Position

Operating revenues increased by $6.7 million to $71.2 million for the year ended June 30, 2025 as compared to $64.5 million for the year ended June 30, 2024. Remittances to the primary government from utility companies representing the one mil per kilowatt hour charge to each end use customer of electric services in the State of Connecticut increased $0.3 million to $24.9 million as of June 30, 2025 as compared to $24.6 million at June 30, 2024.

Interest earned on promissory notes increased by $1.0 million in fiscal year 2025 to $9.7 million as compared to $8.7 million in fiscal 2024 due to the increased balance of interest-bearing program loans receivable as compared to fiscal year 2024.

Sales of energy systems increased $2.9 million to $5.8 million in 2025 compared to $2.9 million in 2024. The increase is due to more sales of commercial and municipal Power Purchase Agreements ('PPA') projects to third-party renewable energy companies than in the prior year. The related cost of goods sold increased $2.9 million as well.

Sales of Renewable Energy Credits (RECs) decreased $0.7 million to $16.4 million in 2025 compared to $17.1 million in 2024 due to decreases in volume of SHREC and non-SHREC RECs received in fiscal year 2025.

Proceeds received by the primary government from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions were equal to the $5.2 million cap for both fiscal years. Beginning in fiscal year 2024 the Green Bank portion of RGGI auctions were capped at $5.2 million each fiscal year with the excess revenues being diverted to the CHEAPR program per Public Act 22-25.

Other revenues increased $3.6 million in 2025 compared to 2024 mostly due to increases in reimbursement of costs from the utilities as the program administrator for the Electric Storage Solutions (ESS) program.

Provision for loan losses increased $9.5 million to $11.8 million in fiscal 2025 from $2.3 million in fiscal 2024. The increase is mainly due to adjustments to existing reserves resulting from evaluation of the Green Bank's loan portfolio in fiscal year 2025. The increase is specifically related to one borrower experiencing significant financial difficulties.

Total payments of grants and incentives increased $0.9 million to $7.7 million in fiscal year 2025 compared to $6.8 million for the fiscal year 2024. The increase is primarily due to increased residential battery storage incentive payments under the Energy Storage Solutions (ESS) program. PBI payments under the Residential Solar Investment Program (RSIP) comprised the largest component of incentives paid in both these fiscal years.

Program administration expenses increased $3.3 million to $20.4 million in fiscal 2025 from $17.1 million in fiscal year 2024, a 19.2% increase. General and administrative costs increased by $1.6 million to $7.0 million in fiscal year 2025 from $5.4 million in fiscal year 2024, a 30.9% increase. Included in both program administration and general and administrative costs using an allocation for 2025 and 2024 is ($0.3 million) and ($2.5 million) respectively for the non-cash GASB 68 pension expense and GASB 75 OPEB expense allocated to the Green Bank by the State of Connecticut. Excluding these non-cash charges for 2025 and 2024, the total program administration and general and administrative costs combined increased $2.7 million, mostly due to salary and benefit increases as a result of increased headcount of 67 at June 30, 2025 compared to 57 at June 30, 2024.

Interest income increased $0.7 million to $2.1 million in fiscal 2025 from $1.4 million in fiscal 2024. The increase is primarily due to an increase in interest earned on the overall increase in unrestricted cash and cash equivalents noted previously.

Interest expense decreased $0.2 million to $2.2 million from $2.4 million due to an overall decreased outstanding debt balance in fiscal year 2025.

The following table summarizes the changes in net position between June 30, 2025 and 2024:

Statement of Changes in Net Position
For the Year Ended June 30,

	2025	2024	Increase (Decrease)
Operating revenues:			
Utility remittances	$ 24,860,166	$ 24,597,356	$ 262,810
Interest income - promissory notes	9,646,426	8,667,604	978,822
RGGI auction proceeds	5,200,000	5,200,000	-
Energy system sales	5,814,698	2,884,201	2,930,497
Renewable energy credit sales	16,350,224	17,089,576	(739,352)
Leases	1,567,359	1,828,970	(261,611)
Other	7,789,933	4,189,971	3,599,962
Total revenues	71,228,806	64,457,678	6,771,128
Operating expenses:			
Cost of goods sold - energy systems	5,814,698	2,884,201	2,930,497
Provision for loan losses	11,753,879	2,282,946	9,470,933
Grants and incentive programs	7,728,472	6,853,788	874,684
Program administration	20,433,620	17,138,749	3,294,871
General and administrative	7,018,672	5,360,723	1,657,949
Depreciation/amortization	3,497,941	3,486,070	11,871
Total expenses	56,247,282	38,006,477	18,240,805
Operating income	14,981,524	26,451,201	(11,469,677)
Nonoperating revenues (expenses):			
Interest income	2,083,768	1,423,754	660,014
Interest expense	(2,216,308)	(2,439,449)	223,141
Debt issuance costs	(5,125)	(10,000)	4,875
Distribution to member	-	(286,755)	286,755
Gain (loss) on disposal of assets	(339,306)	(427,056)	87,750
Net change in fair value of investments	(233,484)	111,838	(345,322)
Unrealized gain (loss) on interest rate swap	(161,176)	(133,520)	(27,656)
Total non-operating revenues (expenses)	(871,631)	(1,761,188)	889,557
Change in net position	14,109,893	24,690,013	(10,580,120)
Net position - July 1	166,093,579	141,403,566	24,690,013
Total net position - June 30	$ 180,203,472	$ 166,093,579	$ 14,109,893

FINANCIAL HIGHLIGHTS OF FISCAL 2024

Net Position

Green Bank's net position, which is reflective of the reporting entity's overall financial position, increased year over year. Net position as of June 30, 2024 and 2023 was $166.1 million and $141.4 million, respectively, an increase of $24.7 million. Unrestricted net position increased to $88.4 million as of June 30, 2024 as compared to $59.6 million as of June 30, 2023, an increase of $28.8 million. This increase was mostly attributable to operating income of $26.4 million for the entity for fiscal year ended June 30, 2024. See discussion below on the changes in net position section for more specifics on operating income. Nonexpendable restricted net position decreased from $57.0 million as of June 30, 2023 to $0 as of June 30, 2024 due to the buyout of outside ownership by CEFIA Solar Services in CT Solar Lease 2 LLC and CT Solar Lease 3 LLC. As such, there is no longer any nonexpendable net position due to outside ownership, and those three entities are no longer discretely presented component units. Net position restricted for energy programs increased to $27.0 million as of June 30, 2024 as compared to $19.4 million as of June 30, 2023, an increase of $7.6 million. Note II. F. Restricted Net Position provides additional details of the amounts restricted by program.

Green Bank assets increased $13.7 million in fiscal year 2024 to $305.3 million. As of June 30, 2023, assets totaled $291.6 million. Program loans increased by $31.5 million. Note II. B. 2. Program Loans provides additional details on program loans by project type.

Unrestricted cash and cash equivalents decreased $15.7 million to $26.1 million as of June 30, 2024 compared to $41.8 million as of June 30, 2023 and restricted cash and cash equivalents increased $5.4 million to $27.8 million as of June 30, 2024 from $22.4 million as of June 30, 2023. The net decrease in both unrestricted cash and restricted cash was primarily the result of increased investment in program loans and payment of long term debt in fiscal year 2024. The Statement of Cash Flows provides additional details on changes in cash balances in the current year.

Capital assets net of depreciation decreased $3.1 million to $69.5 million as of June 30, 2024 from $72.6 million as of June 30, 2023. This decrease was due primarily to depreciation expense for the total reporting entity of $3.5 million. Note II. C. Capital Assets provides further details on capital assets by type and reporting unit.

Green Bank liabilities decreased by $1.2 million in fiscal year 2024 to $131.4 million as of June 30, 2024 from $132.6 million as of June 30, 2023. Current liabilities, comprised of current maturities of long-term debt, accounts payable, accrued payroll and related liabilities, accrued expenses, short-term notes payable, warranty management, line of credit and performance bonds remained consistent, only decreasing $0.1 million to $20.8 million as of June 30, 2024 compared to $20.9 million as of June 30, 2023.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net pension liability decreased $0.2 million to $17.4 million as of June 30, 2024 compared to $17.6 million as of June 30, 2023. The related deferred outflows of resources, which represents timing differences in actual experience, plan earnings, assumptions and Green Bank pension contributions decreased $0.1 million to $7.2 million as of June 30, 2024 compared to $7.3 million as of June 30, 2023. Deferred inflows of resources related to the pension liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions decreased $2.0 million to $4.2 million as of June 30, 2024 compared to $6.2 million as of June 30, 2023. Note IV.A provides further detail regarding the pension plan. Green Bank is responsible for the net pension liability.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net other post-employment benefit (OPEB) liability increased $5.8 million to $23.8 million as of June 30, 2024 compared to $18.0 million as of June 30, 2023. The related deferred outflows of resources, which represents actual experience, timing differences in plan earnings, assumptions, and Green Bank OPEB contributions increased by $5.2 million to $11.6 million as of June 30, 2024 compared to $6.4 million as of June 30, 2023 due to significantly increased changes in proportion deferred outflows allocated to Green Bank over the prior year as Green Bank's proportion increased from 0.116412% to 0.152389% based on employer contributions to the plan. Deferred inflows of resources related to the OPEB liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions and other actuarial assumptions, decreased $0.9 million to $10.6 million at June 30, 2024 compared to $11.5 million at June 30, 2023. Note IV.B provides further details regarding the OPEB plan. Green Bank is responsible for this net OPEB liability.

Long term debt decreased $6.7 million to $65.0 million as of June 30, 2024 as compared to $71.7 million as of June 30, 2023. The decrease is due to principal payments being made on outstanding debt in fiscal year 2024. Note II.E Long Term Liabilities provides a breakout by dollar amount of the types of long-term debt including changes during fiscal year 2024.

As of June 30, 2024, the Green Bank's unfunded contingent grant and loan commitments, which are obligations of the primary government, the majority of which represent Performance Based Incentive ('PBI') payments to third party owners of solar facilities as well as loan commitments for Solar PPA, SBEA and Multifamily/LMI loan programs as described in Note III.B, totaled $63.6 million. These grant and loan commitments are expected to be funded over the next one to five years from current and future unrestricted cash balances.

The following table summarizes the net position of the reporting entity at June 30, 2024 and 2023:

Summary Statement of Net Position
June 30.

	2024	2023	Increase (Decrease)
Cash and cash equivalents-unrestricted	$ 26,065,152	$ 41,785,218	$(15,720,066)
Cash and cash equivalents-restricted	27,782,421	22,364,467	5,417,954
Investments	1,113,685	852,427	261,258
Receivables (net):			
Program loans	141,118,945	109,606,309	31,512,636
Solar lease notes	1,181,962	2,098,177	(916,215)
Promissory notes	4,589,924	3,772,615	817,309
Capital assets, net	69,517,799	72,589,044	(3,071,245)
Other assets	33,931,603	38,565,282	(4,633,679)
Total assets	305,301,491	291,633,539	13,667,952
Deferred outflows of resources	20,714,382	15,682,579	5,031,803
Current liabilities	20,848,839	20,955,682	(106,843)
Other long term liabilities	4,345,686	4,208,725	136,961
Long-term debt, less current maturities	65,002,612	71,736,406	(6,733,794)
Net pension liability	17,457,556	17,632,888	(175,332)
Net OPEB liability	23,770,649	18,041,698	5,728,951
Total liabilities	131,425,342	132,575,399	(1,150,057)
Deferred inflows of resources	28,496,952	33,337,153	(4,840,201)
Net position:			
Net investment in capital assets	50,634,366	5,362,778	45,271,588
Restricted:			
Nonexpendable	-	56,980,870	(56,980,870)
Restricted - energy programs	27,047,825	19,424,205	7,623,620
Unrestricted	88,411,388	59,635,713	28,775,675
Total net position	$ 166,093,579	$ 141,403,566	$ 24,690,013

Changes in Net Position

Operating revenues increased by $0.5 million to $64.5 million for the year ended June 30, 2024 as compared to $64.0 million for the year ended June 30, 2023. Remittances to the primary government from utility companies representing the one mil per kilowatt hour charge to each end use customer of electric services in the State of Connecticut remained consistent at $24.6 million for each fiscal year.

Interest earned on promissory notes increased by $1.9 million in fiscal year 2024 to $8.7 million as compared to $6.8 million in fiscal 2023 due to the increased balance of interest-bearing program loans receivable as compared to fiscal year 2023.

Sales of energy systems increased $1.6 million to $2.9 million in 2024 compared to $1.3 million in 2023. The increase is due to more sales of commercial Power Purchase Agreements ('PPA') projects to third-party renewable energy companies than in the prior year. The related cost of goods sold increased $1.6 million as well.

Sales of Renewable Energy Credits (RECs) increased slightly by $0.3 million to $17.1 million in 2024 compared to $16.8 million in 2023 due to a slight increase in volume of non-SHREC RECs received in fiscal year 2024.

Proceeds received by the primary government from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions decreased $3.9 million year over year with proceeds of $5.2 million in fiscal year 2024 compared to proceeds of $9.1 million in fiscal year 2023. The decrease in proceeds is due to the Green Bank portion of RGGI auctions being capped at $5.2 million each fiscal year beginning in fiscal year 2024 with the excess revenues being diverted to the CHEAPR program per Public Act 22-25.

Provision for loan losses increased $0.8 million to $2.3 million in fiscal 2024 from $1.5 million in fiscal 2023. The increase is due to higher reserves in correlation with the increase in Green Bank's loan portfolio in fiscal year 2024.

Total payments of grants and incentives decreased $0.8 million to $6.9 million in fiscal year 2023 compared to $7.7 million for the fiscal year 2023. The decrease is primarily due to lower PBI solar PV payments under the Residential Solar Investment Program and EPBB incentives paid out in 2024 as the program is closed to new systems. PBI payments comprised the largest component of incentives paid in both these fiscal years.

Program administration expenses increased $2.4 million to $17.1 million in fiscal 2024 from $14.7 million in fiscal year 2023, a 16.9% increase. General and administrative costs increased by $1.9 million to $5.4 million in fiscal year 2024 from $3.5 million in fiscal year 2023, a 53.0% increase. Included in both program administration and general and administrative costs using an allocation for 2024 and 2023 is ($2.5 million) and ($5.6 million) respectively for the GASB 68 pension expense and GASB 75 OPEB expense allocated to the Green Bank by the State of Connecticut. Excluding these non-cash charges for 2024 and 2023, the total program administration and general and administrative costs combined increased $1.2 million, due to salary and benefits increases as a result of an increased headcount of 57 at June 30, 2024 compared to 48 at June 30, 2023.

Interest income remained consistent at $1.4 million for each fiscal year.

Interest expense decreased $0.3 million to $2.4 million from $2.7 million due to an overall decreased outstanding debt balance in fiscal year 2024 due to scheduled principal payments.

The following table summarizes the changes in net position between June 30, 2024 and 2023:

Summary Statement of Net Position
June 30.

	Primary Government	Discretely Presented Component Units	Eliminations	2024	Primary Government	Discretely Presented Component Units	Eliminations	2023	Increase (Decrease)
Operating revenues:									
Utility remittances	$ 24,597,356	$ -	$ -	$ 24,597,356	$ 24,609,111	$ -	$ -	$ 24,609,111	$ (11,755)
Interest income - promissory notes	8,667,604	-	-	8,667,604	6,766,463	-	-	6,766,463	1,901,141
RGGI auction proceeds	5,200,000	-	-	5,200,000	9,138,709	-	-	9,138,709	(3,938,709)
Energy system sales	2,884,201	-	-	2,884,201	3,154,486	992,456	(2,818,863)	1,328,079	1,556,122
Renewable energy credit sales	17,089,576	-	-	17,089,576	15,626,302	1,206,719	-	16,833,021	256,555
Leases	1,828,970	-	-	1,828,970	-	1,866,025	-	1,866,025	(37,055)
Other	4,189,971	-	-	4,189,971	1,716,494	1,751,478	(61,856)	3,406,116	783,855
Total revenues	64,457,678	-	-	64,457,678	61,011,565	5,816,678	(2,880,719)	63,947,524	510,154
Operating expenses:									
Cost of goods sold - energy systems	2,884,201	-	-	2,884,201	3,154,486	992,456	(2,818,863)	1,328,079	1,556,122
Provision for loan losses	2,282,946	-	-	2,282,946	1,533,886	-	-	1,533,886	749,060
Grants and incentive programs	6,853,788	-	-	6,853,788	7,650,382	-	88,008	7,738,390	(884,602)
Program administration	17,138,749	-	-	17,138,749	12,985,853	1,671,167	-	14,657,020	2,481,729
General and administrative	5,360,723	-	-	5,360,723	3,355,830	297,104	(149,864)	3,503,070	1,857,653
Depreciation/amortization	3,486,070	-	-	3,486,070	923,530	2,551,915	-	3,475,445	10,625
Total expenses	38,006,477	-	-	38,006,477	29,603,967	5,512,642	(2,880,719)	32,235,890	5,770,587
Operating income	26,451,201	-	-	26,451,201	31,407,598	304,036	-	31,711,634	(5,260,433)
Nonoperating revenues (expenses):									
Interest income	1,423,754	-	-	1,423,754	1,430,028	58,333	(124,328)	1,364,033	59,721
Other nonoperating revenues	-	-	-	-	-	131,909	-	131,909	(131,909)
Interest expense	(2,439,449)	-	-	(2,439,449)	(2,196,411)	(618,214)	124,328	(2,690,297)	250,848
Debt issuance costs	(10,000)	-	-	(10,000)	(12,500)	-	-	(12,500)	2,500
Distribution to member	(286,755)	-	-	(286,755)	-	(347,629)	-	(347,629)	60,874
Gain (loss) on disposal of assets	(427,056)	-	-	(427,056)	(1,345)	(112,053)	-	(113,398)	(313,658)
Net change in fair value of investments	111,838	-	-	111,838	(31,056)	-	-	(31,056)	142,894
Unrealized gain (loss) on interest rate swap	(133,520)	-	-	(133,520)	-	252,601	-	252,601	(386,121)
Total non-operating revenues (expenses)	(1,761,188)	-	-	(1,761,188)	(811,284)	(635,053)	-	(1,446,337)	(314,851)
Change in net position	24,690,013	-	-	24,690,013	30,596,314	(331,017)	-	30,265,297	(5,575,284)
Net position - July 1, as previously reported	131,944,714	40,723,251	(31,264,399)	141,403,566	101,348,400	41,054,268	(31,264,399)	111,138,269	30,265,297
Adjustment - change from discretely presented to blended component unit	9,458,852	(40,723,251)	31,264,399	-	-	-	-	-	-
Net position - July 1, as restated	141,403,566	-	-	141,403,566	101,348,400	41,054,268	(31,264,399)	111,138,269	30,265,297
Total net position - June 30	$166,093,579	$ -	$ -	$166,093,579	$131,944,714	$40,723,251	$(31,264,399)	$141,403,566	$24,690,013

ECONOMIC FACTORS

As part of the Inflation Reduction Act of 2022 passed by Congress, the Greenhouse Gas Reduction Fund (GGRF) was created and administered by the Environmental Protection Agency (EPA). EPA obligated $27 billion through three competitive grant programs: the National Clean Investment Fund (NCIF), Solar for All (SFA), and the Clean Communities Investment Accelerator.

In January 2025, Green Bank executed a subgrant agreement with the Coalition for Green Capital (CGC) totaling $93.5 million as part of CGC's winning NCIF award. EPA subsequently issued a Notice of Termination for the NCIF program in March 2025 resulting in the freeze of Green Bank's allocated funds. CGC, and other NCIF awardees filed a dispute in federal courts. A U.S. Court of Appeals three-judge panel ruled in favor of EPA's termination on September 2, 2025. At present, CGC and other NCIF awardees have petitioned for a rehearing for the full U.S. Court of Appeals.

Green Bank was also part of a successful bid by the Connecticut Department of Energy and Environmental Protection (CT DEEP) to receive $62.45 million for Connecticut through the SFA program. As Green Bank was finalizing its contract with CT DEEP to receive and deploy $46.75 million of the award, EPA issued a Notice of Termination for the SFA in August 2025. At present, CT DEEP has issued a Notice of Dispute in response to EPA's termination.

As part of the One Big Beautiful Bill Act passed by Congress on July 4, 2025, clean energy tax credits for solar and wind projects under Code Sections 45Y and 48E were set to be terminated for projects placed in service after December 31, 2027, unless construction begins by July 4, 2026. This termination has led to uncertainty for the future of projects in the industry.

With Public Act 22-25, RGGI auction proceeds calculated and allocated to Green Bank under the program in excess of $5.2 million in any fiscal year will be diverted to the Connecticut Hydrogen and Electric Automobile Purchase Rebate program (CHEAPR), thus putting a cap on fiscal year RGGI revenues going forward.

Green Bank is the program administrator for the Electric Storage Solutions (ESS) program, a state program designed to help utility customers install energy storage at their home or business with upfront and performance-based incentives. Green Bank must submit to annual Revenue Adjustment Mechanism (RAM) dockets its prudently incurred costs associated with ESS program administration for the subsequent year to receive reimbursement from the utilities. As this program ramps up, Green Bank expects both the costs and reimbursements to increase as more storage projects are completed and incentives are paid out on behalf of the utilities.

Connecticut Green Bank

Statement of Net Position
June 30, 2025

(With Summarized Totals as of June 30, 2024)

	2025 Total Reporting Entity	2024 Total Reporting Entity
Assets		
Current assets:		
Cash and cash equivalents	$ 52,246,100	$ 26,065,152
Receivables:		
Accounts	1,325,440	1,816,604
Program loans	24,076,441	16,919,794
Utility remittance	1,912,845	1,983,528
Solar lease notes	406,594	753,842
SBEA promissory notes	1,731,214	1,559,260
Leases	1,072,532	1,050,019
Interest	2,694,080	2,102,879
Other	1,534,448	1,543,377
Prepaid expenses and other assets	1,960,780	2,319,853
Prepaid warranty management	255,791	258,586
Total current assets	89,216,265	56,372,894
Noncurrent assets:		
Restricted cash and cash equivalents	126,280,142	27,782,421
Investments	880,202	1,113,685
Interest rate swap	51,012	212,188
Receivables (net):		
Program loans	104,392,412	124,199,151
Solar lease notes	143,388	428,120
Renewable energy credits	-	31,042
SBEA promissory notes	3,332,136	3,030,664
Leases	12,397,669	13,719,779
Other	2,889,708	6,220,294
Prepaid warranty management	2,388,688	2,673,454
Capital assets, net	65,455,471	69,517,799
Total noncurrent assets	318,210,828	248,928,597
Total assets	407,427,093	305,301,491
Deferred Outflows of Resources		
Pension related	11,977,795	7,216,342
OPEB related	11,212,038	11,631,046
Asset retirement obligations	1,919,996	1,866,994
Total deferred outflows of resources	25,109,829	20,714,382

(Continued)

The notes to the financial statements are an integral part of this statement.

Connecticut Green Bank

Statement of Net Position
June 30, 2025

(With Summarized Totals as of June 30, 2024)

	2025 Total Reporting Entity	2024 Total Reporting Entity
Liabilities		
Current liabilities:		
Accounts payable	$ 1,146,325	$ 893,301
Accrued payroll and related liabilities	1,912,247	1,469,244
Accrued expenses	10,676,573	9,872,604
Short-term notes payable	1,050,000	1,400,000
Long-term debt	6,495,090	6,452,484
Performance bonds	642,946	708,584
Unearned revenue	94,869,604	52,622
Total current liabilities	116,792,785	20,848,839
Noncurrent liabilities:		
Asset retirement obligation	5,100,742	4,345,686
Long-term debt	58,128,926	65,002,612
Net pension liability	23,182,604	17,457,556
Net OPEB liability	27,108,120	23,770,649
Total noncurrent liabilities	113,520,392	110,576,503
Total liabilities	230,313,177	131,425,342
Deferred Inflows of Resources		
Pension related	2,836,975	4,152,515
OPEB related	6,887,634	10,606,728
Lease related	12,295,664	13,737,709
Total deferred inflows of resources	22,020,273	28,496,952
Net Position		
Net investment in capital assets	48,862,300	50,634,366
Restricted net position:		
Energy programs	31,021,578	27,047,825
Unrestricted	100,319,594	88,411,388
Total net position	$ 180,203,472	$ 166,093,579

(Concluded)

The notes to the financial statements are an integral part of this statement.

Connecticut Green Bank

Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

(With Summarized Totals for the Year Ended June 30, 2024)

	2025 Total Reporting Entity	2024 Total Reporting Entity
Operating revenues:		
Utility remittances	$ 24,860,166	$ 24,597,356
Interest income - promissory notes	9,646,426	8,667,604
RGGI auction proceeds	5,200,000	5,200,000
Energy system sales	5,814,698	2,884,201
Renewable energy credits/certificate sales	16,350,224	17,089,576
Leases	1,567,359	1,828,970
Other	7,789,933	4,189,971
Total operating revenues	71,228,806	64,457,678
Operating expenses:		
Cost of goods sold - energy systems	5,814,698	2,884,201
Provision (recovery) for loan losses	11,753,879	2,282,946
Grants and incentive programs	7,728,472	6,853,788
Program administration	20,433,620	17,138,749
General and administrative	7,018,672	5,360,723
Depreciation/amortization	3,497,941	3,486,070
Total operating expenses	56,247,282	38,006,477
Operating income (loss)	14,981,524	26,451,201
Nonoperating revenues (expenses):		
Interest income - deposits	2,083,768	1,423,754
Interest expense	(2,216,308)	(2,439,449)
Debt issuance costs	(5,125)	(10,000)
Distributions to member	-	(286,755)
Gain (loss) on disposal of assets	(339,306)	(427,056)
Net change in fair value of investments	(233,484)	111,838
Unrealized gain (loss) on interest rate swap	(161,176)	(133,520)
Net nonoperating revenues (expenses)	(871,631)	(1,761,188)
Change in net position	14,109,893	24,690,013
Total net position - July 1	166,093,579	141,403,566
Total net position - June 30	$ 180,203,472	$ 166,093,579

The notes to the financial statements are an integral part of this statement.

Connecticut Green Bank

Statement of Cash Flows
For the Year Ended June 30, 2025

(With Summarized Totals for the Year Ended June 30, 2024)

	2025 Total Reporting Entity	2024 Total Reporting Entity
Cash flows from (used in) operating activities:		
Sales of energy systems	$ 5,814,698	$ 2,884,201
Sales of renewable energy credits/certificates	16,353,686	17,108,095
Utility company remittances	24,930,849	24,466,157
RGGI auction proceeds	5,200,000	8,025,956
Other	101,295,167	4,158,214
Lease payments received	1,453,459	1,414,064
Interest income on promissory notes	8,605,507	7,412,546
Program administrative expenses	(19,903,263)	(18,975,437)
Grants, incentives and credit enhancements	(6,180,382)	(7,024,147)
General and administrative expenses	(6,240,273)	(5,724,296)
Net cash from (used in) operating activities	131,329,448	33,745,353
Cash flows from (used in) noncapital financing activities:		
Advances for development of solar projects	(1,786,061)	(1,803,914)
Debt issuance costs	-	(10,000)
Net cash from (used in) noncapital financing activities	(1,786,061)	(1,813,914)
Cash flows from (used in) capital and related financing activities:		
Purchase of capital assets	(39,908)	(895,304)
Sale of capital assets	264,987	53,468
Proceeds from short-term debt	1,050,000	1,400,000
Repayment of short-term debt	(1,400,000)	(1,000,000)
Repayment of long-term debt	(6,601,695)	(6,686,514)
Repayment of right-to-use leases	(234,567)	(224,825)
Payment of interest	(2,272,477)	(2,436,774)
Buyout of Firstar Development, LLC	-	(263,954)
Return of capital to Firstar Development, LLC	-	(45,355)
Net cash from (used in) capital and related financing activities	(9,233,660)	(10,099,258)

(Continued)

The notes to the financial statements are an integral part of this statement.

Connecticut Green Bank

Statement of Cash Flows
For the Year Ended June 30, 2025

(With Summarized Totals for the Year Ended June 30, 2024)

	2025 Total Reporting Entity	2024 Total Reporting Entity
Cash flows from (used in) investing activities:		
Return of principal on working capital and program loans	$ 27,407,275	$ 16,742,410
Interest on short-term investments, cash, solar lease notes and loans	2,083,768	1,428,566
Purchase of SBEA loan portfolios	(2,417,166)	(2,680,573)
CPACE program loan disbursements	(12,584,360)	(12,969,099)
Grid tied program loan disbursements	(3,648,292)	(14,500,000)
Commercial solar loan program disbursements	(4,099,774)	(2,126,856)
Residential solar loan program disbursements	(2,372,509)	(18,028,741)
Net cash from (used in) investing activities	4,368,942	(32,134,293)
Net increase (decrease) in cash	124,678,669	(10,302,112)
Cash and cash equivalents (including restricted cash) - July 1	53,847,573	64,149,685
Cash and cash equivalents (including restricted cash) - June 30	$ 178,526,242	$ 53,847,573
Reconciliation of operating income (loss) to net cash from (used in) operating activities:		
Operating income (loss)	$ 14,981,524	$ 26,451,201
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:		
Depreciation and amortization	3,497,941	3,486,070
Accretion	103,621	136,961
Provision for loan losses	11,753,879	2,282,946
Unearned revenue	94,816,981	(16,176)
Pension/OPEB adjustment	(314,560)	(2,515,745)
Changes in operating assets and deferred outflows and liabilities and deferred inflows:		
(Increase) decrease in operating assets and deferred outflows	5,723,464	6,038,386
(Decrease) increase in operating liabilities and deferred inflows	766,598	(2,118,290)
Net cash from (used in) operating activities	$ 131,329,448	$ 33,745,353

(Concluded)

The notes to the financial statements are an integral part of this statement.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies

Connecticut Green Bank (Green Bank) was established in July 2011 under Title 16, Sec. 16-245n of the General Statutes of the State of Connecticut as the successor entity of the Connecticut Clean Energy Fund. Green Bank, a component unit of the State of Connecticut, was created to promote energy efficiency and investment in renewable energy sources in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of renewable energy sources and related enterprises and stimulate demand for renewable energy and deployment of renewable energy sources which serve end-use customers in the State. Green Bank constitutes the successor agency to Connecticut Innovations Incorporated (CI), a quasi-public agency of the State of Connecticut, for the purposes of administering the Clean Energy Fund in accordance with section 4-38d of the Connecticut General Statutes and therefore the net position of such fund was transferred to the newly created Green Bank as of July 1, 2011.

On June 6, 2014, Public Act 14-94 of the State of Connecticut changed the name of the Clean Energy Finance and Investment Authority to Connecticut Green Bank.

On July 6, 2021, Public Act No. 21-115 extended the green bank model beyond clean energy and increased the scope of Green Bank's mission to now include environmental infrastructure (structures, facilities, systems, services, and improvement projects related to water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets such as carbon offsets and ecosystem services).

Prior period summarized financial information

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Green Bank's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Principal revenue sources

The Public Utility Regulatory Authority (PURA) assesses a charge per kilowatt-hour to each end-use customer of electric services provided by utility companies (excluding municipally owned entities) in the state, which is paid to Green Bank and is the principal source of Green Bank's revenue. Green Bank may deploy the funds for loans, direct or equity investments, contracts, grants or other actions that support energy efficiency projects and research, development, manufacture, commercialization, deployment and installation of renewable energy technologies.

Green Bank also receives a portion, currently 23.00%, of proceeds the State of Connecticut receives from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions. These proceeds finance Class I renewable energy projects through Green Bank's CPACE program. Green Bank also earns both interest income and revenue from the sale of Renewable Energy Credits (RECs) and Solar Home Renewable Energy Credits (SHREC's) generated by facilities it has financed. See Note II.G for more information on RECs and SHRECs.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Reporting entity

Green Bank, as the primary government, follows the reporting requirements of Governmental Accounting Standards Board (GASB Statement No. 61) regarding presentation of component units. The Statement modifies certain requirements for including component units in the reporting entity, either by blending (recording their amounts as part of the primary government), or discretely presenting them (showing their amounts separately in the reporting entity's financial statements). To qualify as a blended component unit, the unit must meet one of the following criteria: 1) have substantively the same governing body as that of the primary government, and either (A) a financial benefit or burden relationship exists between the unit and the primary government, or (B) management of the primary government (below the level of the governing body) has operational responsibility of the unit; 2) the unit provides services or benefits exclusively or almost exclusively to the primary government; or 3) the unit's total debt outstanding, including leases, is expected to be repaid by resources of the primary government. A unit which fails to meet the substantively the same governing requirement may still be included as a discretely presented component unit, if the primary government has appointed the voting majority of the component unit's governance or met other criteria specified in the Statement such as whether or not it would be misleading were the entity to be excluded.

Green Bank has established 11 legally separate for-profit entities whose collective purpose is to administer Green Bank's clean energy programs. Green Bank believes to exclude any of the entities from these financial statements would be misleading. Each entity is listed below. All entities are blended component units.

CEFIA Holdings LLC

A Connecticut limited liability company (LLC), wholly owned by Green Bank, established to acquire and develop a portfolio of commercial and residential solar facilities and, through its CT Solar Lease 2 and CT Solar Lease 3 programs, to enable investment in solar photovoltaic equipment for the benefit of Connecticut homeowners, businesses, not-for-profits and municipalities (the End Users). CEFIA Holdings LLC acquired the initial title to the solar assets and contracts with independent solar installers to complete the installation of the solar assets and arrange for the leasing of the solar assets (or sale of energy under power purchase agreements) to the End Users. CEFIA Holdings LLC is also responsible for procuring insurance for the solar assets, operation and maintenance services as well as warranty management services for the ultimate owner of the solar assets, CT Solar Lease 2 LLC or CT Solar Lease 3 LLC, to which CEFIA Holdings LLC sold the residential and commercial projects before the projects are placed in service. As noted below, CT Solar Lease 2 completed its acquisition of residential and commercial solar projects on June 30, 2017, and CT Solar Lease 3 completed its acquisition on December 17, 2019.

I. Nature of operations and significant accounting policies (continued)

Subsequent to these dates, CEFIA Holdings has entered into investments as program loans for development of various solar projects.

Green Bank's Board of Directors acts as the governing authority of CEFIA Holdings LLC. Green Bank appoints its employees to manage the operations of CEFIA Holdings LLC. Green Bank is also financially responsible (benefit/burden) for CEFIA Holdings LLC's activities.

CT Solar Loan I LLC

A limited liability company, wholly owned by CEFIA Holdings LLC, CT Solar Loan I LLC was established to make loans to residential property owners for the purpose of purchasing and installing solar photovoltaic equipment. Green Bank's Board of Directors acts as the governing authority of CT Solar Loan I LLC. Green Bank appoints its employees to manage the operations of CT Solar Loan I LLC. Green Bank is also financially responsible (benefit/burden) for CT Solar Loan I LLC's activities.

CEFIA Solar Services, Inc.

A Connecticut corporation, 100% owned by CEFIA Holdings LLC, established to share in the ownership risks and benefits derived from the leasing of solar photovoltaic and the sale of energy under power purchase agreements as managing member of CT Solar Lease 2 LLC and CT Solar Lease 3 LLC. CEFIA Solar Services, Inc. (Solar Services) wholly owns CT Solar Lease 2 LLC and CT Solar Lease 3 and is its managing member. Solar Services is responsible for performing all management and operational functions pursuant to the Operating Agreement of CT Solar Lease 2 LLC and of CT Solar Lease 3 LLC. Additionally, Solar Services has entered into transactions related to development of various clean energy projects.

Green Bank through CEFIA Holdings LLC directly appoints the Board of Directors of Solar Services. The Board of Directors is comprised exclusively of Green Bank employees. The intent for owning a controlling interest in Solar Services is to enhance its ability to offer financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. Green Bank believes that to exclude Solar Services from these financial statements would be misleading.

CT Solar Lease 2 LLC

A Connecticut limited liability company, 100% owned by CEFIA Solar Services, Inc, CT Solar Lease 2 LLC acquires title to the residential and commercial solar projects from the developer, CEFIA Holdings LLC, using capital from its members along with non-recourse funding from participating banks. Repayment to participating banks is predicated upon the property owners' payment to CT Solar Lease 2 LLC of their obligations under leases and power purchase agreements, as well as revenue earned from production-based incentives.

I. Nature of operations and significant accounting policies (continued)

As of June 30, 2017, CT Solar Lease 2 LLC has completed its acquisition of residential and commercial solar projects from the developer. All projects have been placed in service and are generating revenue. CT Solar Lease 2 LLC has also received all capital contributions required under its operating agreement from its members. CT Solar Lease 2 issues separate financial statements.

The intent to provide management services through Solar Services is to directly enhance its ability to provide financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. Green Bank believes that to exclude it from these financial statements would be misleading.

CT Solar Lease 3 LLC

A Connecticut limited liability company, 100% owned by CEFIA Solar Services, Inc, CT Solar Lease 3 LLC acquires title to commercial solar projects from the developer, CEFIA Holdings LLC, using capital from its members. CT Solar Lease 3 LLC's primary sources of revenue are from the sale of electricity generated by its solar PV facilities to property owners through power purchase agreements and the sale of RECs generated from facility electrical production to third parties.

As of December 17, 2019, CT Solar Lease 3 LLC has completed its acquisition of commercial solar projects from the developer. All projects have been placed in service and are generating revenue. CT Solar Lease 3 LLC has also received all capital contributions required under its operating agreement from its members. CT Solar Lease 3 issues separate financial statements.

The intent to provide management services through Solar Services is to directly enhance its ability to provide financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. Green Bank believes that to exclude it from these financial statements would be misleading.

CGB Meriden Hydro LLC

On August 31, 2017, Green Bank, through its wholly owned component unit, CGB Meriden Hydro LLC (CGB Meriden), purchased a 195 kW hydroelectric facility located in Meriden, Connecticut, from the facility's developer, pursuant to an agreement dated January 1, 2017. Green Bank utilized the proceeds of the Clean Energy Renewable Bond (CREB) to finance a portion of the total purchase price.

I. Nature of operations and significant accounting policies (continued)

The developer remits to CGB Meriden a monthly lease payment equal to the monthly payment made by the City of Meriden to Hanover Pond for the purchase of electricity generated by the hydroelectric facility under a power purchase agreement dated August 14, 2014, as amended. This lease commenced on the date commercial operations began and terminates on the 30th anniversary of said date. Commercial operations began on March 7, 2017. In addition to revenues earned through its lease with the developer, CGB Meriden also receives revenues from the sale of renewable energy credits generated by the facility and sold to the local utility company under a sale and purchase contract dated July 31, 2014 which was assigned to CGB Meriden on September 18, 2017. These revenues are recorded directly by Green Bank.

SHREC ABS 1 LLC

A Delaware corporation, single member LLC 100% owned by Connecticut Green Bank, established on February 19, 2019 as issuer of SHREC Collateralized Notes, Series 2019-1 ($36,800,000 Class A notes and $1,800,000 Class B notes). The SHREC notes were sold to a single investor on April 2, 2019. The proceeds were used to retire Green Bank short-term debt, as well as to support Green Bank investment and operational activities. Quarterly payments of scheduled principal and interest for a period of 14 years are funded by billings to two Connecticut utilities for SHREC revenues generated by approximately 14,000 solar PV systems on residential rooftops. Advances between Green Bank and SHREC ABS 1 LLC were involved in the establishment of the note, retirement of Green Bank short-term debt, as well as to pay certain organizational costs. Advances were eliminated in preparing the combining and reporting entity financial statements.

SHREC Warehouse 1 LLC

A Connecticut corporation, single member LLC 100% owned by Connecticut Green Bank, established on April 23, 2019 to collect payments due from two electric utilities pursuant to the master purchase agreement dated July 30, 2018 as amended for the purchase and sale of Solar Home Renewable Energy Credits (SHRECs). SHREC Warehouse 1 LLC acts as the sole borrower under a revolving loan facility provided by local banks. Payments due from the utilities are pledged as security for the loans. Loans drawn by SHREC Warehouse 1 LLC are advanced to CGB to be used for investment and operational activities. Advances are eliminated in preparing the combining and reporting entity financial statements.

CT Solar Lease 1 LLC

A Connecticut corporation, single member LLC 100% owned by Green Bank, established on April 23, 2019 to hold collateral that supports a $3,500,000 guaranty on a line of credit. On May 21, 2019 Green Bank assigned its solar lease promissory note portfolio to CT Solar Lease 1 LLC. Solar Lease 1 LLC receives note payments and maintains a loan loss reserve for the portfolio. Advances between Green Bank and Solar Lease 1 LLC were involved in the transfer of assets and loan loss reserves. Advances are eliminated in preparing the combining and reporting entity financial statements.

CGB C-PACE LLC

A Connecticut corporation, single member LLC 100% owned by Green Bank, established on August 7, 2017. The entity originates and warehouses new C-PACE projects under construction. Advances between Green Bank and CGB C-PACE LLC were involved to help fund disbursements made for development of new C-PACE construction projects. Advances are eliminated in preparing the combining and reporting entity financial statements.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

CGB Green Liberty Notes LLC

A Connecticut corporation, 100% owned by CEFIA Holdings LLC, established on October 15, 2021. The entity was formed to offer low and moderate income investors greater access to green investment by issuing "Green Liberty Notes", and to support the repayment of those notes with revenues from small business, municipal, and state energy efficiency loans in Connecticut through one of Green Bank's partner programs. The notes are issued to eligible investors in reliance of the exemption under Section 4(a)(6) of the Securities Act of 1933. The exemption limits the amount of securities issued during the 12-month period preceding the date of such offer or sale, including the securities offered in such transaction, to $5,000,000. Advances between Green Bank and CGB Green Liberty Notes LLC were involved to help fund the participation in the small business, municipal, and state energy efficiency loan program. Advances are eliminated in preparing the combining and reporting entity financial statements. CGB Green Liberty Notes LLC issues separate financial statements.

Advances between the primary government (Green Bank) and its component units, or between the component units themselves, involved establishment of funds to provide for loan loss reserves as well as pay certain organizational costs. Advances are eliminated in preparing the combining and reporting entity financial statements.

Condensed combining information for the primary government (Green Bank) and its 11 blended component units described above is presented on the following pages:

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of net position

	Connecticut Green Bank	CGB Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFIA Holdings LLC
Assets							
Current assets:							
Cash and cash equivalents	$ 40,090,066	$ 88,612	$ 3,567,621	$ 4,746	$ -	$ 86,816	$ 1,455,270
Receivables:							
Accounts	1,168,039	-	-	-	-	-	9,072
Program loans	21,188,329	-	-	-	-	65,631	1,958,055
Utility remittance	1,912,845	-	-	-	-	-	-
Solar lease notes	-	-	-	-	406,594	-	-
SBEA promissory notes	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-
Interest	2,367,019	-	-	-	-	1,674	-
Other	131,561	-	-	-	-	-	19,851
Prepaid expenses and other assets	161,347	25,573	41,667	-	-	-	1,270,172
Prepaid warranty management	-	-	-	-	-	-	-
Total current assets	67,019,206	114,185	3,609,288	4,746	406,594	154,121	4,712,420
Noncurrent assets:							
Restricted cash and cash equivalents	115,836,886	-	681,835	7,474,483	-	-	733,539
Investments	880,202	-	-	-	-	-	-
Interest rate swap	-	-	-	-	-	-	-
Receivables (net):	-						
Program loans	63,261,091	-	-	-	-	230,127	12,863,662
Solar lease notes	-	-	-	-	143,388	-	-
SBEA promissory notes	-	-	-	-	-	-	158
Leases	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	2,495,853
Due from component units/primary government	90,161,299	-	30,615,204	8,078,455	-	-	5,483,096
Prepaid warranty management	-	-	-	-	-	-	-
Contribution to subsidiaries	100,100	-	-	-	-	-	100
Capital assets, net	10,019,795	3,357,539	-	-	-	-	797,033
Total noncurrent assets	280,259,373	3,357,539	31,297,039	15,552,938	143,388	230,127	22,373,441
Total assets	347,278,579	3,471,724	34,906,327	15,557,684	549,982	384,248	27,085,861
Deferred Outflows of Resources							
Pension related	11,977,795	-	-	-	-	-	-
OPEB related	11,212,038	-	-	-	-	-	-
Asset retirement obligations	-	-	-	-	-	-	-
Total deferred outflows of resources	23,189,833	-	-	-	-	-	-

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of net position

	CGB Green Liberty Notes LLC	CGB C-PACE LLC	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations	Total
Assets							
Current assets:							
Cash and cash equivalents	$ 2,418,624	$ 2,364,531	$ 1,365,133	$ 237,692	$ 566,989	$ -	$ 52,246,100
Receivables:							
Accounts	-	36,083	86,956	925	24,365	-	1,325,440
Program loans	-	864,426	-	-	-	-	24,076,441
Utility remittance	-	-	-	-	-	-	1,912,845
Solar lease notes	-	-	-	-	-	-	406,594
SBEA promissory notes	1,731,214	-	-	-	-	-	1,731,214
Leases	-	-	1,069,742	2,790	-	-	1,072,532
Interest	-	320,925	4,462	-	-	-	2,694,080
Other	264,807	-	787,865	18,576	311,788	-	1,534,448
Prepaid expenses and other assets	-	-	288,876	141,160	31,985	-	1,960,780
Prepaid warranty management	-	-	255,791	-	-	-	255,791
Total current assets	4,414,645	3,585,965	3,858,825	401,143	935,127	-	89,216,265
Noncurrent assets:							
Restricted cash and cash equivalents	-	-	1,160,731	392,668	-	-	126,280,142
Investments	-	-	-	-	-	-	880,202
Interest rate swap	-	-	51,012	-	-	-	51,012
Receivables (net):						-	
Program loans	-	28,037,532	-	-	-	-	104,392,412
Solar lease notes	-	-	-	-	-	-	143,388
SBEA promissory notes	3,331,978	-	-	-	-	-	3,332,136
Leases	-	-	12,339,527	58,142	-	-	12,397,669
Other	-	-	-	393,855	-	-	2,889,708
Due from component units/primary government	-	-	-	7,188,701	-	(141,526,755)	-
Prepaid warranty management	-	-	2,388,688	-	-	-	2,388,688
Contribution to subsidiaries	-	-	-	27,578,253	-	(27,678,453)	-
Capital assets, net	-	-	42,301,849	357,909	8,621,346	-	65,455,471
Total noncurrent assets	3,331,978	28,037,532	58,241,807	35,969,528	8,621,346	(169,205,208)	318,210,828
Total assets	7,746,623	31,623,497	62,100,632	36,370,671	9,556,473	(169,205,208)	407,427,093
Deferred Outflows of Resources							
Pension related	-	-	-	-	-	-	11,977,795
OPEB related	-	-	-	-	-	-	11,212,038
Asset retirement obligations	-	-	1,590,474	-	329,522	-	1,919,996
Total deferred outflows of resources	-	-	1,590,474	-	329,522	-	25,109,829

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of net position

	Connecticut Green Bank	CGB Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFIA Holdings LLC
Liabilities							
Current liabilities:							
Accounts payable	$ 1,036,777	$ -	$ -	$ -	$ -	$ 1,050	$ 21,840
Accrued payroll and related liabilities	1,912,247	-	-	-	-	-	-
Accrued expenses	10,453,590	-	35,662	-	-	-	123,211
Short-term notes payable	-	-	-	-	-	-	-
Long-term debt	3,769,128	-	1,869,000	-	-	-	-
Performance bonds	-	-	-	-	-	-	636,564
Unearned revenue	94,869,604	-	-	-	-	-	-
Total current liabilities	112,041,346	-	1,904,662	-	-	1,050	781,615
Noncurrent liabilities:							
Due to component units/primary government	38,693,659	6,309,180	-	-	304,107	-	9,115,186
Asset retirement obligation	-	-	-	-	-	-	-
Long-term debt	37,487,022	-	14,608,845	-	-	-	-
Net pension liability	23,182,604	-	-	-	-	-	-
Net OPEB liability	27,108,120	-	-	-	-	-	-
Total noncurrent liabilities	126,471,405	6,309,180	14,608,845	-	304,107	-	9,115,186
Total liabilities	238,512,751	6,309,180	16,513,507	-	304,107	1,050	9,896,801
Deferred Inflows of Resources							
Pension related	2,836,975	-	-	-	-	-	-
OPEB related	6,887,634	-	-	-	-	-	-
Lease related	-	-	-	-	-	-	-
Total deferred inflows of resources	9,724,609	-	-	-	-	-	-
Net Position							
Net investment in capital assets	2,256,049	1,418,135	-	-	-	-	797,033
Restricted net position:							
Restricted for energy programs	21,221,268	-	681,835	7,474,482	-	-	96,975
Unrestricted	98,753,735	(4,255,591)	17,710,985	8,083,202	245,875	383,198	16,295,052
Total net position	$ 122,231,052	$ (2,837,456)	$ 18,392,820	$ 15,557,684	$ 245,875	$ 383,198	$ 17,189,060

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of net position

	CGB Green Liberty Notes LLC	CGB C-PACE LLC	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations	Total
Liabilities							
Current liabilities:							
Accounts payable	$ 550	$ -	$ -	$ 86,108	$ -	$ -	$ 1,146,325
Accrued payroll and related liabilities	-	-	-	-	-	-	1,912,247
Accrued expenses	21,465	-	31,146	4,281	7,218	-	10,676,573
Short-term notes payable	1,050,000	-	-	-	-	-	1,050,000
Long-term debt	-	-	762,171	94,791	-	-	6,495,090
Performance bonds	-	-	-	6,382	-	-	642,946
Unearned revenue	-	-	-	-	-	-	94,869,604
Total current liabilities	1,072,015	-	793,317	191,562	7,218	-	116,792,785
Noncurrent liabilities:							
Due to component units/primary government	6,262,678	29,533,863	16,276,468	35,031,614	-	(141,526,755)	-
Asset retirement obligation	-	-	4,420,787	-	679,955	-	5,100,742
Long-term debt	-	-	5,045,662	987,397	-	-	58,128,926
Net pension liability	-	-	-	-	-	-	23,182,604
Net OPEB liability	-	-	-	-	-	-	27,108,120
Total noncurrent liabilities	6,262,678	29,533,863	25,742,917	36,019,011	679,955	(141,526,755)	113,520,392
Total liabilities	7,334,693	29,533,863	26,536,234	36,210,573	687,173	(141,526,755)	230,313,177
Deferred Inflows of Resources							
Pension related	-	-	-	-	-	-	2,836,975
OPEB related	-	-	-	-	-	-	6,887,634
Lease related	-	-	12,237,168	58,496	-	-	12,295,664
Total deferred inflows of resources	-	-	12,237,168	58,496	-	-	22,020,273
Net Position							
Net investment in capital assets	-	-	35,411,828	357,909	8,621,346	-	48,862,300
Restricted net position:							
Restricted for energy programs	-	-	1,160,732	386,286	-	-	31,021,578
Unrestricted	411,930	2,089,634	(11,654,856)	(642,593)	577,476	(27,678,453)	100,319,594
Total net position	$ 411,930	$ 2,089,634	$ 24,917,704	$ 101,602	$ 9,198,822	$ (27,678,453)	$ 180,203,472

(Concluded)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of revenues, expenses and changes in net position

	Connecticut Green Bank	CGB Meriden Hydro LLC	SHREC AES 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFIA Holdings LLC
Operating revenues:							
Utility remittances	$ 24,860,166	$ -	$ -	$ -	$ -	$ -	$ -
Interest income - promissory notes	7,538,680	-	-	-	44,526	24,025	629,703
RGGI auction proceeds	5,200,000	-	-	-	-	-	-
Energy system sales	-	-	-	-	-	-	5,814,698
Renewable energy credits/certificate sales	5,367,718	-	4,976,135	3,242,735	-	-	1,551,680
Leases	-	-	-	-	-	-	-
Other	5,147,227	-	-	-	-	149	527,292
Total operating revenues	48,113,791	-	4,976,135	3,242,735	44,526	24,174	8,523,373
Operating expenses:							
Cost of goods sold - energy systems	-	-	-	-	-	-	5,814,698
Provision (recovery) for loan losses	11,594,971	-	-	-	(70,219)	(6,707)	45,283
Grants and incentive programs	7,728,472	-	-	-	-	-	-
Program administration	17,461,354	199,291	61,000	98,332	37,084	22,698	48,671
General and administrative	6,717,312	5,749	2,975	2,407	-	5,301	1,190
Depreciation/amortization	797,325	152,040	-	-	-	-	27,643
Total operating expenses	44,299,434	357,080	63,975	100,739	(33,135)	21,292	5,937,485
Operating income (loss)	3,814,357	(357,080)	4,912,160	3,141,996	77,661	2,882	2,585,888
Nonoperating revenues (expenses):							
Interest income - deposits	1,687,654	-	96,941	179,900	-	-	1,529
Interest income - component units	74,782	-	-	-	-	-	-
Interest expense	(889,009)	-	(911,488)	-	-	-	-
Interest expense - component units	-	-	-	-	-	-	-
Debt issuance costs	(2,625)	-	-	-	-	-	-
Distributions to member	-	-	-	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-	-	-	-
Net change in fair value of investments	(233,484)	-	-	-	-	-	-
Unrealized gain (loss) on interest rate swap	-	-	-	-	-	-	-
Net nonoperating revenues (expenses)	637,318	-	(814,547)	179,900	-	-	1,529
Change in net position	4,451,675	(357,080)	4,097,613	3,321,896	77,661	2,882	2,587,417
Total net position - July 1, 2024	117,779,377	(2,480,376)	14,295,207	12,235,788	168,214	380,316	14,601,643
Total net position - June 30, 2025	$ 122,231,052	$ (2,837,456)	$ 18,392,820	$ 15,557,684	$ 245,875	$ 383,198	$ 17,189,060

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of revenues, expenses and changes in net position

	CGB Green Liberty Notes LLC	CGB C-PACE LLC	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations	Total
Operating revenues:							
Utility remittances	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,860,166
Interest income - promissory notes	237,030	1,172,462	-	-	-	-	9,646,426
RGGI auction proceeds	-	-	-	-	-	-	5,200,000
Energy system sales	-	-	-	-	-	-	5,814,698
Renewable energy credits/certificate sales	-	-	744,679	16,499	450,778	-	16,350,224
Leases	-	-	1,562,042	5,317	-	-	1,567,359
Other	-	270,989	855,572	777,066	369,088	(157,450)	7,789,933
Total operating revenues	237,030	1,443,451	3,162,293	798,882	819,866	(157,450)	71,228,806
Operating expenses:							
Cost of goods sold - energy systems	-	-	-	-	-	-	5,814,698
Provision (recovery) for loan losses	-	190,551	-	-	-	-	11,753,879
Grants and incentive programs	-	-	-	-	-	-	7,728,472
Program administration	33,500	-	1,350,390	1,013,037	108,263	-	20,433,620
General and administrative	13,224	945	332,810	44,495	49,714	(157,450)	7,018,672
Depreciation/amortization	-	-	2,118,820	15,246	386,867	-	3,497,941
Total operating expenses	46,724	191,496	3,802,020	1,072,778	544,844	(157,450)	56,247,282
Operating income (loss)	190,306	1,251,955	(639,727)	(273,896)	275,022	-	14,981,524
Nonoperating revenues (expenses):							
Interest income - deposits	115,462	-	941	1,212	129	-	2,083,768
Interest income - component units	-	-	-	55,820	-	(130,602)	-
Interest expense	(58,694)	-	(328,978)	(28,139)	-	-	(2,216,308)
Interest expense - component units	-	-	(130,602)	-	-	130,602	-
Debt issuance costs	(2,500)	-	-	-	-	-	(5,125)
Distributions to member	-	-	-	-	(950,000)	950,000	-
Gain (loss) on disposal of assets	-	-	(339,306)	-	-	-	(339,306)
Net change in fair value of investments	-	-	-	-	-	-	(233,484)
Unrealized gain (loss) on interest rate swap	-	-	(161,176)	-	-	-	(161,176)
Net nonoperating revenues (expenses)	54,268	-	(959,121)	28,893	(949,871)	950,000	(871,631)
Change in net position	244,574	1,251,955	(1,598,848)	(245,003)	(674,849)	950,000	14,109,893
Total net position - July 1, 2024	167,356	837,679	26,516,552	346,605	9,873,671	(28,628,453)	166,093,579
Total net position - June 30, 2025	$ 411,930	$ 2,089,634	$ 24,917,704	$ 101,602	$ 9,198,822	$ (27,678,453)	$ 180,203,472

(Concluded)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of cash flows

	Connecticut Green Bank	CGB Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFIA Holdings LLC
Cash flows from (used in) operating activities:							
Sales of energy systems	$ -	$ -	$ -	$ -	$ -	$ -	$ 711,380
Sales of renewable energy credits	5,367,718	-	4,976,135	3,242,735	-	-	1,553,670
Utility company remittances	24,930,849	-	-	-	-	-	-
RGGI auction proceeds	5,200,000	-	-	-	-	-	-
Other	99,111,630	-	-	-	-	149	98,208
Lease payments received	-	-	-	-	-	-	-
Interest income on promissory notes	7,559,866	-	-	-	44,525	24,989	629,693
Program administrative expenses	(17,588,255)	(187,106)	(61,000)	(100,278)	(41,080)	(22,742)	(42,774)
Grants, incentives and credit enhancements	(6,180,382)	-	-	-	-	-	-
General and administrative expenses	(5,944,655)	(5,750)	(2,975)	(2,405)	-	(5,300)	(4,573)
Net cash from (used in) operating activities	112,456,771	(192,856)	4,912,160	3,140,052	3,445	(2,904)	2,945,604
Cash flows from (used in) noncapital financing activities:							
Advances to component units/primary government	(17,214,049)	-	(50,000)	(2,344,000)	(787,873)	(413,729)	(9,319,642)
Advances for development of solar projects	-	-	-	-	-	-	(1,786,061)
Payments from component units/primary government	13,751,515	250,000	-	50,000	-	-	10,332,233
Net cash from (used in) noncapital financing activities	(3,462,534)	250,000	(50,000)	(2,294,000)	(787,873)	(413,729)	(773,470)
Cash flows from (used in) capital and related financing activities:							
Purchase of capital assets	(39,908)	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Proceeds from short-term debt	-	-	-	-	-	-	-
Repayment of short-term debt	-	-	-	-	-	-	-
Repayment of long-term debt	(3,517,663)	-	(1,746,000)	-	-	-	-
Repayment of right to use leases	(234,567)	-	-	-	-	-	-
Payment of interest	(927,200)	-	(910,075)	-	-	-	-
Capital contributions from/(to) component entities	-	-	-	-	-	-	-
Net cash from (used in) capital and related financing activities	(4,719,338)	-	(2,656,075)	-	-	-	-

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of cash flows

	CGB Green Liberty Notes LLC	CGB C-PACE LLC	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations	Total
Cash flows from (used in) operating activities:							
Sales of energy systems	$ -	$ -	$ -	$ 5,103,318	$ -	$ -	$ 5,814,698
Sales of renewable energy credits	-	-	746,602	16,998	449,828	-	16,353,686
Utility company remittances	-	-	-	-	-	-	24,930,849
RGGI auction proceeds	-	-	-	-	-	-	5,200,000
Other	-	236,200	811,432	816,183	378,815	(157,450)	101,295,167
Lease payments received	-	-	1,450,834	2,625	-	-	1,453,459
Interest income on promissory notes	237	346,197	-	-	-	-	8,605,507
Program administrative expenses	(33,500)	-	(449,249)	(1,302,916)	(74,363)	-	(19,903,263)
Grants, incentives and credit enhancements	-	-	-	-	-	-	(6,180,382)
General and administrative expenses	(12,674)	(946)	(325,751)	(42,982)	(49,712)	157,450	(6,240,273)
Net cash from (used in) operating activities	(45,937)	581,451	2,233,868	4,593,226	704,568	-	131,329,448
Cash flows from (used in) noncapital financing activities:							
Advances to component units/primary government	-	-	(600,000)	(6,053,318)	-	36,782,611	-
Advances for development of solar projects	-	-	-	-	-	-	(1,786,061)
Payments from component units/primary government	-	12,098,863	-	300,000	-	(36,782,611)	-
Net cash from (used in) noncapital financing activities	-	12,098,863	(600,000)	(5,753,318)	-	-	(1,786,061)
Cash flows from (used in) capital and related financing activities:							
Purchase of capital assets	-	-	-	-	-	-	(39,908)
Sale of capital assets	-	-	264,987	-	-	-	264,987
Proceeds from short-term debt	1,050,000	-	-	-	-	-	1,050,000
Repayment of short-term debt	(1,400,000)	-	-	-	-	-	(1,400,000)
Repayment of long-term debt	-	-	(1,243,242)	(94,790)	-	-	(6,601,695)
Repayment of right to use leases	-	-	-	-	-	-	(234,567)
Payment of interest	(76,766)	-	(330,114)	(28,322)	-	-	(2,272,477)
Capital contributions from/(to) component entities	-	-	-	950,000	(950,000)	-	-
Net cash from (used in) capital and related financing activities	(426,766)	-	(1,308,369)	826,888	(950,000)	-	(9,233,660)

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of cash flows

	Connecticut Green Bank	CGB Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFIA Holdings LLC
Cash flows from (used in) investing activities:							
Return of principal on working capital and program loans	$ 23,044,110	$ -	$ -	$ -	$ 784,428	$ 134,873	$ 943,770
Interest on short-term investments, cash, solar lease notes and loans	1,687,654	-	96,941	179,900	-	-	1,529
Purchase of SBEA loan portfolios	-	-	-	-	-	-	-
CPACE program loan disbursements	-	-	-	-	-	-	-
Grid tied program loan disbursements	(3,648,292)	-	-	-	-	-	-
Commercial solar loan program disbursements	-	-	-	-	-	-	(4,099,774)
Residential solar Loan program disbursements	(2,372,509)	-	-	-	-	-	-
Net cash from (used in) investing activities	18,710,963	-	96,941	179,900	784,428	134,873	(3,154,475)
Net increase (decrease) in cash	122,985,862	57,144	2,303,026	1,025,952	-	(281,760)	(982,341)
Cash and cash equivalents (including restricted cash)- July 1, 2024	32,941,090	31,468	1,946,430	6,453,277	-	368,576	3,171,150
Cash and cash equivalents (including restricted cash)- June 30, 2025	$155,926,952	$ 88,612	$ 4,249,456	$ 7,479,229	$ -	$ 86,816	$ 2,188,809
Reconciliation of operating income (loss) to net cash from (used in) operating activities:							
Operating income (loss)	$ 3,814,357	$ (357,080)	$ 4,912,160	$ 3,141,996	$ 77,661	$ 2,882	$ 2,585,888
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:							
Depreciation and amortization	797,325	152,040	-	-	-	-	27,643
Accretion	-	-	-	-	-	-	-
Provision for loan losses	11,594,971	-	-	-	(70,219)	(6,707)	45,283
Unearned revenue	94,816,981	-	-	-	-	-	-
Pension/OPEB adjustment	(314,560)	-	-	-	-	-	-
Changes in operating assets and deferred outflows and liabilities and deferred inflows:							
(Increase) decrease in operating assets and deferred outflows	(177,822)	12,184	-	-	(3,997)	964	264,372
(Decrease) increase in operating liabilities and deferred inflows	1,925,519	-	-	(1,944)	-	(43)	22,418
Net cash from (used in) operating activities	$112,456,771	$ (192,856)	$ 4,912,160	$ 3,140,052	$ 3,445	$ (2,904)	$ 2,945,604

(Continued)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Condensed, combining information - statement of cash flows

	CGB Green Liberty Notes LLC	CGB C-PACE LLC	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations	Total
Cash flows from (used in) investing activities:							
Return of principal on working capital and program loans	$ 2,115,574	$ 384,520	$ -	$ -	$ -	$ -	$ 27,407,275
Interest on short-term investments, cash, solar lease notes and loans	115,462	-	941	1,212	129	-	2,083,768
Purchase of SBEA loan portfolios	(2,417,166)	-	-	-	-	-	(2,417,166)
CPACE program loan disbursements	-	(12,584,360)	-	-	-	-	(12,584,360)
Grid tied program loan disbursements	-	-	-	-	-	-	(3,648,292)
Commercial solar loan program disbursements	-	-	-	-	-	-	(4,099,774)
Residential solar Loan program disbursements	-	-	-	-	-	-	(2,372,509)
Net cash from (used in) investing activities	(186,130)	(12,199,840)	941	1,212	129	-	4,368,942
Net increase (decrease) in cash	(658,833)	480,474	326,440	(331,992)	(245,303)	-	124,678,669
Cash and cash equivalents (including restricted cash)- July 1, 2024	3,077,457	1,884,057	2,199,424	962,352	812,292	-	53,847,573
Cash and cash equivalents (including restricted cash)- June 30, 2025	$ 2,418,624	$ 2,364,531	$ 2,525,864	$ 630,360	$ 566,989	$ -	$ 178,526,242
Reconciliation of operating income (loss) to net cash from (used in) operating activities:							
Operating income (loss)	$ 190,306	$ 1,251,955	$ (639,727)	$ (273,896)	$ 275,022	$ -	$ 14,981,524
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:							
Depreciation and amortization	-	-	2,118,820	15,246	386,867	-	3,497,941
Accretion	-	-	82,219	-	21,402	-	103,621
Provision for loan losses	-	190,551	-	-	-	-	11,753,879
Unearned revenue	-	-	-	-	-	-	94,816,981
Pension/OPEB adjustment	-	-	-	-	-	-	(314,560)
Changes in operating assets and deferred outflows and liabilities and deferred inflows:							
(Increase) decrease in operating assets and deferred outflows	(236,793)	(861,055)	1,536,058	5,158,928	30,625	-	5,723,464
(Decrease) increase in operating liabilities and deferred inflows	550	-	(863,502)	(307,052)	(9,348)	-	766,598
Net cash from (used in) operating activities	$ (45,937)	$ 581,451	$ 2,233,868	$ 4,593,226	$ 704,568	$ -	$ 131,329,448

(Concluded)

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

I. Nature of operations and significant accounting policies (continued)

Measurement focus, basis of accounting and financial statement presentation

All entities are enterprise funds. Enterprise funds are used to account for governmental activities that are similar to those found in the private sector in which the determination of net income is necessary or useful to sound financial administration.

Basis of presentation

These financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the liability is incurred, regardless of the timing of the related cash flows.

Revenue recognition

Green Bank, in addition to utility assessments and RGGI auction income, recognizes revenue from grants as expenses are incurred, the sale of renewable energy certificates, as well as interest income from C-PACE and program loans as earned.

CT Solar Loan I LLC derives revenue from interest earned on residential solar loan products.

CEFIA Holdings LLC derives revenue from interest income from program loans as earned, energy system sales and the sale of Solar Renewable Energy Certificates (SRECs) to third parties.

CEFIA Solar Services, Inc. revenue consists of an administrative fee from CT Solar Lease 2 LLC. This amount was eliminated to arrive at the total reporting entity revenue. Additionally, CEFIA Solar Services receives revenue from participation in the Affordable Connectivity Program, a benefit program of the FCC (Federal Communications Commission) and sale of Solar Renewable Energy Certificates (SRECs).

CT Solar Lease 2 LLC derives revenue from the following sources: operating leases, energy generation, and the sale of Solar Renewable Energy Certificates (SRECs) to third parties.

CT Solar Lease 3 LLC derives revenue from the following sources: energy generation and the sale of Solar Renewable Energy Certificates (SRECs) to third parties.

CGB Meriden Hydro derives revenue from the following sources: energy generation and the sale of Solar Renewable Energy Certificates (SRECs) to third parties.

SHREC ABS 1 LLC derives revenue from interest income and the sale of Solar Home Renewable Energy Certificates (SHRECs) to two Connecticut utilities for two tranches of approximately 14,000 rooftop PV systems. Proceeds are directed to trustee accounts and are used for quarterly bond payments on the SHREC ABS collateralized note.

CT Solar Lease 1 LLC derives revenue from interest income from residential solar lease promissory notes secured by specific PV equipment leases (Note II.B.1. – Solar Lease Notes Receivable)

SHREC Warehouse 1 LLC derives revenue from interest income and the sale of SHRECs to two Connecticut utilities for a tranche of approximately 4,800 rooftop PV systems. Proceeds are retained in a restricted bank account by Webster Bank as security for the loan facility for which the revenues have been pledged.

I. Nature of operations and significant accounting policies (continued)

CGB C-PACE LLC derives revenue from interest income earned on C-PACE loans.

CGB Green Liberty Notes LLC derives revenue from interest income earned on the small business, municipal, and state energy efficiency loan program.

Energy generation revenue will be recognized as electricity is generated, based on actual output and contractual prices set forth in long term Power Purchase Agreements (PPAs) associated with certain commercial scale facilities.

Revenue from the sale of SRECs and SHRECs to third parties is recognized upon the transfer of title and delivery of the SRECs to third parties and is derived from contractual prices set forth in SREC sale agreements associated with commercial scale facilities.

Operating vs. nonoperating revenue (expense)

All entities distinguish operating revenues and expenses from nonoperating items. Operating revenues consist of utility customer assessments, renewable energy credit/certificate sales, energy auction proceeds and other revenue generated in connection with investments in clean energy programs. Operating expenses consist of operating costs, including depreciation on capital assets and grants and programs. Nonoperating revenue (expense) consists of investment earnings, and other items not considered operational by management.

Use of accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Use of restricted vs. unrestricted resources

When both restricted and unrestricted amounts are available for use, the policy is to use restricted resources for their intended purposes first and then unrestricted resources.

A. Assets, liabilities, deferred outflows/inflows of resources and equity

1. Cash and investments

a. Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid short-term investments with an original term of 90 days when purchased and are recorded at cost, which approximates fair value.

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

State treasurer's short-term investment fund

The State Treasurer's Short-Term Investment Fund is an investment pool of high-quality, short-term money market instruments managed by the Cash Management Division of the State Treasurer's Office and operates in a manner similar to money market mutual funds. It is the investment vehicle for the operating cash of the State of Connecticut Treasury, state agencies and authorities, municipalities, and other political subdivisions of the state. The value of Green Bank's position in the pool is the same as the value of pool shares. Regulatory oversight is provided by an investment advisory council and the State Treasurer's Cash Management Board.

b. Investments

Green Bank carries all investments at fair value except as described below. Fair value is defined as the price that would be received to sell an asset or paid to transfer liability by in an orderly transaction between market participants at the measurement date. For certain investments, fair value is determined using United States Private Equity Valuation Guidelines promulgated by the Private Equity Investment Guidelines Group. In the absence of readily determinable market values, consideration is given to pertinent information about the companies comprising these investments, including, but not limited to, recent sales prices of the issuer's securities, sales growth, progress toward business goals and other operating data. Procedures have been applied in arriving at the estimate of the value of such securities that it believes are reasonable and appropriate. Due to the inherent uncertainty of valuation, the estimated values may differ significantly from the amounts ultimately realized from the disposition of those assets which may be materially higher or lower than the values determined if a readily available market for those securities existed. Green Bank carries the investments in preferred stock, municipal bonds and interest rate swaps at fair value.

Green Bank reports gains as realized and unrealized consistent with the practice of venture capital firms. The calculation of realized gains and losses is independent of the calculation of the net change in investment value.

Green Bank carries the investments in venture capital – energy at cost. Green Bank uses the cost method of accounting for these investments in accordance with GASB Statement No. 62. Investments that do not have readily determinable fair values and that do not meet the criteria of percentage ownership or ability to exercise significant influence over the company are unable to apply the equity method.

c. Method used to value investments

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. In determining fair value, Green Bank utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Green Bank also considers nonperformance risk in the overall assessment of fair value.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

Investments are measured at fair value utilizing valuation techniques based on observable and/or unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect market assumptions. These inputs are classified into the following hierarchy:

Level 1
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2
Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liability (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observed market data by correlation or other means

Level 3
Unobservable inputs for the asset or liability (supported by little or no market activity). Level 3 inputs include management's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

d. Risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. Green Bank manages its exposure to declines in fair value by limiting the average maturity of its cash and cash equivalents to no more than one year. Green Bank does not have a formal policy relating to a specific investment related risk.
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. Connecticut General Statutes authorize Green Bank to invest in obligations of the U.S. Treasury including its agencies and instrumentalities, commercial paper, banker's acceptance, repurchase agreements and the State Treasurer's Short-Term Investment Fund.

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. Green Bank's investment policy does not limit the investment in any one investment vehicle. The State Treasurer's Short-Term Investment Fund is not subject to this disclosure.
Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, Green Bank will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Green Bank does not have a formal policy with respect to custodial credit risk. As of June 30, 2025 and 2024, Green Bank had no investments subject to custodial credit risk.

2. Receivables and payables

a. Inter-entity balances

Activity between component units that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from component units" or "advances to/from component units". Advances are representative of notes payable issued by one entity and the related funds loaned to another for the purchase of capital assets. Any residual balances outstanding between the entities are eliminated in the reporting entity totals.

b. Solar lease notes and program loans receivable

Solar lease notes receivable and program loans receivable are shown net of a reserve for loan losses. Loan loss percentages range from 2.00% to 20.00% based on the project, product or program and are calculated based upon a historical analysis of prior year loan write-offs, if any, by program, repayment delinquencies and inquiries of program and finance staff as to current developments with borrowers that could affect future repayments.

c. Leases receivable

CT Solar Lease 2 is a lessor for noncancellable leases of residential and commercial solar PV systems. CEFIA Solar Services is a lessor for a noncancellable lease of a commercial solar PV system. The entities recognize a lease receivable and a deferred inflow of resources related to these leases in the Statement of Net Position.

At the commencement of a lease, the entity initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payment received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

Key estimates and judgments related to leases include:

Discount rate	Green Bank uses its estimated incremental borrowing rate as the discount rate used to discount the expected lease receipts to present value.
Lease term	The lease term includes the noncancellable period of the lease.
Lease payments	Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The entity monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenses when consumed rather than when purchased. Prepaid items include prepaid warranty management where CT Solar Lease 2 paid for warranty services on the solar panels for each program participant at the beginning of each program participant year for five consecutive years. The warranty is expensed over the 20 year life of the warranty.

4. Restricted assets

The restricted cash and cash equivalents for Green Bank are subject to externally enforceable constraints such as performance bonds, required contractual reserves and escrows. Performance bonds are restricted until the monies are returned to the vendor after satisfactory completion of contract or Green Bank calls the bond for nonperformance. The debt or loan agreements restrict the funds for the designated purpose including loan loss reserves and debt payments.

Additionally, the Green Bank has $94,629,604 of cash restricted for National Clean Investment Fund ("NCIF") federal grant proceeds received but not yet spent on eligible program costs. The cash is held in separate interest-bearing accounts and invested in accordance with the Green Bank's investment policy and applicable state statutes. During the year, the federal government placed a freeze on the remaining grant balance. As a result, the Green Bank cannot access or expend the funds until the freeze is lifted. Because the cash cannot be used for general purposes and the underlying grant restrictions remain in force, the entire amount is presented as restricted. The unspent balance is also recorded as unearned revenue on the Statement of Net Position.

5. Capital assets

Capital asset acquisitions exceeding $1,000 are capitalized at cost. Maintenance and repair expenses are charged to operations when incurred. Depreciation is computed using straight-line methods over the estimated useful lives of the assets, which range from two to thirty years. Leasehold improvements are amortized over the shorter of their useful life or the lease term.

A. Assets liabilities, deferred outflows/inflows of resources and equity (continued)

The estimated useful lives of capital assets are as follows:

Assets	Years
Solar lease equipment	30
Hydroelectric equipment	30
Furniture and equipment	5
Leasehold improvements	5
Computer hardware and software	2-3
Intangible right-to-use leased buildings	10.5

For capital assets sold or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts, and any related gain or loss is reflected in income for the period.

All solar facilities owned by Green Bank entities are stated at cost and include all amounts necessary to construct them. Systems are placed in service when they are ready for use and all necessary approvals have been received from local utility companies. Additions, renewals, and betterments that significantly extend the life of an asset are capitalized. Expenditures for warranty maintenance and repairs to solar facilities are charged to expense as incurred.

6. Impairment of long-lived assets

The entities of the Green Bank review their solar facilities for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by an asset is less than its carrying amount, management compares the carrying amount of the asset to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss was recognized during the fiscal year ending June 30, 2025 or 2024.

7. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

Green Bank reports deferred outflows and inflows of resources related to pensions and OPEB for differences between expected and actual experience, changes in assumptions, changes in proportion and proportionate share, net difference between projected and actual earnings on plan investments and contributions after the measurement date. The deferred outflow or inflow related to differences between expected and actual experience, changes in assumptions and changes in proportion and proportionate share will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period. The deferred outflow relating to contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year.

Green Bank also reports deferred outflows of resources related to asset retirement obligations in the statement of net position, which results from a known future liability to retire certain assets.

Deferred inflows of resources include deferred inflows relating to the lease receivable. These amounts are deferred and are amortized to lease revenue in a systematic and rational manner over the term of the lease.

8. Asset retirement obligation

CT Solar Lease 2 and 3 are required to recognize their liability related to asset retirement obligations when they have the legal obligation to retire long-lived assets. Upon the expiration of solar leases or a Power Purchase Agreement's (PPA's) initial or extended terms, customers generally have the option to purchase the solar facilities at fair market value or require CT Solar Lease 2 and 3 to remove the solar facilities at their expense.

Asset retirement obligations are recorded in the period in which they are incurred and reasonably estimable, including those obligations for which the timing method of settlement are conditional on a future event that may or may not be in the control of CT Solar Lease 2 and 3. Retirement of assets may involve efforts to remove the solar facilities depending on the nature and location of the assets. In identifying asset retirement obligations, CT Solar Lease 2 and 3 consider identification of legally enforceable obligations, changes in existing law, estimates of potential settlement dates, and the calculation of an appropriate discount rate to be used in calculating the fair value of the obligations. For those assets where a range of potential settlement dates may be reasonably estimated, obligations are recorded. CT Solar Lease 2 and 3 routinely review and reassess their estimates to determine if an adjustment to the value of asset retirement obligations is required.

9. Long-term liabilities

Long-term debt and other long-term liabilities are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

10. Lease liability

Green Bank is a lessee for noncancellable leases of buildings. Green Bank recognizes a lease liability and an intangible right-to-use asset (lease asset) in the Statement of Net Position.

At the commencement of a lease, Green Bank initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include:

Discount rate	Green Bank uses the interest rate charged by the lessor as the discount rate to discount the expected lease payments to the present value. When the interest rate charged by the lessor is not provided, Green Bank generally uses its estimated incremental borrowing rate as the discount rate for leases.
Lease term	The lease term includes the noncancellable period of the lease.
Lease payments	Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that Green Bank is reasonably certain to exercise.

Green Bank monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

11. Pension and OPEB accounting

Pension accounting

Green Bank's proportionate share of the net pension liability and expense associated with Green Bank's requirement to contribute to the Connecticut State Employees' Retirement System (SERS) have been determined on the same basis as they are reported by SERS. Contributions made to SERS after the measurement date and prior to Green Bank's fiscal year are reported as deferred outflows of resources.

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

OPEB accounting

Green Bank's proportionate share of the net OPEB liability and expense associated with Green Bank's requirement to contribute to the State of Connecticut Other Post-Employment Benefits Program have been determined on the same basis as they are reported by State of Connecticut Other Post-Employment Benefits Program. Contributions made to the State of Connecticut Other Post-Employment Benefits Program after the measurement date and prior to Green Bank's fiscal year are reported as deferred outflows of resources.

12. Net position

Net position is presented in the following three categories:

Net Investment in Capital Assets	This category presents the net position that reflects capital assets net of depreciation/amortization and net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.
Restricted Net Position	Restricted net position represent assets whose use is restricted through external restrictions imposed by creditors, grantors, contributors and the like, or through restrictions imposed by laws or through constitutional provisions or enabling legislature, and includes equity interest within Green Bank's component units by outside entities.
Unrestricted Net Position	This category presents the net position of Green Bank which is not classified in the preceding two categories

13. Grants and programs

Expenditures for grants and programs are recorded upon the submission of invoices and other supporting documentation and approval by management. Salaries, benefits and overhead expenses are allocated to program expenses based on job functions.

14. Subsequent events

Green Bank has performed a review of events subsequent to the statement of net position date through October 24, 2025, the date of the financial statements were available to be issued.

On October 15, 2025, the Green Bank issued its offering of $18,884,000 of Series 2025 Green Liberty Bonds. The bonds are Climate Bond Certified and carry an S&P rating of AA. Interest rates vary based on maturity date from 3.95% to 4.70%. Bonds mature on various dates through November 15, 2037.

A. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

The bonds are collateralized by revenue from quarterly sales of Tranche 5 and Tranche 6 Solar Home Renewable Energy Credits ("SHRECs") for approximately 10,700 residential solar PV systems to two Connecticut public utilities. Collections from these billings and disbursements of funds to the bondholders are managed by the trustee, Bank of New York Mellon. Interest payments are semi-annual on May 15th and November 15th. The term series bonds are subject to redemption prior to their stated maturity date. The proceeds will be used to invest in green energy projects and to refinance expenditures related to the Residential Solar Investment Program.

15. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

B. New accounting pronouncements

The Green Bank implemented the provisions of GASB Statement No. 101, "*Compensated Absences*" for the year ended June 30, 2025. In addition to the value of unused leave time owed to employees upon separation from employment, the Green Bank now also recognizes as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result of the implementation, there was no impact on the July 1, 2024 net position.

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosure for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of GASB Statement No. 102 are effective for the Green Bank's fiscal year ended June 30, 2025. Management has determined that no events have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

II. Detailed notes

A. Cash and investments

1. Cash and cash equivalents

The following is a summary of cash and cash equivalents for the reporting entity at June 30:

Cash and cash equivalents:	2025	2024
Checking	$ 12,930,455	$ 13,158,850
Money Market	471,749	915,133
State Treasurer's Short-Term Investment Fund	38,843,896	11,991,169
Unrestricted Cash and Cash Equivalents	52,246,100	26,065,152
Restricted Cash		
Checking	100,121,448	4,889,014
Money Market	22,621,644	19,503,756
State Treasurer's Short-Term Investment Fund	3,537,050	3,389,651
Restricted Cash and Cash Equivalents	126,280,142	27,782,421
	$ 178,526,242	$ 53,847,573

Funds held by banks on behalf of Green Bank included contractual requirements to maintain $30,779,132 in deposits with financial institutions participating in various lease and loan programs, representing loan loss and lease maintenance reserves and guaranty pledge accounts.

2. Deposits – custodial credit risk

As of June 30, 2025 and 2024, the Green Bank had bank balances exposed to custodial credit risk in the amounts of $123,368,252 and $24,532,953, respectively.

3. State treasurer's short-term investment fund

The State Treasurer's Short-Term Investment Fund is rated AAAm by Standard & Poor's and has an average maturity of under 60 days.

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Cash and investments (continued)

4. Investments

a. Green Bank's investments (including restricted investments) consisted of the following types and maturities. Specific identification was used to determine maturities:

	Investment Maturities (In Years) as of June 30, 2025				
Type of Investment	Fair Value	N/A	1-5 Years	5-10 Years	Over 10
Venture capital - energy	$ 501,346	$ 501,346	$ -	$ -	$ -
Municipal bonds	378,856	-	-	315,000	63,856
Interest rate swap	51,012	-	51,012	-	-
Total	$ 931,214	$ 501,346	$ 51,012	$315,000	$ 63,856

	Investment Maturities (In Years) as of June 30, 2024				
Type of Investment	Fair Value	N/A	1-5 Years	5-10 Years	Over 10
Preferred stock	$ 535,942	$ 535,942	$ -	$ -	$ -
Venture capital - energy	198,887	198,887	-	-	-
Municipal bonds	378,856	-	-	165,000	213,856
Interest rate swap	212,188	-	212,188	-	-
Total	$1,325,873	$ 734,829	$ 212,188	$165,000	$ 213,856

b. The following tables sets forth the fair value hierarchy by level, Green Bank's fair value measurements at June 30, 2025 and June 30, 2024:

	As of June 30, 2025		
	Amount	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Investments by fair value level:			
Venture capital - energy	$ 501,346	$ -	$ 501,346
Municipal bonds	378,856	-	378,856
Interest rate swap	51,012	51,012	-
Total investments by fair value level	$ 931,214	$ 51,012	$ 880,202

Connecticut Green Bank

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Cash and investments (continued)

	As of June 30, 2024		
	Amount	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Investments by fair value level:			
Preferred stock	$ 535,942	$ 339,300	$ 196,642
Venture capital - energy	198,887	-	198,887
Municipal bonds	378,856	-	378,856
Interest rate swap	212,188	212,188	-
Total investments by fair value level	$1,325,873	$ 551,488	$ 774,385

There were no transfers between levels during the years ended June 30, 2025 and 2024.

c. Green Bank's investments subject to credit risk are municipal bonds which were unrated as of June 30, 2025 and 2024.

d. Preferred and common stock

In February 2021, Green Bank entered into a new equity investment when Green Bank was issued a stock warrant from an entity that was subsequently exercised at a valuation of $245,000. At June 30, 2024 this investment was valued at $339,300.

Green Bank entered into an additional investment related to the above stock warrant exercised in the form of convertible notes (Class B) for $121,324 in August 2023 and $56,776 in April 2024 to maintain the previous investment from being diluted to a lower level. At June 30, 2024, this investment was valued at $196,642.

As of June 30, 2025, both of these preferred stock investments were valued at $0 due to the entity's severe financial hardship.

In June 2022, Green Bank entered into an additional equity investment when 200,000 stock warrants were received from an entity that were subsequently exercised at a net valuation of $444,434. Half of this value was received in cash, with the remaining balance as shares in a venture capital-energy partnership. At June 30, 2024, this stock was valued at $198,887. At June 30, 2025, this investment was valued at $501,346.