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COMPREHENSIVE PLAN FISCAL YEAR 2027 & BEYOND

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Comprehensive Plan

Fiscal Years 2027 & Beyond

July 2026

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1. Introduction

As the global climate changes, the costs of preparing for, responding to, and recovering from more frequent and severe weather are difficult to ignore. This isn't new. What has changed is not simply the magnitude of those costs, but how they are beginning to be reflected throughout the economy. They are now visible in monthly electricity bills, annual insurance renewals, and even in debates between gubernatorial candidates over how the state should prepare for storms.

One place where those costs are becoming more visible is the electricity sector. Connecticut households paid an average of nearly $2,400 annually for electricity costs in 2026, among the highest in the nation, and residential electricity costs have grown over 20 percent since 2020.[1] Affordability was a defining issue of the 2026 Connecticut legislative session and remains a main source of debate in the 2026 gubernatorial elections. Across the country, the picture is similar: the average American household paid roughly $65 more for electricity in 2024 than in 2023.[2]

Insurance markets are sending the same signal through a different mechanism. Rising losses are translating into higher premiums, stricter underwriting, and reduced availability in the highest-risk markets. Nationally, the average cost of homeowners insurance has risen from around $1,300 in 2020 to roughly $2,400 today, an increase of nearly 85 percent in five years.[3] A report from Swiss Re identifies that insured losses are rising 5-7% annually and suggests that the only reason that 2025 didn't set a new record in global natural catastrophe loss is that the US wasn't hit with a major hurricane.[4] In response, major insurers have pulled back from the highest-risk markets. The U.S. Treasury Department reached a similar conclusion in its first assessment of climate change's effects on homeowners insurance, finding that coverage is becoming both more expensive and harder to obtain for millions of Americans, with policy nonrenewals increasing as a result.[5]

Connecticut is following the same trajectory. Homeowners insurance costs in the state rose 23 percent between 2018 and 2023, outpacing both New York or New Jersey.[6] With average annual premiums in Connecticut of about $2,200 in 2025, and nearly 90% of owner-occupied, single-family households with insurance policies, Connecticut families now pay almost $1.8 billion each year to protect approximately $650 billion in residential property.[7] Coastal storm surge, heavier rainfall, and more severe inland wind events are steadily reshaping the economics of owning property in the state.

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[1] Connecticut Electricity Rates 2026: Average Cost per kWh, Bill & Savings | VoltFlow
[2] Electric Sales, Revenue, and Average Price - Energy Information Administration
[3] Will a quiet year for disasters translate to cheap home insurance? : NPR
[4] Swiss Re Institute: Natural catastrophes in 2025: the persistent rise of wildfire and storm risk
[5] Analyses of U.S. Homeowners Insurance Markets, 2018-2022: Climate-Related Risks and Other Factors (January 2025)
[6] Insurify Projects Home Insurance Rates Will Rise for the 5th Consecutive Year, After a 12% Increase in 2025
[7] Severe Weather Mitigation & Resilience Advisory Council of the Connecticut Insurance Department, Final Report (June 2025)

In an important sense, rising energy and insurance costs are accomplishing something that public policy alone has struggled to do: they are making climate risk economically visible. When electricity costs $2,400 a year, the payback period for rooftop solar becomes shorter. When homeowners insurance rises 85 percent in five years, the economics of resilience begin to change. Investments such as roof hardening or flood protection become easier to justify, whether because they reduce future losses, improve insurability, or are increasingly recognized by insurers as risk-reducing measures. The cost of inaction is no longer abstract, and capital is beginning to respond.

In fact, global climate finance surpassed $2 trillion for the first time in 2024, even as its annual growth rate slowed to 6% (down from 16% in 2023).[8] More than 60% of that investment came from private sources (i.e., corporations, households/individuals, commercial financial institutions) rather than government and development finance institutions. Yet more than 95% of that investment continues to flow toward reducing greenhouse gas emissions through investments in building energy efficiency, transportation electrification, and zero-emissions energy production. Comparatively little is directed toward helping communities adapt to the impacts of climate change or become more resilient.

The Connecticut Green Bank exists because markets do not always allocate capital where public value is greatest. Since 2011, we have operated on a straightforward premise: left to its own devices, the private market underinvests in clean energy and resilience, especially in vulnerable communities – not only because of slim margins, but also because the risks are unfamiliar and the financing tools are inadequate. By deploying public dollars strategically to reduce perceived risk and demonstrate viable returns, we create the conditions for private capital to invest where it otherwise would not. Every public dollar invested by the Green Bank mobilizes approximately $6 of private investment. That leverage allows us to shift more of the investment needed for climate action away from ratepayers and taxpayers and toward capital markets built to absorb and price risk.

Our work in clean energy has also taught us that the same financing challenges extend well beyond the energy sector. The market failures that once limited investment in rooftop solar and energy storage are equally present in other Connecticut environmental infrastructure — in the organic waste that goes to out-of-state landfills because diversion equipment remains too expensive, in the resilience projects that go unbuilt because financing tools do not exist, and in clean transportation investments that stall without appropriately structured capital. The Green Bank's expansion into environmental infrastructure reflects a simple recognition that Connecticut's environmental needs go beyond energy.

The scale of what Connecticut has set out to accomplish demands more than any single agency can deliver. The state's decarbonization goals are ambitious – even as federal policy is increasingly working against rather than alongside state efforts – while the challenges of

[8] https://glcf.climatepolicyinitiative.org/

affordability for energy and insurance present immediate hurdles that must be overcome. But the Green Bank's track record – over 12.5 million tons of carbon emissions avoided, more than $3.2 billion in total investment mobilized, programs reaching into vulnerable communities and reducing energy burden across the state – demonstrates what well-designed public-private partnerships can achieve. The pages that follow describe how we intend to build on that record: where we will invest, what we aim to accomplish, and how we will measure our success.

2.Our Strategy & Approach

2.1 Mission & Vision

The Connecticut Green Bank's vision is simple and intentionally ambitious: *a planet protected by the love of humanity.*

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

2.2 Formation & Governance

The Connecticut Green Bank is a quasi-public agency established on a bipartisan basis in 2011 through Public Act 11-80, and expanded in 2021 under Public Act 21-115 to include environmental infrastructure[9] alongside its original clean energy[10] mandate. As a quasi-public agency, the Green Bank operates with the flexibility of a private organization while remaining accountable to the public through statutory reporting requirements, independent audits, and full transparency of board meetings, materials, and financial information.

The powers of the Green Bank are vested in a Board of Directors comprised of twelve voting members and one non-voting member (the President of the Green Bank).[11] Members are appointed by the Governor, legislative leaders of both parties, and include ex officio representatives from the State Treasurer's office, the Department of Energy and Environmental Protection, the Department of Economic and Community Development, and the Office of Policy and Management. Appointed members bring expertise in finance, renewable energy,

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[9] Per CGS Section 16-245n: "environmental infrastructure" means structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to carbon offsets and ecosystem services.

[10] Per CGS Section 15-245n: "clean energy" means solar photovoltaic energy, solar thermal, geothermal energy, wind, ocean thermal energy, wave or tidal energy, fuel cells, landfill gas, hydropower that meets the low-impact standards of the Low-Impact Hydropower Institute, hydrogen production and hydrogen conversion technologies, low emission advanced biomass conversion technologies, alternative fuels, used for electricity generation including ethanol, biodiesel or other fuel produced in Connecticut and derived from agricultural produce, food waste or waste vegetable oil, provided the Commissioner of Energy and Environmental Protection determines that such fuels provide net reductions in GHG emissions and fossil fuel consumption, usable electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems, other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, or nuclear fission, financing of energy efficiency projects, projects that seek to deploy electric, electric hybrid, natural gas or alternative fuel vehicles and associated infrastructure, any related storage, distribution, manufacturing technologies or facilities and any Class I renewable energy source, as defined in CGS 16-1(a)(2).

[11] To access the bios of the members of the Board – click here

environmental organizations, residential and low-income advocacy, labor, and research and manufacturing. This bipartisan, cross-sector composition reflects the Green Bank's founding premise that confronting climate change is a shared responsibility that transcends political affiliation.

The Board operates through four committees: the Audit, Compliance, and Governance Committee;[12] the Budget, Operations, and Compensation Committee;[13] the Deployment Committee;[14] and the Joint Committee of the Energy Efficiency Board ("EEB") and the Green Bank.[15] The Joint Committee reflects the Green Bank's close coordination with the Energy Efficiency Board on ratepayer-funded programs and has adopted a shared principle statement:

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

In addition to the principle statement, the Joint Committee adopted the following goal to be included within the respective plans of the EEB and Green Bank:

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

All board and committee meetings, agendas, and materials are publicly available on the Green Bank's website.[16] Financial performance is reported annually through the Annual Comprehensive Financial Report (prepared in accordance with Governmental Accounting Standards Board requirements and audited by an independent accounting firm) and the Green Bank has received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for each of its twelve years of filing.[17] The Green Bank also voluntarily participates in Open Connecticut and Open Quasi, providing checkbook-level payroll and vendor payment data to the public, and is subject to periodic audits by the Auditors of Public Accounts.

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[12] To access publicly available materials for the ACG Committee – click here
[13] To access publicly available materials for the BOC Committee – click here
[14] To access publicly available materials for the Deployment Committee – click here
[15] To access publicly available materials for the Joint Committee – click here
[16] To access publicly available materials for the Board of Directors – click here
[17] To access publicly available materials for reporting – click here

2.3 Goals

The Green Bank has three primary goals that shape our work:

Leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.	**Strengthen Connecticut's communities,** especially vulnerable communities,[18] by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.	**Pursue investment strategies** that advance market transformation in green investing while supporting the organization's financial and sustainability goals.

2.4 How We're Engaging with the Market

Deploying capital is only part of what moves markets. The Green Bank also invests significantly in the relationships, partnerships, and community presence that connect our programs to the customers and communities they're designed to serve and that surface the feedback we need to design better programs over time.

The Green Bank is committed to community engagement as expressed through the following statement:

> *"The Green Bank builds trust and awareness within our community – especially amongst its most vulnerable members – through clear and transparent communication, education, and active listening, enabling us to understand and meet their needs. By strategically cultivating strong, collaborative, and reciprocal relationships with stakeholders, we empower them to achieve their energy, environmental and resiliency goals while advancing the mission of the Green Bank and realizing its vision of a planet protected by the love of humanity."*

Our engagement follows a deliberate progression: from informing stakeholders about what's available, to consulting with them on what's working, to involving them in program design, to

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

genuine collaboration and, ultimately, empowerment. In practice this means we don't treat outreach as marketing. It's how we learn where the barriers are, which customers aren't at the table, and where the Green Bank's presence can make a difference.

We organize our engagement around five channels: contractors, homeowners, buildings and businesses, communities, and environmental stakeholders. Each channel has a dedicated staff focus and a distinct set of partners from residential solar installers and commercial developers to municipalities, mission-aligned nonprofits, and environmental organizations working across our expanding environmental infrastructure mandate. Two partnerships illustrate how this works in practice.

Our strategic partnership with Sustainable CT, whose voluntary certification program covers 169 Connecticut municipalities, gives the Green Bank a structured entry point into towns that are already motivated to act on sustainability but often don't know what financing tools are available to them. A Green Bank fellow embedded at Sustainable CT has been developing workshops that connect municipal staff directly to programs like C-PACE and Solar MAP+, turning certification goals into actual project pipelines. This strategic partnership is focused on driving investment in projects in our communities, with a goal to accelerate over time; community-level engagement, from project origination through financing, that is inclusive, diverse, and "knitted"; creating a structure that harnesses all types of capital for impact from donations to investment; developing a business model that covers the cost of the program; and creating a measurable impact, both qualitative and quantitative.

Similarly, our engagement with Connecticut's Councils of Governments gives us coordinated access to regional networks of municipalities allowing us to brief multiple towns at once on the Fleet Electrification Accelerator, solar opportunities, or emerging resilience financing tools, and to centralize relationships that would otherwise require duplicative outreach across dozens of individual town halls.

A few principles guide how we work across all channels. We prioritize underserved markets focusing energy on vulnerable communities that have historically not benefited from the green economy, while maintaining market presence to serve all of Connecticut. We recognize the structural power imbalance that comes with being a statewide institution, and work to create relationships where stakeholders feel genuinely heard rather than managed. And we stay oriented toward the long term, maintaining contractor relationships through program transitions, keeping municipal partnerships warm between transactions, and building trust that pays off when the right project finally arrives.

3.Current Programs and Products

The following section describes the Green Bank's current programs, products, and financing tools. Together these represent the full scope of the Green Bank's active work: how we deploy capital, where we take risk, and which market gaps we've decided are ours to fill. Not every

program is at the same stage of development or strategic importance. Some are mature and operating largely as designed. Others are earlier stage, where the Green Bank is building markets, developing underwriting frameworks, and establishing the relationships that will determine whether the program scales.

Each entry is organized around three questions. *What it does* describes the program's core purpose and customer. *What's changed* describes the most significant shifts in the market, policy environment, or competitive landscape affecting the program right now. *Looking ahead* describes our response to those shifts including opportunities we're pursuing, decisions that are open, and developments we're monitoring. All of the Green Bank's Products – our specific financing or incentive programs and tools – can be categorized into one of our Solutions lines. Solutions are broad, audience-based categories that define *who we serve* and support our channel-based market engagement. Products are also categorized into Offerings – broad, technology or measure-based categories that illustrate *what we are supporting.*

It should be noted that the listing of programs below is alphabetical.

3.1 Capital Solutions

Solutions for: Homes, Commercial Buildings/Businesses, Communities, Investors

Offerings: All

What it does: Capital Solutions is the Green Bank's flexible, technology-agnostic investment vehicle – used to finance clean energy and environmental infrastructure projects that don't fit neatly into existing programs, require a first-mover to establish market viability, or need a capital structure that standard financing products can't provide. Projects are selected based on Green Bank essentiality, mission alignment, replicability, and financial return. The program operates through an open rolling RFP, receives a high volume of inbound interest, and maintains deliberately high standards for approval – most projects reviewed don't advance, by design. Where Capital Solutions succeeds, the goal is replication: the best transactions become the foundation for new programs, as has happened with Solar TPO ("Third Party Owner" financing) and funding to support the deployment of electric school buses.

Meeting our goals: Capital Solutions supports all three Green Bank goals.

What's changed: The loss of anticipated federal funding – particularly through the Greenhouse Gas Reduction Fund ("GGRF") and the State Energy Financing Institution ("SEFI") program – has been the most significant external shift for Capital Solutions in recent years. The program nonetheless continues to build new business model areas and close transactions – demonstrating that the underlying model is durable even in a more constrained capital environment. The program has received continued interest in Connecticut-based single projects (e.g. fuel cell, geothermal, organics), Third-Party Owned solar portfolios, and residential/commercial Battery Energy Storage System portfolios. In addition, there are a high

number of inquiries into the program for clean energy technologies which are often not yet at a stage of development which is ready for project finance capital.

Looking ahead:

- Bridge lending is an emerging opportunity the program is actively exploring, particularly for organizations that have received state or federal awards but need interim capital before permanent financing is in place.
- Strengthening partnerships with banks, CDFIs, and other capital providers would allow the program to route opportunities that don't meet Green Bank criteria to appropriate alternatives, extending market impact beyond the Green Bank's own balance sheet.
- Environmental infrastructure represents a growing pipeline of Capital Solutions projects, especially anchored in organic waste management solutions, starting with a clear thesis, recruiting projects around it, and learning through project execution to explore potential program development pathways.

3.2 Commercial Property Assessed Clean Energy ("C-PACE")

Solutions for: Businesses/Commercial Buildings, Contractors

Offerings: Energy Efficiency, Solar & Renewable, Resiliency & Adaptation

What it does: C-PACE allows commercial and multifamily property owners to finance clean energy and resilience improvements through a long-term benefit assessment, repaid up to 25 years. The Green Bank plays a dual role — as statewide program administrator setting guidelines for all C-PACE lenders operating in Connecticut, approving 3rd party lender projects, placing and assigning C-PACE benefits assessments, and billing and collecting on all assessments and as a direct capital provider focused on the small-to-mid-size retrofit projects. 142 of Connecticut's 169 municipalities have opted into the program. Solar has historically dominated the Green Bank's lending portfolio, but the program is at a meaningful inflection point on two fronts simultaneously: the solar economics that drove that dominance are shifting, and a significant new category of eligible improvements has opened up.

Meeting our goals: C-PACE contributes towards the Green Bank goal of market transformation and financial sustainability.

What's changed: The federal ITC phase-out is the most immediate pressure on the program as currently configured. Solar projects have dominated C-PACE volume because they generate energy savings that satisfy the program's Savings-to-Investment Ratio ("SIR") requirement – meaning the project must pay for itself in measurable savings over time. As solar economics tighten, fewer projects clear that bar. The alternatives the program wants to grow into – electrification, comprehensive retrofits, HVAC upgrades – face the same SIR constraint. Other C-PACE jurisdictions have restructured or removed SIR entirely for certain project types, and we are currently exploring whether and how Connecticut's program requirements, like SIR, could

be adjusted to better achieve our state's energy conservation, clean energy and resilience goals.

In FY26, the Board approved a lending policy authorizing the Green Bank to begin financing resilience improvements through C-PACE – a meaningful expansion of what the program can do. Critically, the SIR requirement does not apply to resilience projects; instead, a resilience study assessing expected cost savings over the useful life of the improvement is reviewed as part of underwriting. The Green Bank is actively developing the methodology for evaluating those savings, working with subject matter experts to build a rigorous framework for quantifying the value of climate adaptation measures including FORTIFIED roof designations and nature-based solutions such as green roofs, permeable pavement, and living shorelines. There is no established market norm for financing resilience improvements through assessed financing and the Green Bank's work here has the potential to set the standard for Connecticut and beyond.

The private C-PACE market has grown but with investment concentrated in projects with valuations at the high end. Third-party lenders focus almost exclusively on large new construction and gut rehabilitation projects above $5 million, and typically significantly above this level. The Green Bank's role in the smaller, more complex retrofit market remains distinctive and largely unchallenged due to the higher cost (as a percentage of financed amount) to bring these transactions through the C-PACE process.

Looking ahead:

- Resilience is the most important near-term growth opportunity. With board authority in place, the immediate work is recruiting resilience contractors and project developers, educating them about C-PACE as a financing tool, and closing early demonstration deals that establish market confidence. In the near future, this will prompt C-PACE to expand and change its name to C-PACER or Commercial Property Assessed Clean Energy and Resilience, to signal this important evolution to the market.
- The SIR question is an important near-term decision for the energy side of the program. Restructuring or removing it for electrification and HVAC project types could open up improvements that property owners want but may not currently qualify for with C-PACE, from a technical perspective.
- Multifamily remains a significant underserved segment for both energy and resilience measures — heat pump upgrades and building envelope improvements are areas of growing market demand and active EDC promotion where C-PACE could play a more prominent role.
- The program's long-term relevance depends on successfully broadening beyond solar. The resilience expansion is the clearest signal that transition is underway, but achieving significant impact requires building a contractor ecosystem in the resilience space that mirrors what took years to develop on the clean energy side.

3.3 Electric School Buses

Solutions for: Communities

Offerings: Clean Transportation

What it does: The Green Bank supports Connecticut school districts in transitioning to electric school buses through two complementary tracks. The Fleet Electrification Accelerator provides free planning and deployment assistance: vehicle and charger recommendations, on-site infrastructure assessments, procurement timelines, funding guidance, and workforce training support, culminating in a district-specific electrification roadmap. Via Capital Solutions, the Green Bank provides the financing to execute those plans, structuring debt facilities for buses, charging infrastructure, and electric infrastructure upgrades that districts and their transportation providers can't access through conventional lending. Together, the two tracks address the full barrier stack: most districts know they need to electrify but don't know where to start, and even those who do often can't secure financing structured around the realities of school bus fleet economics.

Meeting our goals: Electric School Buses contributes towards the Green Bank goals of driving market transformation and financial sustainability as well as supporting community and public health.

What's changed: This year, Public Act 26-63 establishes a clear requirement: by 2040, 90% of each school fleet must be electric. That statutory deadline, combined with the availability of EPA Clean School Bus grants, DEEP funding, and federal tax credits, has created a financing window that the Green Bank has moved quickly to support and scale.

In our first transaction, the Green Bank board approved a term loan of up to $11.3 million to support Zum Services in fully electrifying the Branford Public Schools fleet – 46 electric school buses and 49 vehicle-to-grid capable chargers, representing the first fully electric school bus fleet in Connecticut and the largest fully electric school district fleet with vehicle-to-grid ("V2G") capabilities in the Northeast. The deal layers Green Bank financing alongside EPA and DEEP grant funding, and is structured around the long-term transportation services contract between Zum and Branford Public Schools. Construction is running ahead of schedule, with charger installation completed in May 2026 and buses deploying at the start of the 2026-2027 school year. The 1.8 MW of V2G-capable charging capacity also positions this fleet as a grid resource, a feature that points toward the program's longer-term grid resilience and ratepayer benefit potential beyond simple fleet replacement.

Looking ahead:

- The Fleet Electrification Accelerator launched in June 2025 as a cohort model, working directly with districts to develop electrification plans that can anchor financing applications and federal grant submissions. The goal is to build a pipeline of deployment-ready districts, not just planning documents.

- In PA 26-63, the Connecticut legislature added a planning requirement for districts (2029 for Distressed Municipalities and 2035 for all districts), creating a requirement that the Accelerator is well-positioned to address.
- V2G integration is a longer-term opportunity to blend this investment with the value stream of Energy Storage Solutions ("ESS") (see below). Buses sit idle for roughly 16 hours a day and represent significant distributed storage capacity. As the Bidirectional EV Working Group develops the framework for integrating EVs into ESS, school bus fleets are a natural candidate for early participation.
- Federal grant uncertainty is the most immediate market friction. Federal funding for school bus electrification still exists, but the EPA has not released eligibility details for available programs, leaving districts and transportation providers hesitant to commit to financing arrangements when they may qualify for grants that could materially change their capital stack. The Green Bank is actively monitoring federal program developments and working to structure transactions that can accommodate grant funding if and when it becomes available.

3.4 Electric Vehicle Charging Carbon Credits

Solutions for: Investors, developers of EV Charging infrastructure

Offerings: Clean Transportation

What it does: The Green Bank aggregates EV charging activity from charging infrastructure owners, EV owners, managed charging providers, and other EV stakeholders and converts their emissions reductions into certified carbon offset credits, generating revenue for those stakeholders who would otherwise have no way to access voluntary carbon markets. The Green Bank developed a carbon offset methodology – VM0038,[19] now accredited under the Verified Carbon Standard administered by Verra – that allows the emissions reductions from EV charging activity to be quantified, third-party certified, and traded. Eligible participants include anyone who owns operational EV chargers installed after August 2016, globally. A typical level 2 charger generates approximately 1-2 carbon credits per year with the potential for up to 30 years of credit generation over the life of the project.

Meeting our goals: Electric Vehicle Charging Carbon Credits contributes towards the Green Bank goals of mobilizing private capital and driving market transformation and financial sustainability.

What's changed: The Green Bank led development of this methodology starting in 2016, working with a consortium of partners including utilities, charging network operators, and EV infrastructure providers. Credits for activity from 2016 through 2021 were certified, verified, and minted in fall 2022 and monetized in spring 2023 — a multi-year process that required building the methodology from scratch and navigating a voluntary carbon market that had no

[19] https://verra.org/methodologies/vm0038-methodology-for-electric-vehicle-charging-systems-v1-0/

established framework for this asset class. The Green Bank is now monetizing credits covering 2021 and 2022 activity.

Looking ahead:

- The present state of the carbon markets has forced the Green Bank to slow its cadence of issuance and to reevaluate the economics of this program going forward.

3.5 Energy Storage Solutions ("ESS")

Solutions for: Homes, Businesses/Commercial Buildings, Communities, Contractors

Offerings: Resiliency & Adaptation

What it does: Energy Storage Solutions is a 580 MW behind-the-meter battery storage incentive program co-administered by the Green Bank and Connecticut's electric distribution companies, established to help homes and businesses become more resilient against power outages while reducing peak demand for all ratepayers. The Green Bank is responsible for administering enrollment incentives, marketing the program, overseeing evaluation, measurement, and verification, and fostering the sustained development of a state-based storage industry. As of January 2026, the program has approved 1,252 residential systems totaling 14.3 MW and 69 non-residential systems totaling 140.4 MW —residential deployment is well below what the program was designed to achieve and commercial deployment, although demonstrating significant promise, is slower than anticipated due to interconnection issues.

Meeting our goals: ESS contributes towards the Green Bank goals of driving market transformation and financial sustainability as well as supporting communities.

What's changed: The residential and commercial storage markets have moved in opposite directions, and ESS is navigating both simultaneously. On the commercial side, market sophistication has increased – larger customers are better equipped to evaluate demand charge savings, tax optimization, and resilience ROI, and while interconnection remains a serious constraint, the commercial pipeline is very active. On the residential side, the fundamental economics remain difficult: a home battery system costs roughly $30,000, delivers its primary value through resilience rather than financial return, and competes for attention against solar – a simpler, faster sale that installers understandably prioritize. The comparison that matters is with whole-home generators, not solar, and on that basis, storage hasn't yet made a compelling enough case to most households.

This year the program underwent its most significant structural change since launch: moving from a combined upfront-plus-performance incentive model to a performance-only structure. The shift was driven by ratepayer protection concerns – too many installed residential systems were not actively responding to grid events, creating a situation where upfront incentives had been paid out for systems that weren't delivering the grid benefits the program was designed to produce. A performance-only structure ensures that incentive payments are tied directly to verified grid contribution, protecting ratepayers and refocusing the program on its core purpose,

although it does remove a significant 'carrot' for potential storage customers who are leery of the upfront cost of storage. Since the new structure launched, several aggregators have expressed interest in entering the Connecticut market, drawn by the opportunity to monetize grid services at scale in a program with clearer performance expectations.

Electric vehicles represent the next frontier for the program. As directed by PURA following its December 2025 decision, the Green Bank has convened a Bidirectional EV Working Group with Eversource, United Illuminating, state agencies, vehicle manufacturers, and virtual power plant operators to develop actionable recommendations for integrating bidirectional EVs into ESS. The working group is actively meeting, with sessions covering vehicle classification, technical integration requirements, metering and grid management systems, and the criteria for qualifying vehicles and equipment.

Interconnection remains a persistent constraint across both residential and commercial segments. Utility timelines exceed standards, upgrade costs arrive unexpectedly late in the development process, and the unpredictability is actively deterring developers – particularly on the commercial side, where projects that once seemed viable have stalled or withdrawn entirely. Working group processes and a 100-day regulatory sprint have not yet produced meaningful improvement on the ground.

Looking ahead:

- The clearest near-term opportunity is LMI and affordable multifamily – segments where storage enables resilience for vulnerable populations rather than optimizing returns for households that would act regardless.
- Third-party ownership for residential storage is beginning to develop in Connecticut. Enabling a TPO model – where customers can add storage for a monthly payment rather than a large upfront cost – is the single change most likely to move the residential market, and would mirror what made solar accessible to a much broader customer base.
- On the commercial side, the priority is addressing interconnection – both by pushing regulators for enforceable standards and by developing earlier screening tools that prevent developers from investing time and capital in projects that will fail interconnection later.
- The Bidirectional EV Working Group is actively developing the framework for integrating EVs into ESS — covering vehicle qualification, technical standards, and grid management requirements. The groundwork being laid now will determine how quickly Connecticut can activate EVs as a distributed grid resource once the regulatory pathway is established.

3.6 Green Liberty Notes & Bonds

Solutions for: Investors

Offerings: All

What it does: Green Liberty Bonds and Green Liberty Notes are the Green Bank's investment products – fixed income securities that allow everyday citizens, institutions, and foundations to invest directly in Connecticut's green economy. Inspired by the War Bonds of the 1940s, both products are designed with the following features: (1) retail accessible, including Notes are available in minimum denominations of $100 through an online crowdfunding platform, while Bonds are offered in $1,000 minimums through brokerage firms to retail and institutional investors; (2) all proceeds support projects aligned with climate mitigation or adaptation; and (3) Notes and Bonds are independently certified and verified as climate bonds or green bonds by a third-party certifier and verifier. The program serves two purposes simultaneously: it raises affordable capital for Green Bank programs at a time when public revenues are finite and federal funding is uncertain, and it deepens the Green Bank's relationship with the public by giving citizens a direct stake in the green economy transition.

Meeting our goals: Green Liberty Notes & Bonds contribute towards the Green Bank goals of mobilizing private capital and driving market transformation and financial sustainability.

What's changed: The Green Liberty Notes program has become one of the Green Bank's most consistent success stories. Fourteen consecutive quarterly issuances have sold out – a streak that reflects retail investor demand for mission-aligned fixed income products. The Board authorized an expanded program through FY 2029 with a total ceiling of $20 million, and increased the per-issuance maximum for the one-year notes from $350,000 to $500,000 following the success of an Earth Day special offering. The program also completed a competitive procurement process for its crowdfunding platform, selecting Honeycomb Credit – which had acquired the original platform partner, Raise Green – through a formal RFP to ensure the best long-term home for the program as it scales.

The most significant evolution underway is a shift from portfolio-backed issuances to supporting Green Bank-financed projects. Previous Notes offerings have been backed by pools of loans through the utility-administered Small Business Energy Advantage ("SBEA") program – an efficient structure but one with limited ability to highlight specific projects in communities. The Green Bank is now moving toward issuances tied to specific projects and project portfolios directly supported by the Green Bank, with the goal of connecting investors directly to the places and initiatives their capital is funding. The hypothesis is that people are more likely to invest – and more likely to remain engaged investors – when they can see exactly what their money is doing and when that project has roots in their own community.

On the Bonds side, three Green Liberty Bond issuances have been completed, supporting residential solar PV. The Green Liberty Bonds represent the primary way the Green Bank has utilized its $500MM allocation of funds from the State's Special Capital Reserve Fund ("SCRF"). With SCRF support, the Green Bank can issue bonds on the municipal bond market at the State's credit rating (currently Aa2 and AA- from Fitch and S&P), and the 2025 Green Liberty Bonds priced within 15bps of the State's General Obligation Bonds that were in the market less than a month before. The Green Bank's statutory authority allows bonds with maturities of up to 25 years for clean energy and 50 years for environmental infrastructure – a structural

advantage for financing long-lived assets like land conservation or resilience projects. The program has received national recognition, winning awards from Environmental Finance, The Bond Buyer, and the Clean Energy States Alliance for its innovative structure.

Looking ahead:

- Quarterly Notes issuances supporting the SBEA program continue through FY 2029 under the expanded authorization, with Honeycomb Credit as the platform. The fourteen consecutive sell-outs suggest the program has a loyal and growing investor base – the priority is maintaining that momentum and continuing to attract new investors with each offering.
- Additional crowdfunding issuances supported by Green Bank investments that provide more visible benefits to the communities where they are located, will allow for deeper community engagement. Additional innovations, including an option for investors to share their investment return to expand the impact of their investment or the inclusion of foundations in offerings via PRIs or MRIs, offer opportunities for the program to grow.
- Though no additional SCRF supported Green Liberty Bond issuances are contemplated at this time, they represent the largest and cheapest way for the Green Bank to raise funds and can be utilized to provide liquidity when needed or to fund a capital-intensive opportunity.
- The community engagement hypothesis will be tested through early issuances: do project-specific offerings attract higher participation from local investors? Do they sell out faster? Do they generate repeat investors at higher rates? Tracking these signals carefully will inform how the program scales.

3.7 Loans Improving Multifamily Efficiency ("LIME")

Solutions for: Multifamily Properties

Offerings: Energy Efficiency, Renewable Energy

What it does: LIME is a concessional debt facility provided by the Green Bank to Capital for Change ("C4C"), a Connecticut-based CDFI, enabling C4C to offer low-interest loans for energy efficiency and renewable energy improvements to small and mid-size multifamily properties. The Green Bank provides the backstop capital; C4C handles origination, underwriting, and customer relationships. The program targets a segment that is difficult to serve – smaller multifamily buildings that fall outside the reach of subsidized housing programs and don't pencil for conventional lenders – and where the Green Bank's concessionary rate is one of the few sources of affordable capital available in the market.

Meeting our goals: LIME contributes towards the Green Bank goals of driving market transformation and financial sustainability as well as supporting communities, especially vulnerable communities.

What's changed: The program has been largely dormant in recent years. C4C found the original facility terms too restrictive to deploy capital at scale, with debt service coverage and energy savings requirements that eliminated too many viable projects. The Green Bank and C4C have worked to restructure the facility terms to better match the realities of this market, with the goal of enabling C4C to originate loans it was previously funding outside of LIME using other, less scalable capital sources. This restructuring is the most significant development for the program and will determine whether it can move from a theoretical backstop to an active deployment vehicle.

The broader multifamily efficiency market remains structurally challenging. Subsidized affordable housing properties typically fund capital improvements through structured public finance mechanisms and on a fixed cycle – meaning most owners will wait for the right financing window regardless of what's available. The 2-to-4 unit multifamily segment may represent a more accessible near-term opportunity, as these properties face fewer structural constraints and are underserved by both conventional and subsidized capital.

Looking ahead:

- The immediate focus is testing the restructured facility terms with C4C and assessing whether the modifications produce meaningful new loan volume. The Green Bank's role here is deliberately limited - when projects are identified organically and referred to C4C, there is high confidence they will be executed well.
- Solar MAP+ relationships with affordable multifamily property owners represent a potential warm referral channel for LIME - properties that have gone solar may be natural candidates for follow-on efficiency financing, though the financial complexity of these properties makes conversion challenging.

3.8 Organic Waste

Solutions for: Businesses

Offerings: Waste & Recycling

What it does: The Green Bank finances organic waste management solutions that prevent, rescue, and recycle food and other sources of organic waste to reduce methane emissions from landfills, build in-state processing capacity, create circular products that displace carbon-intensive alternatives, alongside other environmental benefits. Connecticut generates over 500,000 tons of food waste annually, with industrial, commercial, and institutional sources accounting for the majority. State law mandates diversion of organic waste for large generators, but in-state processing infrastructure has lagged – a gap widened by the 2022 closure of the Hartford-based MIRA facility, which eliminated nearly a third of the state's municipal solid waste processing capacity. Via Capital Solutions, the Green Bank's role is to finance the infrastructure and operators that close this gap, starting with projects that are commercially viable and highly impactful or replicable, while also realizing one-off opportunities should they present themselves. This is a new market area for the Green Bank still in development.

Meeting our goals: Organic Waste contributes towards the Green Bank goal of driving market transformation and financial sustainability.

What's changed: Three forces are converging to make this market more urgent and more actionable. First, the 2022 closure of the MIRA facility eliminated nearly a third of Connecticut's municipal solid waste processing capacity, increasing tipping fees statewide and making organic diversion – which can deliver effective management at costs of $20 to $100 per ton less than conventional disposal – more financially attractive to generators. Second, Commercial Organics Recycling Law ("CORL") has expanded successively, greatly increasing the number and type of entities subject to its conditions, including new reporting requirements that aim to create accountability. Third, the Green Bank has been quietly building a track record in this sector, initially as implementor of Section 103 of Public Act 11-80, through which the Green Bank financed the state's first two anaerobic digestors, Quantum Biopower and Ag-Grid Fort Hill Farms, under a pilot program created to pair organic waste with on-site anaerobic digestion and clean energy production facilities. The Green Bank has also now closed its first environmental infrastructure-exclusive Capital Solutions transactions, a $1.3 million loan to Bright Feeds at their Berlin food waste to animal feed facility for an emissions-compliant thermal oxidizer, and a $5.05 million loan to Circular Services at the Quantum Biopower Southington facility for a set of projects that support operational improvements and a planned processing expansion from 40,000 to 110,000 tons per year.

Looking ahead:

- The Bright Feeds and Circular Services transactions represent an initial pipeline where the Green Bank is establishing the relationships, underwriting experience, and market credibility needed to attract additional organic waste projects.
- State policy is a meaningful tailwind. CORL creates compliance-driven demand for processing infrastructure, and potential future enforcement would greatly increase solution adoption.
- The 2016 Comprehensive Materials Management Strategy targets diversion of 300,000 tons of organic waste annually — a goal the state remains far from achieving.
- Moving from one deal to a sustained program requires deliberate origination work and a replicable underwriting framework. Building that foundation is the work of the coming fiscal year as described in Future Considerations.

3.9 Solar Marketplace Assistance Program Plus ("Solar MAP+")

Solutions for: Multifamily Properties, Communities, Municipalities, State Agencies

Offerings: Solar & Storage

What it does: Solar MAP+ provides end-to-end project development support and financing for municipalities, state agencies, schools, and affordable multifamily housing owners deploying solar and storage on their properties. These are customers the private solar market has largely bypassed — smaller towns without dedicated staff, affordable housing properties with complex

ownership and financing structures, nonprofits without development capacity. The program bundles projects into portfolios to achieve economies of scale, administers competitive contractor procurement, and pairs development support with Green Bank financing through the Solar PPA, lease, and loan products. It operates explicitly as a first mover in underserved market segments, doing the patient work of customer education, contractor relationship-building, and iterating on development processes that often have to be invented from scratch.

Meeting our goals: Solar MAP+ contributes towards the Green Bank goals of driving market transformation and financial sustainability as well as supporting communities.

What's changed: Three forces have reshaped the MAP+ market simultaneously. Regulatory changes moved affordable multifamily housing from commercial to residential tariff treatment, raised incentive levels, and extended eligibility to cover tenant load — opening a segment that previously didn't pencil for most developers. The federal ITC phase-out has created both urgency and a meaningful test of the program's agility: facing hard construction deadlines, the Green Bank made a strategic decision to safe harbor a large portfolio of solar modules ahead of the December 2025 phase out, deploying capital earlier than typical to protect project economics for properties already in the pipeline, with a second push underway for projects before the July 2026 cutoff. And interconnection has become the most serious structural constraint across all segments — requirements that are contradictory, inconsistently applied, and slow are affecting roughly half the affordable multifamily portfolio and causing municipal projects to stall. This is increasingly a statewide problem for solar development, and the Green Bank is actively engaged in regulatory working groups, though results have not yet materialized.

Battery storage is the clearest emerging capability gap. Storage is what the successor incentive program will require, what vulnerable residents need for resilience, and what customers are increasingly asking for — but the program doesn't yet have the pricing models, operational platform, or contractor capacity to deliver it at scale. Six current projects include storage components and will serve as early demonstrations.

Looking ahead:

- The immediate priority is executing the current pipeline before ITC and NRES deadlines close, while building the contractor and financing capacity needed for the post-2027 successor incentive program, which will change export compensation and shift economics across this entire market in ways that make the current development process insufficient.
- Building storage delivery capability — technical assistance tools, financing modeling platforms, system design evaluation, and contractor relationships — is the most important medium-term investment the program can make. The successor program will likely require solar-plus-storage as a condition of incentive eligibility, making this a prerequisite for MAP's continued relevance.

3.10 Solar Power Purchase Agreement (PPA"), Lease & Loan

Solutions for: Homes, Communities, Businesses/Commercial Buildings

Offerings: Solar & Storage

What it does: The Green Bank's Solar PPA, Solar Roof Lease, and Solar Loan are third-party ownership and financing structures that allow commercial property owners, nonprofits, municipalities, schools, and affordable multifamily properties to go solar with no upfront cost and immediate savings. Under a PPA, the property owner purchases the electricity the system generates at a discounted rate; under a Roof Lease, the Green Bank installs and owns the system and either pays the property owner a fixed annual lease payment or shares a percentage of the revenue from the sale of electricity in return for use of the roof; under a Solar Loan, the property owner takes ownership of the system through Green Bank financing. Together these products cover the full range of ownership preferences and credit profiles – the Lease in particular serves building owners who are credit-challenged, cannot monetize tax credits, or simply want the simplest possible path to solar without underwriting or debt. As of January 2026, 193 property owners have received $103.4 million in Solar PPA and Lease financing for 43.1 MW of solar projects.

Meeting our goals: Solar PPA, Lease & Loan contributes towards the Green Bank goal of driving market transformation and financial sustainability.

What's changed: The ITC phase-out has been the most significant force reshaping these products. The Green Bank moved quickly to safe harbor solar equipment ahead of the December 2025 ITC deadline, preserving project economics for a pipeline of properties already in development.

Battery storage is being actively integrated into the Solar PPA product. Six current projects include storage components, making them solar-plus-storage PPAs – a more complex product to structure and manage but increasingly what the market and successor incentive programs require. The Green Bank is building the operational capability to own and manage battery systems alongside solar assets over a long project lifecycle.

To support the program's growth and manage the increasing complexity of developing and owning a larger portfolio of solar and storage assets, the Board approved the formation of two new subsidiary entities in March 2026 – a Development Entity and an Ownership Entity – designed to better align legal structure with project lifecycle stage and risk profile. This separation of development-stage activities from long-term ownership and operations provides cleaner risk segregation as the portfolio scales and third-party capital becomes more involved in financing individual transactions.

Looking ahead:

- Executing the safe-harbored pipeline before ITC and NRES deadlines close is the immediate operational priority – construction timelines are tight and interconnection remains a constraint.
- The new subsidiary structure opens the door to bringing in third-party capital earlier in the project lifecycle, either through debt or equity participation. This has the potential to extend the Green Bank's capital further across more projects.

3.11 Small Business Energy Advantage ("SBEA")

Solutions for: Communities, Businesses

Offerings: Energy Efficiency

What it does: SBEA is Eversource's on-bill energy efficiency financing program for small and medium-sized businesses, municipalities, and Connecticut state agencies – providing 0% financing for up to $100,000 per site for businesses, and up to $5 million for municipalities and state facilities. The program offers a no-cost energy assessment that identifies efficiency opportunities and then provides seamless access to financing and installation through a single coordinated process. The Green Bank's role is as a capital provider in the background of that customer experience: Eversource originates and administers the loans, and the Green Bank and Amalgamated Bank purchase tranches of those loans on a quarterly basis at a discounted rate, which brings the customer-facing rate to 0% and ensures the program has a continuous flow of affordable capital. The Green Bank contributes 20% of the capital for each purchase, with Amalgamated providing the remaining 80%, and loan losses are backstopped by the Connecticut Energy Efficiency Fund. As of January 2026, 8,121 property owners have received $130.8 million in SBEA financing – surpassing $100 million in cumulative loan purchases in 2024, a milestone the Green Bank and Amalgamated celebrated publicly.

Meeting our goals: SBEA contributes towards the Green Bank goals of mobilizing private capital, driving market transformation and financial sustainability.

What's changed: The program's capital structure has proven durable and efficient over six years of operation. The Green Bank's subordinated position in the capital stack – providing credit enhancement that allows Amalgamated to deploy capital at a discounted rate – has worked largely as designed, with loan losses covered by the Energy Efficiency Fund and no significant restructuring required. The connection to Green Liberty Notes, where retail investors' capital flows into the Green Bank and ultimately supports SBEA loans, adds a community engagement dimension to what is otherwise an institutional financing arrangement – and earned the Notes program a 2024 State Leadership in Clean Energy Award from CESA in part because of this connection.

The program's primary constraint is its administrative structure rather than its capital availability. Because Eversource originates, administers, and services the loans, the Green Bank has limited visibility into and control over program operations – there are no ongoing financial reporting or covenant requirements on the SBEA loans, and the Green Bank's involvement is

largely limited to the quarterly loan purchase process. Volume is therefore a function of Eversource's program administration, marketing, and customer outreach rather than anything the Green Bank can directly influence.

Looking ahead:

- SBEA is a mature, well-functioning program where the capital structure works and the customer experience is owned by Eversource. The priority is maintaining the loan purchase facility and ensuring the Green Bank's capital continues to flow reliably into the program.
- SBEA has historically been the use of proceeds for Green Liberty Notes offerings, and the retail investor community that has formed around fourteen consecutive sold-out issuances has a demonstrated appetite for this kind of mission-aligned, efficiency-focused deployment.

3.12 Smart-E Loan

Solutions for: Homes**,** Contractors

Offerings: Energy Efficiency, Resiliency & Adaptation, Solar & Renewables

What it does: The Smart-E Loan is the Green Bank's consumer financing product for homeowners – a partnership with local community banks and credit unions that provides affordable, longer-term loans for a wide range of home improvements: heat pumps, weatherization, solar, battery storage, EV charging, and increasingly climate adaptation and resilience measures like flood mitigation, water quality, and septic repair. The Green Bank provides credit enhancements to participating lenders in the form of a loan loss reserve and customer incentives using interest rate buydowns – currently funded through utility resources – allowing financial institutions to offer terms unavailable in the conventional lending market. As of January 2026, more than 10,194 families have received Smart-E Loans totaling $215.7 million in total investment.

Meeting our goals: Smart-E contributes towards all three Green Bank goals.

What's changed. The consumer financing landscape has shifted significantly since Smart-E launched thirteen years ago. Fintech lenders have entered the market offering approvals in less than fifteen minutes with no contractor involvement – a customer experience that community banks and credit unions simply can't match under the current Smart-E process, which asks contractors to carry significant administrative burden. Manufacturers have also moved into financing, with vertical integration between product sales and embedded financing becoming more common, particularly in HVAC. Meanwhile, private equity has been acquiring smaller Connecticut contractors, raising concerns about whether the local, relationship-based contractor ecosystem the program depends on will remain intact over time.

On the lending side, the picture is mixed. Some existing lenders have become more conservative – less willing to extend maximum loan amounts that would cover increased

equipment costs, or to serve borrowers with lower credit scores or higher debt-to-income ratios. At the same time two new lenders joined the program in the past year, the first additions in eight years, and the linked deposit pilot has been expanded to $6 million following strong performance at Mutual Security Credit Union. The program's 25-30% application rejection rate reflects real tension: Smart-E is reaching borrowers who need support, but is also declining a significant share of applicants, many of whom likely have limited alternatives.

The program's scope has expanded meaningfully. Climate adaptation and resilience measures (flood mitigation, water, septic, wells) became eligible in 2024, and we continue to examine measures that serve the Connecticut homeowner and are within our legislative scope.

Looking ahead:

- The most fundamental question the program is grappling with is what it exists to do. Smart-E currently serves a broad range of homeowners across income levels – but if the private market can adequately serve higher-income borrowers, the Green Bank's distinctive value is concentrated at the LMI end of the market, where the program today does relatively few loans. How to sharpen the program's focus toward households where access to affordable capital is the barrier (rather than preference) is the most important strategic question ahead.
- Process improvement is the other pressing priority. The current model asks too much of contractors and relies on manual, high-touch administration. Streamlining the contractor experience and reducing the administrative burden of loan origination is essential for the program to grow — and is being actively worked on.
- Resilience measures are a meaningful expansion of scope but haven't yet generated significant loan volume. Consumer and contractor education around these new eligible measures, particularly flood mitigation and water quality, is still early stage and needs deliberate investment to translate eligibility into actual projects.

4. Future Considerations

The Green Bank operates in markets that are constantly shifting: new technologies emerge, policy changes open or close financing opportunities, and the private market moves into spaces it once ignored. Each year, Green Bank staff evaluate a range of potential opportunities based on scale and impact. We ask four questions: Is there a real market opportunity of meaningful scale? Is the opportunity aligned with the Green Bank's mission and financing tools? Is there state policy driving the market? Is there a gap in private capital or other barriers that the Green Bank is positioned to fill or address?

Based on that evaluation, each idea is sorted into one of four categories:

1. **Advance – Funding**: Opportunities that have been approved to begin funding/advance to Board request.

2. **Advance – Market Development**: Opportunities that staff have been approved to initiate activities to develop the market such as policy advocacy or stakeholder convening.
3. **Watchlist**: Opportunities that show potential but not ready to advance today.
4. **Not Pursuing**: Opportunities that were examined and deprioritized due to limited alignment with the Green Bank's mission, adequate private market coverage, or insufficient policy foundation to make financing viable.

The Green Bank each year sets aside a budget allocation for Research and Development, which can provide support to advance these future considerations, alongside other areas of focus (e.g., community engagement, resilience, artificial intelligence, renters).

4.1 Projects Recommended for Advance - Funding

4.1.1 Small Multifamily Energy Efficiency, Generation & Storage

Connecticut has approximately 240,000 housing units in two-to-four unit properties – a segment that consistently falls between program silos. Investor-owned small multifamily properties face the split incentive problem, limited debt capacity and smaller deal sizes that make them unattractive to conventional lenders, leaving a large stock of older, energy-inefficient housing that viable financing products haven't reached. The Green Bank currently serves owner-occupied small multifamily properties (i.e., <5 units) through the Smart-E Loan, but the gap is non-owner-occupied properties. In March 2026, the Board approved expanding the LIME facility with Capital for Change to include small multifamily for the first time. The Green Bank intends to let C4C work the new market, monitor whether the expanded LIME product gains traction, and remain open to a more active role – whether through marketing support, product development, or a new financing structure – if the evidence suggests the Green Bank's involvement would be catalytic.

Meeting our goals: Addressing small multifamily energy efficiency, generation & storage would contribute towards the Green Bank goals of driving market transformation and financial sustainability.

What success looks like this fiscal year:

- The expanded LIME facility closes andC4C begins active origination in the small multifamily segment. The Green Bank tracks loan volume, borrower profile, and deal characteristics.
- By the end of the fiscal year, the Green Bank has a clear point of view on whether C4C is gaining traction independently, where the remaining barriers are, and whether a more active Green Bank role is warranted. If traction is limited, the Green Bank has identified the one or two changes most likely to move the market and has a recommendation for next steps.

4.1.2 Organics Recycling

The Bright Feeds and Circular Services transactions have helped build the Green Bank's credibility in organic waste markets. Industrial, commercial, and institutional entities generate an estimated 232,618 tons of food waste annually, yet only approximately 8% of that volume is currently diverted to organic waste recycling facilities despite the Commercial Organic Recycling Law mandate that applies to thousands of these waste generators. At an estimated $16 per ton of CO2e avoided — roughly sixteen times more cost-effective than the Green Bank's historical average across its clean energy portfolio — this is among the most cost-effective climate investments available. Financing remains a critical barrier to solution adoption, especially for on-site organic waste processing, diversion equipment, and other distributed solutions. Upfront capital costs for source separation equipment can run $50,000 to $250,000, depending on the type and size of each entity and their waste generation.

Meeting our goals: Addressing Organics Recycling would contribute towards the Green Bank goals of driving market transformation and financial sustainability as well as supporting communities.

What success looks like this fiscal year:

- The Green Bank has a clearer view of where along the organic waste value chain (prevention, rescue, processing, or circular products) its capital is most essential and most replicable.

4.2 Projects Recommended for Advance – Market Development

4.2.1 Municipal Resilience

Public Act 25-33 created Resiliency Improvement Districts ("RIDs") as a new financing tool for Connecticut municipalities. Per CGS 16-244aa, "resilience" means the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents or naturally occurring threats or incidents, including, but not limited to, threats or incidents associated with the impacts of climate change. It also establishes RIDs as one mechanism through which municipalities can create dedicated funding streams for resilience infrastructure, repaid through tax increment financing and other revenue mechanisms. The Green Bank may potentially support both technical assistance and direct financing, but significant market development work is needed before that role can be defined with confidence.

Since August 2025, the Green Bank has convened a monthly internal Resiliency Advisory Committee to build organizational capacity around municipal resilience financing. The committee has focused on TIF structures, nature-based solutions financing, legal interpretation of the statute (e.g., "increased savings"), and the pipeline of municipal projects emerging from Connecticut's existing resilience planning infrastructure. That internal work is running in parallel with two external workstreams: a legal and financial assessment of RID readiness and structuring, and the launch of a pilot cohort with Resilient Communities Catalyst ("RCC") in

which the Green Bank is supporting the Towns of Groton and Bridgeport through the municipal resilience planning process, from climate risk assessment through district design, value proposition analysis, and governance structuring.

Meeting our goals: Addressing municipal resilience would contribute towards all three Green Bank goals.

What success looks like this fiscal year:

- The RCC pilot cohort with Groton and Bridgeport progresses through orientation, climate risk and district design, value proposition and structuring, and governance and legal analysis, producing roadmaps for RID formation where appropriate.
- Legal consultation determines the extent of statute for "increased savings" and identifies other potential revenue sources (i.e. stormwater utility fees, parking fees, clean energy incentives) and the structures most appropriate to capture them.
- By end of FY27, the Green Bank has a clear point of view on whether to advance a technical assistance program for municipal resilience projects and what financing products are appropriate for deployment.

4.3 Watchlist

Additionally, Green Bank staff examined other opportunity areas and identified the following as having viability, although not presently ready for advancement:

- **Front-of-the-Meter Generation & Storage:** There is a financing gap for larger systems but an unclear regulatory pathway.
- **Energy Efficiency in State Buildings:** DAS is statutorily required to reduce energy consumption in state buildings – this is particularly challenging for leased office space but may be appropriate for a targeted C-PACE campaign.
- **Supporting State Fleet Vehicle Electrification:** DAS is statutorily required to electrify the state-owned fleet – this is particularly challenging for vehicles garaged at leased office space where there are equipment ownership questions.
- **Public EV Charging Stations:** There is a financing gap for community-based charging at municipal lots and multifamily sites, but charger revenue is too unpredictable in early project years to support a lending program.
- **Virtual Power Plants:** Connecticut is well-positioned for VPP development through ESS, but aggregation rules, compensation structures, and ISO-NE market access are still being established.
- **Geothermal for Buildings & Networks:** Thermal energy networks present an interesting opportunity, but have long pre-development timelines and currently undefined ownership structure. Green Bank is exploring issuance of bridge loans for projects in construction.

- **Solutions for Renters:** There is a persistent gap in delivering clean energy and energy efficiency solutions to renters – an area of continued investigation for both Green Bank and the State.
- **Hospital ESCOs:** Green Bank capital could support energy service agreements with Connecticut Hospital Association members.

As noted above, the Green Bank each year sets aside a budget allocation for Research and Development, which can provide support to advance these future considerations, alongside other areas of focus (e.g., community engagement, resilience, artificial intelligence, renters).

5. Resourcing the Strategy

To achieve the goals and targets set forth in this comprehensive plan, the Green Bank draws on what is now an established organization and our partners. This section describes the present organizational structure and the budgets made to support progress toward these goals.

5.1 Organizational Structure

The organization is structured around three business units: Incentive Programs, which administers programs on behalf of the state where the Green Bank has been designated as program administrator; Financing Programs, the Green Bank's core lending and investment activity; and Environmental Infrastructure Programs, which deploys the Green Bank's financing tools into the broader environmental infrastructure mandate established by PA 21-115. These business units are supported by dedicated teams in investments, finance and reporting, legal, marketing, operations, and innovation.

The Green Bank will undertake a review of its organizational structure in FY27 to ensure it is well-positioned to execute this strategy. The FY27 budget, which resources the programs and priorities described in this plan, is available separately.

5.2 Targets

The Green Bank annually sets targets for our programs and the organization in terms of number of projects closed, capital deployed in CT's Green Economy, capacity installed, and Green Bank capital committed.

The targets for FY27 include:

Product	Number of Projects	Total Capital Deployed	CGB Capital Committed	Capacity Installed
CPACE	28	$ 32,500,000	$ 12,500,000	0.0
Marketplace Assistance Program	13	$ 22,100,000	$ 20,600,000	5.9
Roof Lease/PPA	10	16,100,000	$ 16,100,000	4.2
Smart-E	686	15,037,012		0.4
SBEA	400	$ 15,200,000	$ 3,040,000	
Financing Programs Total	**1,137**	**$ 100,937,012**	**52,240,000**	**10.5**

Product	Number of Projects	Total Capital Deployed	CGB Capital Committed	Capacity Installed
ESS (Residential)	600	18,000,000	4,800,000	7
ESS (C&I)	5	$ 15,000,000	$ 2,500,000	9.4
Incentive Programs Total	**605**	**$ 33,000,000**	**$ 7,300,000**	**16.5**

Product	Number of Projects	Total Capital Deployed	CGB Capital Committed	Capacity Installed
Capital Solutions	2	10,000,000	3,800,000	
Environmental Infrastructure Total	**2**	**10,000,000**	**3,800,000**	**0.0**

Product	Number of Projects	Total Capital Deployed	CGB Capital Committed	Capacity Installed
3rd Part PPA Debt	23	$ 16,447,596	$ 9,773,798	4.4
Fleet Electrification Accelerator	6			
Capital Solutions (Transportation)	1	$ 1,800,000	$ 1,800,000	
Capital Solutions (Clean Energy DER)	6	$ 23,018,121	$ 9,697,249	1.5
Capital Solutions (EI)	2	$ 10,000,000	$ 3,800,000	
Total Investments	**38**	**$ 51,265,717**	**$ 25,071,047**	**5.9**

Business Segment	Number of Projects	Total Capital Deployed	CGB Capital Committed	Capacity Installed
Financing Programs Total	**1,137**	**$ 100,937,012**	**$ 52,240,000**	**10.5**
Incentive Programs Total	**605**	**$ 33,000,000**	**$ 7,300,000**	**16.5**
Environmental Infrastructure Total	**2**	**$ 10,000,000**	**$ 3,800,000**	**0.0**
Total Investments	**38**	**$ 51,265,717**	**$ 25,071,047**	**5.9**
Green Bank Total	**1,780**	**$185,202,729.00**	**$84,611,047.00**	**18.5**

5.3 Resources

The budget for FY 2027, click here.

6. Demonstrating Our Impact

Since the inception of the Green Bank in July of 2011, we have invested $542 million to mobilize more than $3.28 billion of investment into the green economy of Connecticut, while reducing energy costs over 80,000 Connecticut families and businesses. This investment has created more than 31,500 jobs, generated almost $170 million in tax revenue, avoided emissions equivalent to removing 2.5 million cars from the road, improved public health equivalent to reducing healthcare costs by over $230 million as a result of cleaner air, and over 50% of investment being directed to vulnerable communities.

Core to the Green Bank's ethos is transparency – about what we do, what it costs, and what it delivers. Measuring and reporting our impact is not an afterthought; it is how we earn continued public trust and make the case that green finance works.

6.1 Defining Impact

6.1.1 Evaluation Framework

The Green Bank has established an Evaluation Framework to guide the assessment, monitoring and reporting of the program impacts and processes, including, but not limited to energy savings and clean energy production and the resulting societal impacts or benefits arising from clean energy investment.[20] This framework focuses primarily on assessing the market transformation the Green Bank is enabling, including:

- **Supply of Capital** – including affordable interest rates, longer term maturity options, improved underwriting standards, etc.
- **Consumer Demand** – increasing the number of projects, increasing the comprehensiveness of projects, etc.
- **Financing Performance Data and Risk Profile** – making data publicly available to reduce perceived technology risks by current or potential private investors.
- **Societal Impact** – the benefits society receives from more investment in and deployment of clean energy.

With the goal of pursuing investment strategies that advance market transformation in green investing, the Green Bank's evaluation framework provides the foundation for determining the impact it is supporting in Connecticut and beyond across the four (4) "E's" (i.e., E4) – including Economy, Environment, Energy, and Equity.

[20] https://www.ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Evaluation-Framework-July-2016.pdf

6.1.2 Impact Methodologies

To support the implementation of the Evaluation Framework, the Green Bank, working with various public sector organizations, has developed methodologies that estimate the impact from the investment, installation and operation of clean energy projects, including:

- Economic development, including job creation[21] and tax revenue generation[22]
- Air quality improvement[23]
- Public health improvement[24]
- Equity[25]
- Energy burden[26]

The Green Bank regularly reviews existing and develops additional methodologies that value the impact the Green Bank is helping to create in Connecticut and all of society. For more information on the Green Bank's impact methodologies, visit the Evaluation page of the website.

In time, additional impact methodologies will be developed for environmental infrastructure.

6.1.3 Green Bond Framework

The Green Bank's Green Bond Framework provides a structure in which the Green Bank can more efficiently and effectively support its efforts to raise capital and deploy more clean energy and environmental infrastructure through the issuance of green bonds.

Connecticut has been at the forefront of state-level efforts to combat the threat of global climate change. In order to increase investment, the Green Bank will use its statutory authority (i.e., CGS 16-245kk) to issue bonds, including green bonds. These are key to sourcing capital for clean energy and environmental infrastructure projects and providing a way for all residents, businesses, and institutions of Connecticut to invest in growing our green economy.

The framework sets out how the Green Bank could use a Master Trust Indenture ("MTI") structure in a manner consistent with its purpose and provide the transparency and disclosures investors require to make investment decisions through green bonds. This framework is specifically intended for the MTI approved and adopted April 22, 2020, which establishes the purposes for which the Green Bank may issue green bonds or other public debt. The Framework is established in accordance with the Climate Bonds Initiative ("CBI") Standard and adheres to the Green Bond Principles issued by the International Capital Market Association.

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[21] https://www.ctgreenbank.com/wp-content/uploads/2026/02/Eval-Framework-062725.indd_.pdf
[22] https://www.ctgreenbank.com/wp-content/uploads/2018/09/CGB-Eval-Tax-Methodology-7-24-18.pdf
[23] https://www.ctgreenbank.com/wp-content/uploads/2017/05/CGB-Environmental-Impact-051617.pdf
[24] https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB-Eval-PUBLICHEALTH-1-25-18-new.pdf
[25] https://www.ctgreenbank.com/wp-content/uploads/2026/02/Eval-Framework-Invest-in-Vulnerable-Communities.pdf
[26] https://www.ctgreenbank.com/wp-content/uploads/2026/02/CGB-Eval-Energy-Burden-Reduction-for-Solar-Customers-1.pdf

The Green Bond Framework will have to be revised, over time, to include environmental infrastructure.

6.2 Reporting & Transparency

The Green Bank has extensive reporting on its financial management and societal impact through various mechanisms, all designed to ensure that anyone – a board member, a legislator, or a Connecticut resident – can follow what we do with public resources.

As a recipient of public revenues (i.e., CEF and RGGI allowance proceeds), the Green Bank believes that complete transparency is important to ensure the public's continued trust in serving its purpose. The Green Bank reports to the Governor's Office (i.e., Office of Policy and Management ("OPM")), various committees of cognizance within the CGA (i.e., energy & technology, commerce, environment, and banking), and other departments (e.g., DEEP, Office of Fiscal Analysis).

6.2.1 Annual Comprehensive Financial Report

Our Annual Comprehensive Financial Report ("ACFR") is the cornerstone of our financial reporting. Prepared in accordance with Governmental Accounting Standards Board requirements and independently audited each year, we have filed thirteen ACFRs since our founding — earning a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association each year, a streak that reflects the consistency and quality of our financial management.

Current and previous ACFR's are available on our website.[27]

6.2.2 Annual Report

Beyond the ACFR, the annual reports of the Green Bank are compiled by the marketing staff and include consolidated financial statement information and narratives of various program achievements in a condensed format that can be widely distributed.

Current and previous annual reports are available on our website.[28]

6.2.3 Auditors of Public Accounts

The office of the Auditors of Public Accounts ("APA") is a legislative agency of the State of Connecticut whose primary mission is to conduct audits of all state agencies, including quasi-public agencies. Included in such audits is an annual Statewide Single Audit of the State of Connecticut to meet federal requirements. The office is under the direction of two state auditors appointed by the state legislature. The APA audited certain operations of the Green Bank in fulfillment of its duties under Sections 1-122 and Section 2-90 of the CGS.

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[27] https://www.ctgreenbank.com/strategy-impact/reporting-and-transparency/
[28] https://www.ctgreenbank.com/strategy-impact/reporting-and-transparency/

All APA reports are available on our website.[29]

6.2.4 Open Connecticut and Open Quasi

Open Connecticut centralizes state financial information to make it easier to follow state dollars. In Connecticut quasi-public agencies are required to submit annual reports to the legislature, including a summary of their activities and financial information. In addition to that, the Comptroller's Office requested that quasi-public agencies voluntarily provide payroll and checkbook-level vendor payment data for display on Open Connecticut. The Green Bank, which was among the first quasi-public organizations to participate, has voluntarily submitted this information since the inception of Open Connecticut. In June of 2020, the Comptroller launched Open Quasi, which provides payroll and checkbook level data for all quasi-public organizations in Connecticut.

For more information, go to https://openquasi.ct.gov/

[29] https://www.ctgreenbank.com/strategy-impact/reporting-and-transparency/

Appendix A: Acronyms

Acronym	Definition
ACFR	Annual Comprehensive Financial Report
APA	Auditors of Public Accounts
CBI	Climate Bonds Initiative
CEF	Clean Energy Fund
CDFI	Community Development Financial Institution
CGA	Connecticut General Assembly
CHA	Connecticut Hospital Association
CGS	Connecticut General Statutes
C-PACE	Commercial Property Assessed Clean Energy
CORL	Commercial Organics Recycling Law
C4C	Capital for Change
DAS	Department of Administrative Services
DECD	Department of Economic and Community Development
DEEP	Department of Energy and Environmental Protection
DPH	Department of Public Health
DRS	Department of Revenue Services
EDC	Electric Distribution Company
EIF	Environmental Infrastructure Fund
EEB	Energy Efficiency Board
ESS	Energy Storage Solutions
ESCO	Energy Services Company
FTM	Front-of-the-Meter
GASB	Governmental Accounting Standards Board
GGRF	Greenhouse Gas Reduction Fund
ICI	Industrial, Commercial, and Institutional
ISO-NE	ISO New England
ITC	Investment Tax Credit
LIME	Loans Improving Multifamily Efficiency
LMI	Low-to-Moderate Income
MIRA	Materials Innovation and Recycling Authority
MTI	Master Trust Indenture
NEVI	National Electric Vehicle Infrastructure
NRES	Non-Residential Energy Solutions
OPM	Office of Policy and Management
PAYS	Pay-As-You-Save

Acronym	Definition
PPA	Power Purchase Agreement
PURA	Public Utilities Regulatory Authority
RGGI	Regional Greenhouse Gas Initiative
SBEA	Small Business Energy Advantage
SEFI	State Energy Financing Institution
SIR	Savings-to-Investment Ratio
Solar MAP+	Solar Marketplace Assistance Program Plus
SSOM	Source-Separated Organic Material
TEN	Thermal Energy Network
TPO	Third-Party Ownership
V2G	Vehicle-to-Grid
VPP	Virtual Power Plant

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