

Overview of the Connecticut Green Bank

Testimony to the AK Senate Finance Committee (House Bill 170)

May 2021

Bert Hunter
Chief Investment Officer
Connecticut Green Bank

Connecticut Green Bank

About Us



- **Quasi-public organization** – Created in 2011 and successor to the Connecticut Clean Energy Fund.
- **Focus** – Finance clean energy (i.e. renewable energy, energy efficiency, energy storage, alternative fuel vehicles and infrastructure, etc.).
- **Balance Sheet** – Approx \$77m net position & \$213m assets FY20
- **Revenue & Funding** – from a variety of sources, including:
 - **State Support** – \$0.001/kWh surcharge on electric ratepayer bills (about \$7-\$10 per household per year ≈ \$24-26M per year) and **Regional Greenhouse Gas Initiative** about \$3-5M per year (for renewable energy)
 - **Federal Support** – competitive solicitations (e.g., SunShot, USDA, etc.) and non-competitive resources (e.g., ARRA-SEP)
 - **Portfolio Cash Flow** – Approx \$8M / year
 - **Bonds & Borrowing** – issue “green liberty bonds,” bank loan facilities, tax equity investors, and foundations (e.g., PRI’s)

Connecticut Green Bank

Board of Directors



Committees



Deployment
Michael Li
DEEP



BO&C
John Harrity
Connecticut Roundtable
on Climate and Jobs



AC&G
Matthew Ranelli
Shipman & Goodwin



Joint CEEF-CGB
Eric Brown
CBIA

Chair

Lonnie Reed
Former State Rep.

Secretary

Matthew Ranelli
Shipman & Goodwin

Vice Chair

Michael Li
DEEP

Member

Shawn Wooden
Treasurer
State of Connecticut

Member

Binu Chandy
DECD

Member

Brenda Watson
Operation Fuel

Member

John Harrity
Connecticut Roundtable
on Climate and Jobs

Member

Eric Brown
CBIA

Member

Kevin Walsh
Stonepeak
Infrastructure Partners

Member

Thomas Flynn
Coral Drive Partners

Member

Adrienne Farrar
Houël
Greater Bridgeport
Community Enterprises

Connecticut Green Bank

Our focus...

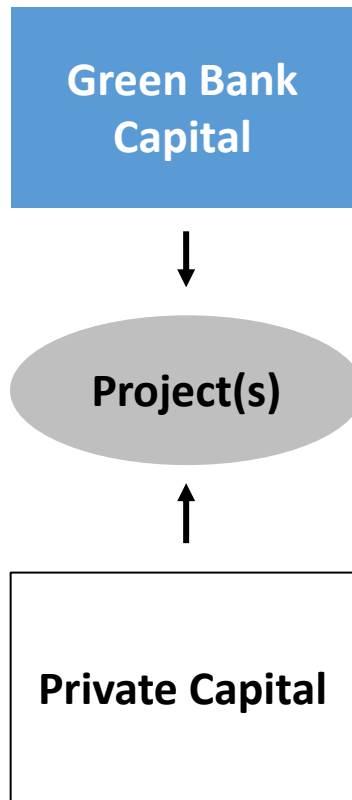


Green Bank

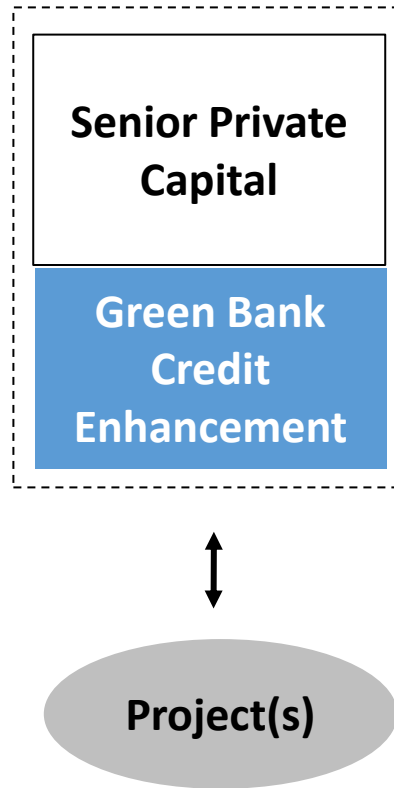
- **create affordable long-term, sustainable financing**
- **energy efficiency and clean energy (solar, hydro, wind)**
- **support residential, commercial, industrial + government (Muni / State) sectors**
- **leverage private sector capital**

How Green Banks Leverage Public Capital with More Private Capital (methodologies...)

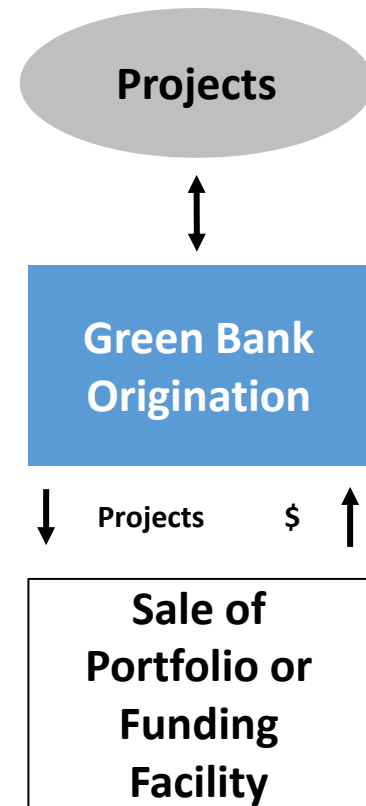
Co-Investment



Credit Support



Warehousing



How Green Banks Leverage Public Capital with More Private Capital (our current programs/products...)

Co-Investment



Small Business Energy Advantage

LIME

- Low Income Multifamily Energy
- Affordable
- Unsecured



Credit Support



Warehousing

cpace

Putting building owners in control
with green energy



Statewide EE Programs *working with our energy utilities...*



In-Home
Services

Municipal Utility Customers

Home Energy Solutions-Core Services

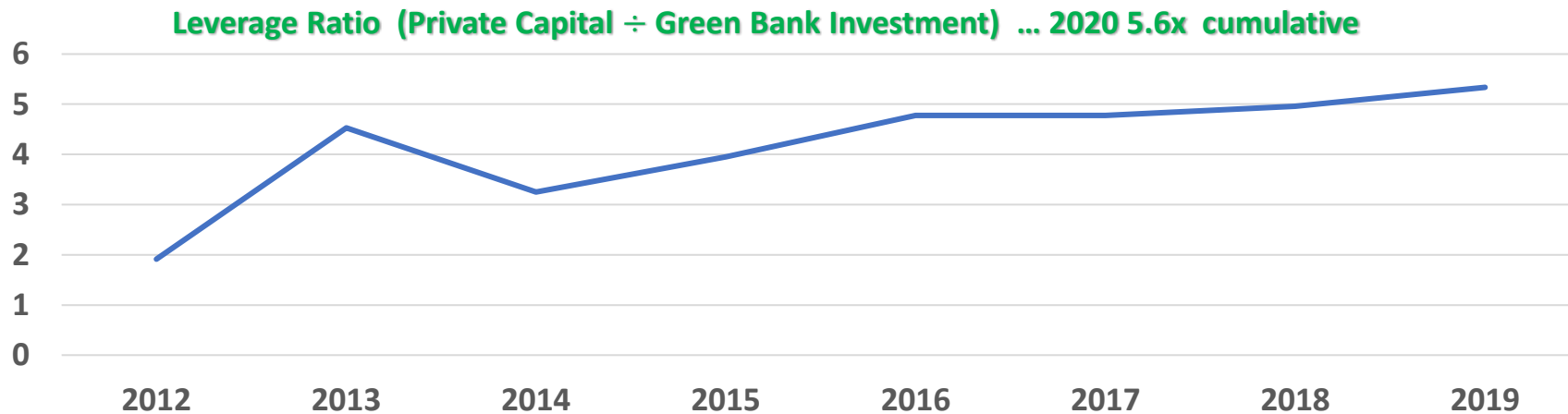
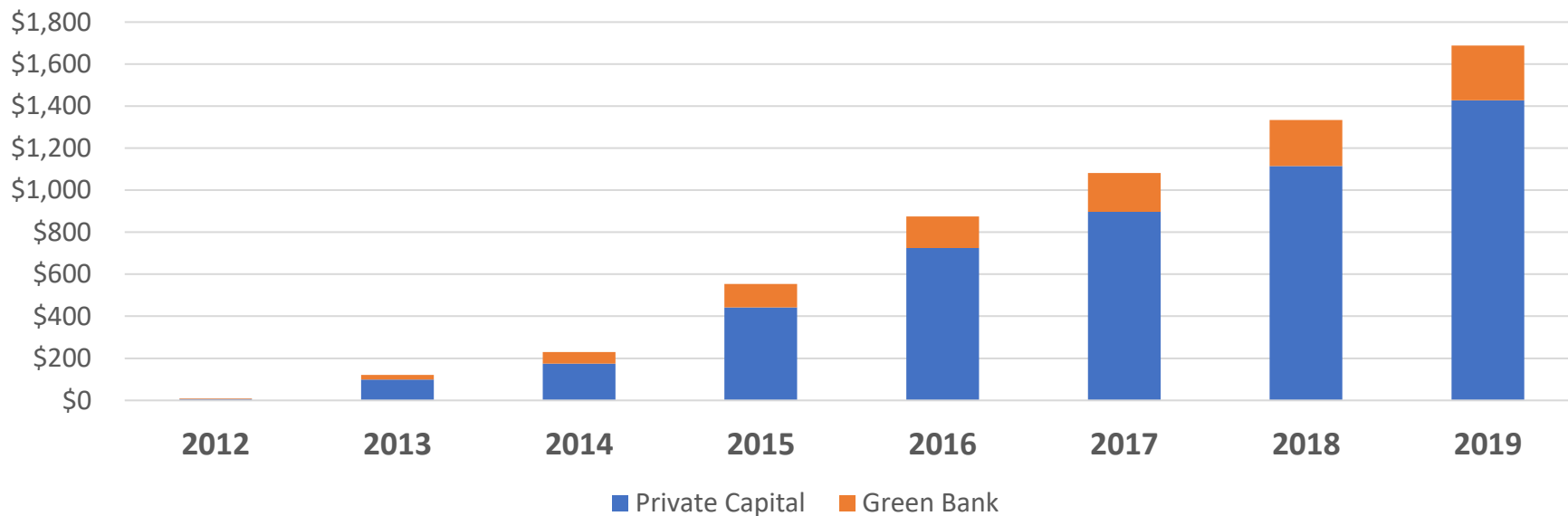


Small Businesses



Energy-Saving Solutions as a
Cornerstone to Your Business

Green Bank Clean Energy Aggregate Investment by Source - Public and Private (cum millions ... 2020 = \$1.95Bn)

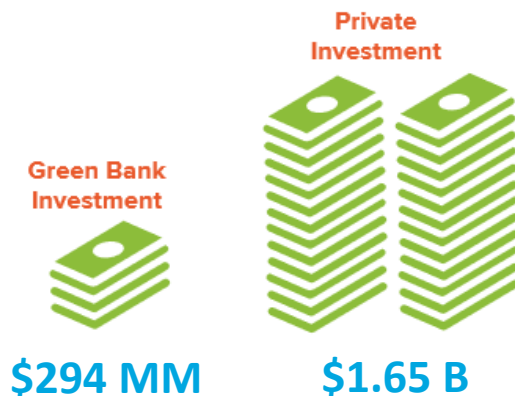


Connecticut Green Bank

Impact Investment – Social and Environmental



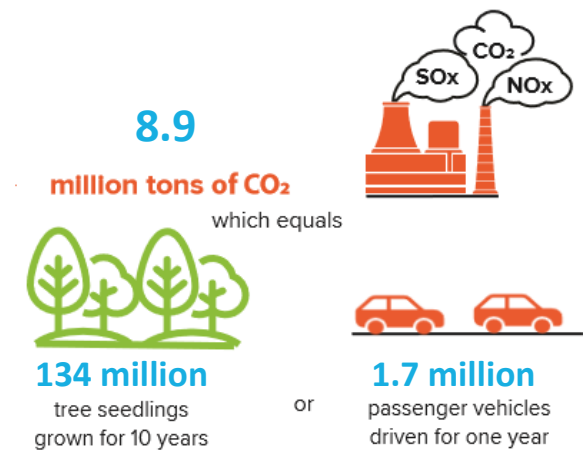
INVESTMENT



ECONOMIC DEVELOPMENT



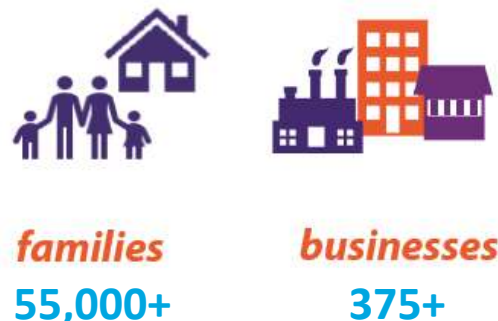
ENVIRONMENTAL PROTECTION



TAX REVENUES



ENERGY BURDEN REDUCED

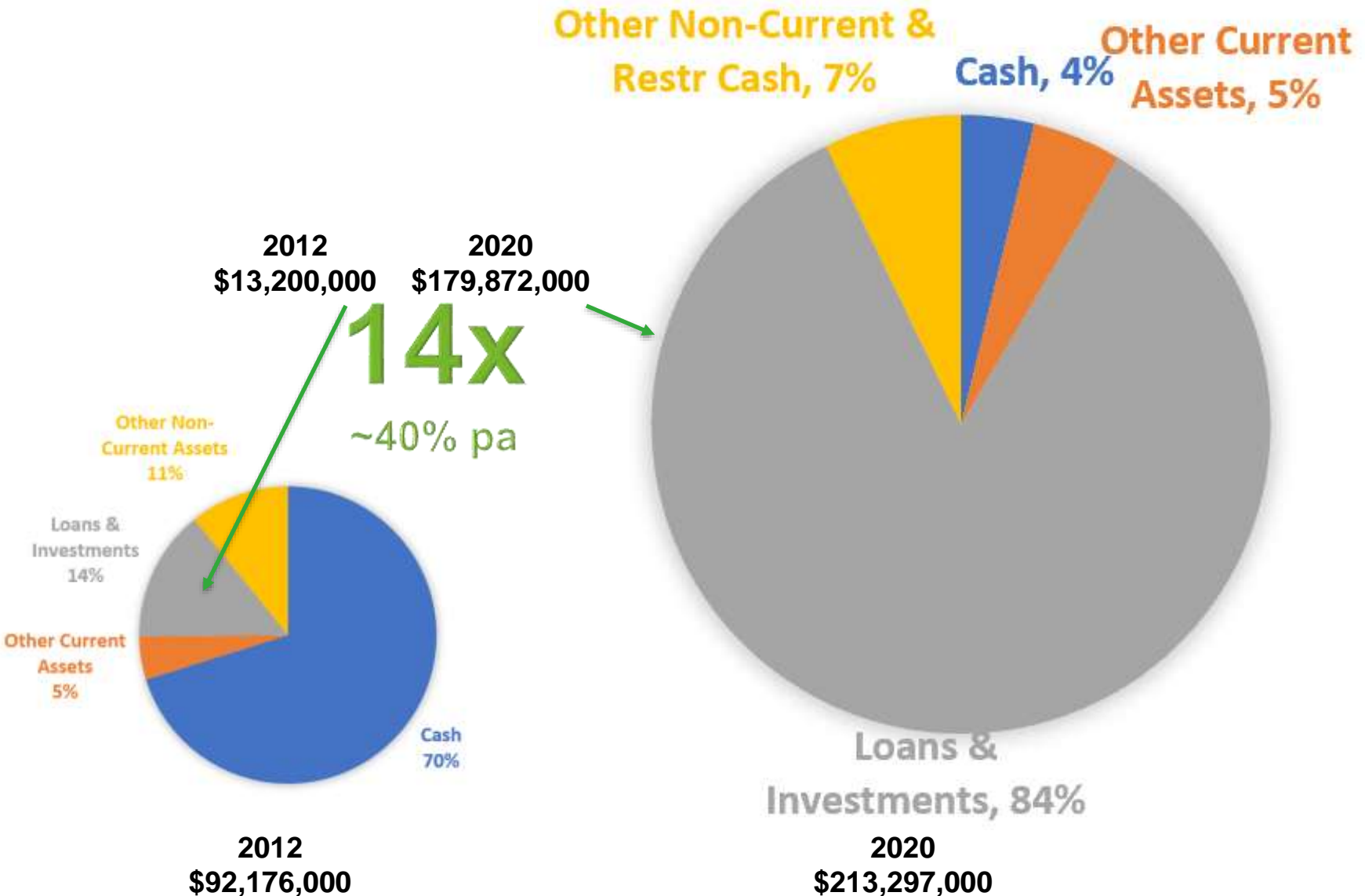


PUBLIC HEALTH SAVINGS



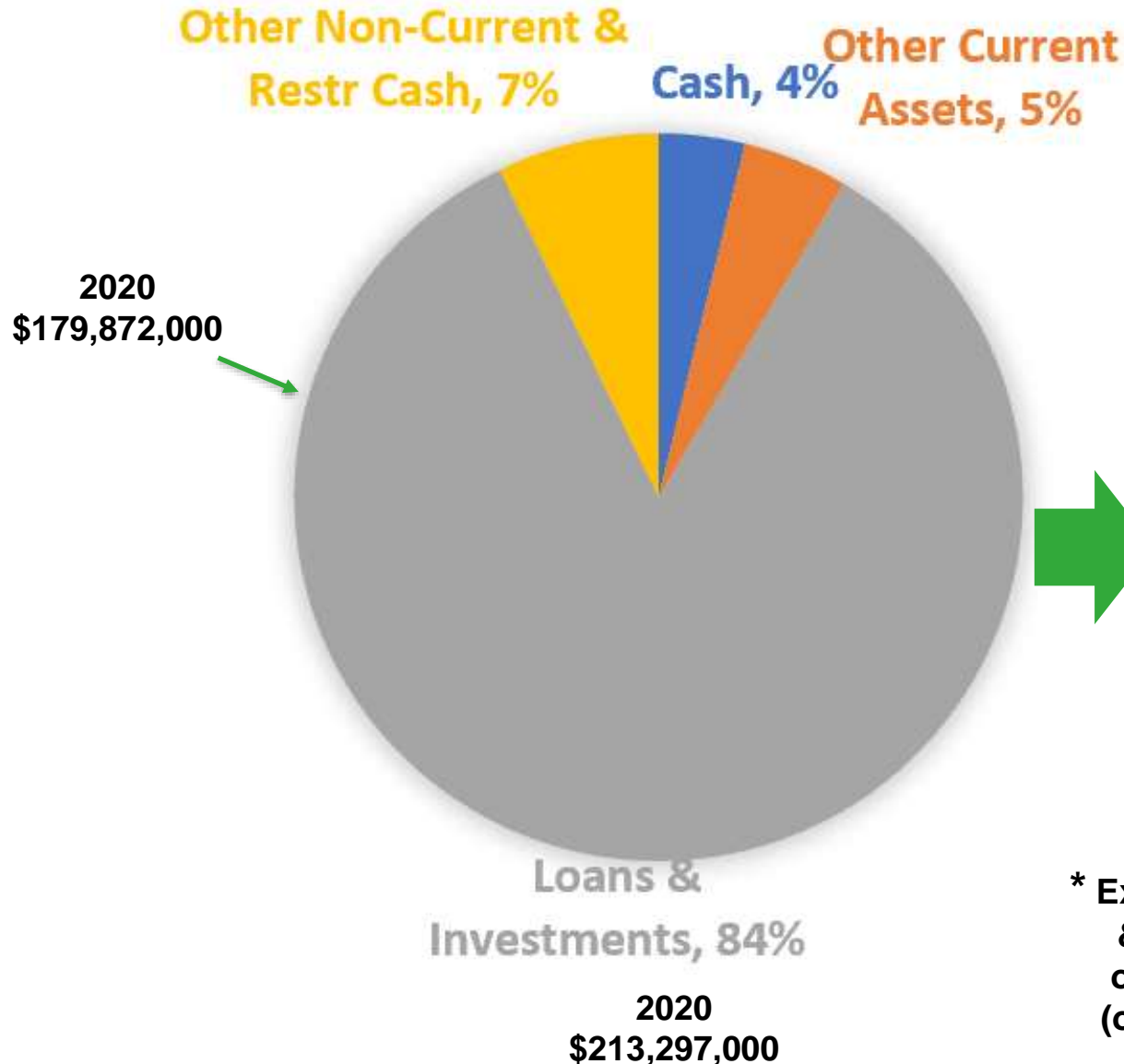
Connecticut Green Bank

Balance Sheet Evolution



Connecticut Green Bank

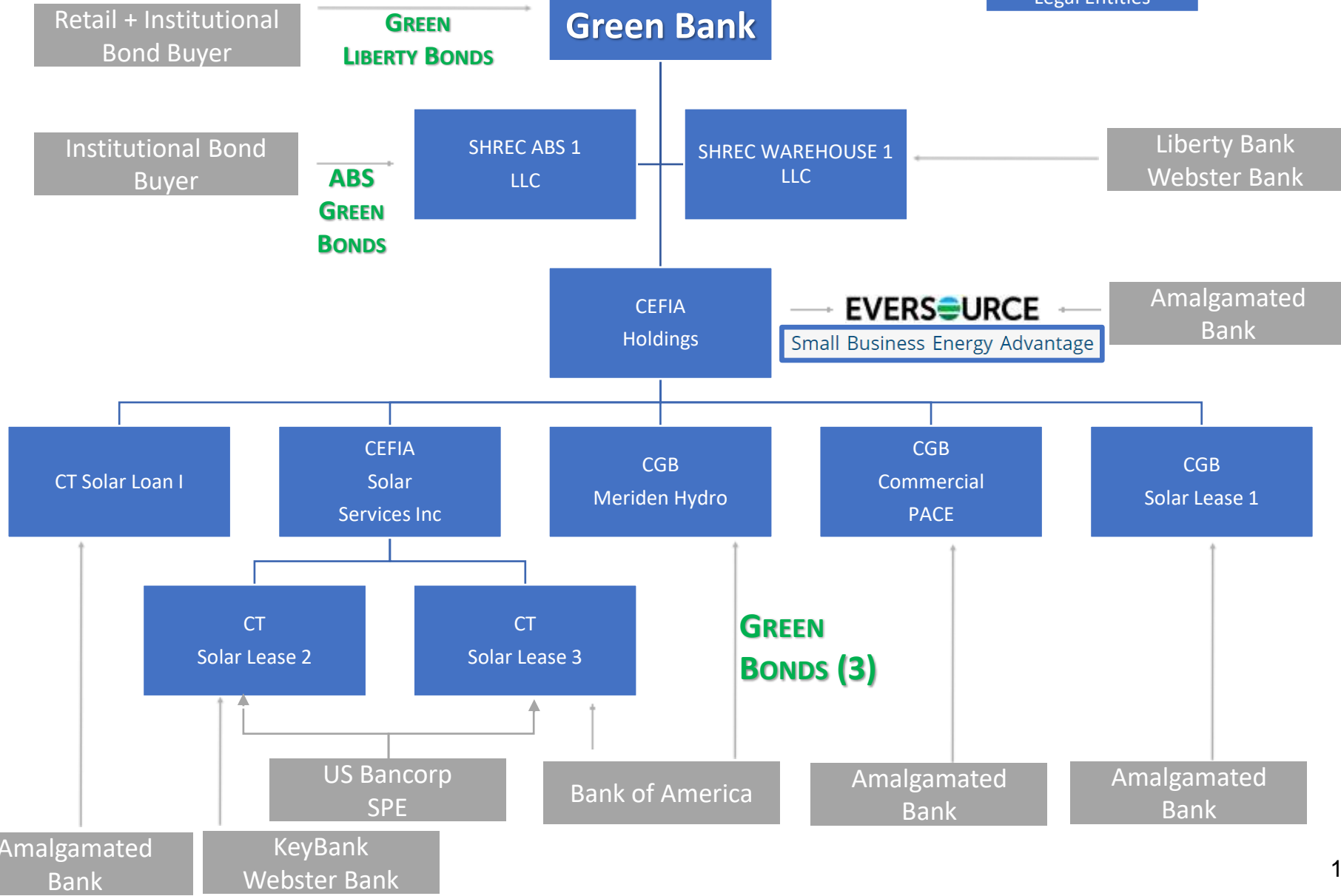
Balance Sheet Evolution



* Excludes \$44mm of Residential EE & Solar financing (4,000 loans) outstanding via partner lenders (originally \$70mm & 4,600 loans)

Connecticut Green Bank

Organization overview



Public-Private Partnerships



>\$800 Million¹ in Private Capital Raised (5 Years)

\$80 MM

CLOSED
15:1



Grid-Tied

\$60 MM

CLOSED
4:1



Residential Solar &
Energy Efficiency

\$105 MM

CLOSED
7.5:1



Residential Solar
Commercial Solar

\$30 MM

CLOSED
4:1



C-PACE

\$60 MM

OPEN
17:1²



Residential Energy

\$100 MM

OPEN
5:1



Residential Solar

\$50-100 MM

CLOSED
9:1



C-PACE

\$60+ MM

CLOSED
6:1³



Commercial Solar

\$77 MM

PROJECT FINANCE
8:1



\$40 MM

CLOSED
100%



CT Green Bank
REC Securitization

\$67 MM

Open
10:1



Small Business
Energy Advantage

\$17 MM

CLOSED



CT Green Bank
Green Liberty Bonds

REFERENCES

1. Several transactions such as small hydro, wind, microgrid, CHP and anaerobic digestors not represented on slide
2. LLR of \$3.3 MM yields high leverage – and it is 2nd loss and thus with no to low defaults (i.e., 10 loans out of 3,447 have defaulted as of 12/31/18 with \$22K in LLR).
IRB's using ARRA-SEP not considered in the leverage ratio.

Green Liberty Bonds

<http://www.greenlibertybonds.com/>



We appreciate your interest in Connecticut Green Bank's Green Liberty Bonds, which will support critical investment in clean energy and energy efficiency projects and infrastructure throughout the State.

Our 2020 issuance of Green Liberty Bonds was a success, selling out of nearly \$17 million of bonds, with priority given to retail investors. These bonds helped the Connecticut Green Bank energize the green economy and confront climate change to provide all of society a healthier and more prosperous future. Through our Green Liberty Bonds, we are empowering more people to support our transition to a zero carbon economy – creating the sustainable future and modern infrastructure we want to see in our society.

ISSUER OVERVIEW

NOTIFICATIONS **ON**

Connecticut Green Bank
Issuer Type: State/Province

BOND RATINGS

Green Liberty Bonds

S&P
A

S&P
A

BONDS **1**

DOCUMENTS

NEWS/EVENTS

CONTACT US

Connecticut Green Bank Bond Awards



- The Green Bank won two Environmental Finance Bond awards in 2020. The awards were judged by an independent panel comprising 30 of the world's largest green, social and sustainability bond investors
- The Green Bank also won the Bond Buyer Innovative Deal of the Year Award. The Deal of the Year awards recognize innovation in municipal finance and represent the full diversity of the communities and public purposes that are served by the municipal finance market.

THE BOND BUYER
DEAL of the **YEAR**
2020



