



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

Friday, April 26, 2024
9:00 a.m. – 12:00 p.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank** (the “Green Bank”) was held on April 26, 2024.

Board Members Present: Bettina Bronisz, John Harrity, Robert Hotaling, Adrienne Houël, Matthew Ranelli, Lonnie Reed, Hank Webster, Brenda Watson, Joanna Wozniak-Brown

Board Members Absent: Thomas Flynn, Dominick Grant

Staff Attending: Stephanie Attruia, Emily Basham, Priyank Bhakta, Larry Campana, Carrillo, James Desantos, Catherine Duncan, Mackey Dykes, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Alex Kovtunencko, Cheryl Lumpkin, Jane Murphy, Ariel Schneider, Eric Shrago, Dan Smith, Mariana Trief, Leigh Whelpton

Others present: David Jaben, Ben Healy, Tom N, and Prad M from PosiGen

1. Call to Order

- Lonnie Reed called the meeting to order at 9:03 am.

2. Public Comments

- No public comments.

3. Consent Agenda

a. Meeting Minutes of March 15, 2024

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for March 15, 2024.

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 1. None opposed and Joanna Wozniak-Brown abstained. Motion approved.

- Bryan Garcia summarized how the changes to the Staff transaction approval process for

Financing Programs and Energy Storage Solutions has affected the process and gave a brief report-out.

- Bert Hunter added the context that CT Solar Lease 2 was started in 2013 and summarized the history of it. Stephanie Attruia gave an update as to the rewrite-off and restructurings for systems owned by CT Solar Lease 2. There were 30 write-offs and restructurings, 7 of which were terminations and 23 were lease payment restructurings. The terminations were unique cases and were due to extensive critter damage or installer workmanship issues.
 - Bettina Bronisz asked for more information about the 7 terminations for poor workmanship. Stephanie Attruia responded that there were some done by the same installer and explained the issues regarding those installation problems.
 - Lonnie Reed asked how widespread those types of issues are. Stephanie Attruia responded that it is a small percentage of workmanship issues, and they are being addressed as promptly as possible. Bert Hunter noted the Holdback Account which has been helpful for offsetting these types of issues financially, as well an insurance product was put in place to limit risk.
 - Brenda Watson asked customer satisfaction, and if it has waned at all. Stephanie Attruia answered that she does not believe it's gone down overall, and the majority of customers are pleased with the installation and savings it provides. Brian Farnen added though some delays did cause frustrations by those impacted and the team handled it as best as they could.
 - Matthew Ranelli asked for clarification regarding the value calculation in the memo. Stephanie Attruia responded with the specifics of how the calculations were made for the restructurings and write-offs. Bert Hunter added more specifics of how the assets are recorded and depreciated as part of the decision-making process of how to proceed and the calculated write-off value.
 - John Harranty asked were there any losses generated out of this or other unresolved disputes. Bert Hunter responded that there were only a handful of more strenuous cases, in which outside counsel was sought for resolution, but for the most part the issues were resolved appropriately. Brian Farnen added that no customer is taking legal action against the CT Green Bank. Bert Hunter also praised Stephanie Attruia for her customer service skills and how she has kept customers up to date as best she can when issues arise.

4. Legislative Process

- James Desantos summarized the updates to the recent legislative session, which had a slow start, though changes are coming along as only 9 days remain for the current session as of the date of this meeting. He then reviewed several of the bills currently being worked on.
 - Joanna Wozniak-Brown summarized HB 5052 AA Supporting Solar Energy in Schools, also known as the Governor's Solar Bill. It is going to be incorporated into HB 5347 School Construction Bill going forward though. She then explained what SB 11, known as the Governor's Resiliency Bill, is and what it covers.
 - Matthew Ranelli asked for clarification about the tax increment financing (TIF) part of SB 11, and whether it drills down to special districts that have taxing authority. Joanna Wozniak-Brown responded that she believes it is written based on the municipality but it may be an option, and can look into it further.
 - John Harranty commented his frustration at the lack of haste from the legislature in regard to climate change and asked for perspective about legislators' views on climate change. James Desantos responded that although this session seems to be focused

more on data collection, but he expects the next session will be more active. Joanna Wozniak-Brown added that she believes the budget is tight due to rising healthcare costs which may also be affecting the ability to implement programmatic changes.

5. Financing Programs Updates and Recommendations

a. Progress to Target Update

- Mackey Dykes summarized the progress to targets for the Financing Programs including Commercial Lease projects, C-PACE, Multi-Family Term projects, and SBEA. Overall, the Green Bank is in good shape to meet its goals. He also summarized the progress to vulnerable community deployment, which at this point is over 50% going to those communities.

b. Solar PPA Authorities

- Marianna Trief summarized the proposal for expanded authority in the Solar PPA program which includes to allow for battery storage components, to own and place in service commercial solar and storage projects, apply and monetize state and/or federal incentives, and utilize existing subsidiaries or to create new subsidiaries to own and operate projects.

- Matthew Ranelli asked what the limitations for project and portfolio scale are and criteria for picking projects. Marianna Trief responded that under the Commercial Solar program, projects can be categorized that the Green Bank owns, and under that authority is a \$50 million limit. This proposal is not requesting to expand that at all, however. As for selecting projects, the guiding principle is to intend to sell as many projects as possible to third party owners unless there is a reason not to. She explained further about the nature of the Green Bank's flexibility and position in relation to these types of projects.

- Bettina Bronisz asked for further clarification about the expansion to create new subsidiaries if needed. Marianna Trief answered that the Green Bank is currently in discussion with outside counsel to determine if it is best that the Green Bank owns the projects directly or if an existing or new subsidiary would be the best arrangement to utilize incentives and tax credits in relation to the projects. Bettina Bronisz asked if this would be similar to when the Green Bank created IPC and Marianna Trief said no, they would be disregarded entities owned by the Green Bank, managed by Green Bank staff, and the projects would be managed through the Green Bank's asset management program. Bert Hunter added that the entities are the provided under the Green Bank's enabling statute to better access the capital markets.

- Hank Webster asked if the proposal information has been shared with other agencies and/or the industry to receive feedback on it. Bert Hunter responded that for this specific proposal, no they haven't, but it should be viewed in the context of Solar For All. Mackey Dykes added more context in relation to other industry members. The group discussed the relationship between the Green Bank and this proposal and other groups further.

- John Harrity asked about the cost of a whole house battery, and if a customer were to do solar and a battery, would the costs still be below the grid. Marianna Trief answered that they do not have a big enough sample size to answer definitively but there have been explorations into solar plus storage. However current data suggests that the incentives can partially cover the cost of the battery and then solar would subsidize some of the storage costs. Bryan Garcia added that Marianna's response is for Affordable Housing, but for single family homes it is absolutely cheaper than grid power.

Matthew Ranelli left the meeting at 10:02 am.

Resolution #2

WHEREAS, the Connecticut Green Bank (“Green Bank”) Board of Directors (the “Board”) has previously approved In the current form of the Program, the Board has previously approved an allocation of \$50 million in funding (subject to the terms in the December 15, 2023 Board approval) for the Commercial Solar Program (the “Program), which allocation may be used for, among other things, development capital expenditures.

WHEREAS, there is a continuing demonstrated need for Green Bank’s long-term ownership of commercial solar assets and newly available ability to monetize associated tax credits as explained in a memorandum submitted to the Green Bank Board of Directors (the “Board”) dated April 19, 2024(the “Board Memo”); and

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

NOW, therefore be it:

RESOLVED, that the Board of Directors approves Green Bank’s long-term ownership and operation of commercial solar and storage projects in the state, subject to Program allocation constraints and use cases, as explained in the Board Memo;

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract, document or other legal instrument as they shall deem necessary and desirable to develop, construct and own commercial solar and storage projects under the Program materially consistent with the Board Memo; and

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

Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

6. Investment Programs Updates and Recommendations

a. Progress to Target Update

- Eric Shrago summarized the Investment Program targets, which includes over \$12 million committed programmatically and \$26.6 million in non-programmatic investments, leading to a good year so far.

b. PosiGen – US DOE / LPO SEFI (Update)

- Bert Hunter introduced the members of PosiGen present. Ben Healy gave a brief history

of PosiGen, its DOE-LPO SEFI Syndication, and the current structure and status of negotiations. Bert Hunter added additional information regarding the structure and current progress.

7. Environmental Infrastructure Programs

a. Progress to Target Update

- Leigh Whelpton summarized the progress to the targets for Environmental Infrastructure which continued to be built up.

b. Waste and Recycling – Solar PV and Storage (Update)

- Sara Harari summarized the update with the Waste and Recycling strategies including collective responsibility, scale-up solutions, and supporting the State. She focused on the collective responsibility section including the working group that was assembled to study the issue of solar panel and battery waste and to report the findings back to PURA.

Brenda Watson left the meeting at 10:44 am.

8. Incentive Programs Updates and Recommendations

a. Progress to Target Update

- Sergio Carrillo gave an update to the targets for Incentive Programs, which are overall in good places, either met or exceeded the goals. He also summarized a change to the Energy Storage Solutions program which PURA has requested to be paused to assess the incentive rates. As well, Sunnova and Tesla will be joining the program.

- Robert Hotaling asked about the evaluation of other ESS providers which are competitors to Sunnova and Tesla and the time to onboard a vendor to the program. Sergio Carrillo stated it takes a couple months to do the full evaluation but the only other vendor the Green Bank is engaged with to onboard at this time is Sunrun.

- Robert Hotaling asked what the risk of pausing the program is. Sergio Carrillo answered that the expectation is that a new set of incentives will be submitted in June which will be part of the review process and a final decision is expected by the end of November 2024 with a resumption in January 2025.

- Sergio Carrillo reviewed some of the location information for residential and non-residential projects and highlighted that more data is available on the Green Bank website.

9. Other Business

- None

10. Executive Session – Trade Secrets and Commercial and Financial Information

Upon a motion made by John Harrity and seconded by Robert Hotaling, the Board of Directors voted to move into Executive Session at 11:02 am.

Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors returned from Executive Session at 11:46 am.

11. Adjourn

Upon a motion made by John Harrity and seconded by Robert Hotaling, the Board of Directors meeting adjourned at 11:47 am.

Respectfully submitted,

Lonnie Reed, Chairperson