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CONNECTICUT GREEN BANK

(A COMPONENT UNIT OF THE STATE OF CONNECTICUT)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2017

(With Summarized Totals as of and for Fiscal Year Ended June 30, 2016)

Department of Finance and Administration
845 Brook Street
Rocky Hill, Connecticut

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INTRODUCTORY SECTION

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CONNECTICUT
GREEN BANK

October 26, 2017

We are pleased to present a Comprehensive Annual Financial Report (CAFR) of the Connecticut Green Bank (Green Bank) for the fiscal year ending June 30, 2017 accompanied by summarized totals as of and for the fiscal year ended June 30, 2016.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls that it has established for this purpose. To provide a reasonable basis for making these representations, the management of Green Bank has established a comprehensive internal control framework that is designed both to protect the entity's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of Green Bank's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh the benefits, Green Bank's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As such, management asserts that this financial report is complete and reliable in all material respects to the best of managements' knowledge and belief.

Blum Shapiro & Company has issued an unmodified opinion on the Green Bank's financial statements for the fiscal year ending June 30, 2017. The independent auditors' report is presented in the financial section of this report. This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The Green Bank's MD&A can be found immediately following the report of the independent auditors. SustainAbility has issued an independent opinion that the metrics, data collection, calculation methodologies, and transparency for the social benefits supported by the Green Bank are sound and represent best practice relative to peer financial institutions benchmarked. The independent opinion is presented in the non-financial statistics section of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Connecticut Green Bank for its comprehensive annual report for the fiscal years ending June 30, 2016, June 30, 2015 and June 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Profile of the Connecticut Green Bank

The Green Bank[1] was established in a bipartisan manner by the Governor and Connecticut's General Assembly on July 1, 2011 through Public Act 11-80 as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund. As the nation's first state green bank, the Connecticut Green Bank makes green energy more accessible and affordable for all Connecticut citizens and businesses by creating a thriving marketplace to accelerate the growth of green energy. We facilitate green energy deployment by leveraging a public-private financing model that uses limited public dollars to attract private capital investments. By partnering with the private sector, we create solutions that result in long-term, affordable financing to increase the number of green energy projects statewide.

The Green Bank was awarded the prestigious Harvard Kennedy School's Ash Center's "Innovations in American Government Awards" in 2017 for its "Sparking the Green Bank Movement" nomination. The Ash Center for Democratic Governance and Innovation advances excellence in governance and strengthens democratic institutions worldwide. Through its research, education, international programs, and government innovations awards, the Center fosters creative and effective government problem solving and serves as a catalyst for addressing many of the most pressing needs of the world's citizens. The Innovations in American Government Award is the nation's preeminent recognition for excellence and creativity in the public sector. The award program receives thousands of applications which are evaluated on criteria to assess their novelty, effectiveness, significance, and transferability. The Ford Foundation created the Innovations in American Government Awards in 1985 in response to widespread pessimism and distrust in government's effectiveness.

The Green Bank's vision is to lead the green bank movement by accelerating private investment in clean energy deployment for Connecticut to achieve economic prosperity, create jobs, promote energy security and address climate change. By accelerating the growth of green energy we contribute to a better quality of life, a better environment and a better future for Connecticut. The Green Bank's mission is to support the Governor's and Legislature's energy strategy to achieve cleaner, cheaper and more reliable sources of energy while creating jobs and supporting local economic development.

To achieve its vision and mission, the Green Bank has established the following four goals:

1. To attract and deploy private capital investment to finance the clean energy[2] policy goals for Connecticut.
2. To leverage limited public funds to attract multiples of private capital investment while returning and reinvesting public funds in clean energy deployment over time.
3. To develop and implement strategies that bring down the cost of clean energy in order to make it more accessible and affordable to consumers.
4. To support affordable and healthy buildings in low-to-moderate income and distressed communities by reducing the energy burden and addressing health and safety issues in their homes, businesses, and institutions.

These goals support the implementation of Connecticut's clean energy policies be they statutory (i.e., Public Act 11-80, Public Act 13-298, Public Act 15-194), planning (i.e., Comprehensive Energy Strategy, Integrated Resources Plan), or regulatory in nature. The powers of the Green Bank are vested in and

[1] Public Act 11-80 repurposed the Connecticut Clean Energy Fund (CCEF) administered by Connecticut Innovations, into a separate quasi-public organization called the Clean Energy Finance and Investment Authority (CEFIA). Per Public Act 14-94, CEFIA was renamed to the Connecticut Green Bank.

[2] Public Act 11-80 defines "clean energy" broadly and includes familiar renewable energy sources such as solar photovoltaic, solar thermal, geothermal, wind and low-impact hydroelectric energy, but also includes fuel cells, energy derived from anaerobic digestion (AD), combined heat and power (CHP) systems, infrastructure for alternative fuels for transportation and financing energy efficiency projects.

exercised by a Board of Directors that is comprised of eleven voting and two non-voting members each with knowledge and expertise in matters related to the purpose of the organization. The Board of Directors and Staff are governed through the statute, as well as an Ethics Statement and Ethical Conduct Policy, Resolutions of Purposes, Bylaws, and Comprehensive Plan.

Initiatives and Results

Accelerate the Growth of Green Energy
The Green Bank makes green energy more accessible and affordable for all Connecticut citizens and businesses by creating a thriving marketplace to accelerate the growth of green energy. As a result of the efforts undertaken over the past five years, we are deploying more green energy in our state than ever before (see Table 1).[3]

Table 1. Project Investments between FY 2012 through FY 2017[4]

	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Total
Total Investment ($MM)	$ 215.3	$ 315.1	$ 324.9	$ 107.4	$ 111.5	$ 15.0	$ 1,089.2
Green Bank Investment $(MM)	$ 24.5	$ 37.0	$ 57.0	$ 32.6	$ 18.7	$ 4.8	$ 174.6
Leverage Ratio	8.7	8.4	5.5	3.2	5.9	3.1	6.1
% of Funding as Grants	57%	54%	59%	65%	67%	100%	61%
Installed Capacity (MW)	53.2	68.7	62.7	23.4	23.5	2.9	234.4

By using $174.6 million of ratepayer funds, we have attracted $914.8 million of private investment in clean energy for a total investment of $1.1 billion. This is supporting the deployment of 234.4 MW of renewable energy and producing and saving an annual estimated 2.3 million MMBtu of clean energy while creating over 13,000 job-years and reducing an estimated 3.7 million tons of CO2 emissions over the life of the projects.

We Grow Businesses and We Help People Thrive
As leaders in the green bank movement – through innovation, education, and activation – we accelerate the growth of green energy. By generating a robust, flourishing green energy marketplace, we grow businesses and help people thrive. Within this marketplace the Green Bank partners with contractors and capital providers to offer a diverse portfolio of programs that benefit homeowners, businesses, and institutions. The Green Bank is demonstrating how public resources can be better invested in ways that attract more private investment in our communities, lead to the deployment of more green energy by local contractors, and most importantly providing positive value to our consumers.

The Green Bank helps make homes more energy efficient and sustainable by promoting awareness and offering flexible financing solutions to homeowners and multifamily building owners who seek assistance to make green energy upgrades. We make green energy more attractive to everyone so that residents can integrate it into their lives. The benefits are many – from reducing the burden of energy costs, to improving comfort and health in the home, to a cleaner environment. More green homes mean greener, healthier communities.

[3] Connecticut Green Bank – Investment and Public Benefit Performance from Clean Energy Projects from FY 2012 through FY 2015 – Board of Director Memo of October 16, 2015
[4] Includes closed transactions approved by the Board of Directors consistent with its Comprehensive Plan and Budget.

The Green Bank makes green energy investments smarter and safer for businesses, including commercial and industrial customers, and institutions, including multifamily and not-for-profit organizations, with affordable, long-term financing for energy upgrades. We demonstrate how green energy improvements are smart investments that lower operating costs. We inspire them to embrace cleaner and more reliable sources of energy to power their buildings which stimulates a healthier local economy. Healthy buildings mean healthy businesses and institutions.

The Green Bank makes green energy more accessible and affordable to grow businesses and help people thrive.

We Believe in Inclusive Prosperity

The green economy is for everyone. Washington, DC Mayor Bowser says it best "As the nation's capital, we need to lead the way when it comes to protecting and preserving the environment. By creating a Green Bank, we will create more jobs for DC residents, which will allow us to continue our push for inclusive prosperity."

The Green Bank's simple promise of increasing affordability and accessibility to green energy has evolved into a greater commitment to our stakeholders. We believe that everything we do, we do to help families thrive and businesses grow. We do it in the interest of achieving inclusive prosperity not only within Connecticut and across the country, but around the world.

Leading the Green Bank Movement

The Connecticut Green Bank is a leader in the green bank movement. The Connecticut Green Bank and its programs serve as models for other states across the country.

This year, we have seen several of our programs serving as replicable and scalable models, including:

- Commercial Property Assessed Clean Energy (C-PACE) for commercial, industrial, multifamily, and non-profit buildings with Hannon Armstrong
- Solar for All residential solar PV lease and energy efficiency energy savings agreement for low-to-moderate income households with PosiGen

The Connecticut Green Bank is leading a movement to use public funds more responsibly by attracting and deploying more private investment in green energy for the state's economy and environment.

Responsible Public Investment in Green Energy

The Green Bank receives funding through a number of sources, including a Systems Benefit Charge, the Regional Greenhouse Gas Initiative (RGGI), renewable energy certificate (REC) sales and the federal government. The Green Bank's predecessor organization's programs were all structured as grants, which meant the funds were spent with no expectation of return. This model put the organization at the mercy of these funding streams which, while reliable, are largely determined by activities outside of our control such as levels of state electricity use and RGGI allowance prices. With the transition to a new financing model, the Green Bank is able to invest its funds in activities that earn a return and begin to build revenue streams that can be reinvested in green energy in Connecticut.

Acknowledgements

First and foremost, we would like to thank the Staff of the Connecticut Green Bank. Through their hard work, commitment and innovation, we have eclipsed $1 billion of investment into Connecticut's economy and built a model that is delivering results for our state and serving as a model across the country and around the world.

We are grateful to our independent auditors, Blum Shapiro & Company and SustainAbility, for their assistance and advice during the course of this audit and review, and for supporting our interests in continuing to disclose not only our financial position, but also the public benefits to society resulting from our public-private investments.

Finally, we thank the Board of Directors for their continued leadership and guidance as we continue to prove that there is a new model for how government is able to play a part in deploying more green energy at a faster pace while using public resources responsibly.

Respectfully submitted,

Bryan T. Garcia
President and CEO

George Bellas
Vice President - Finance and Administration

Board of Directors

Connecticut Green Bank

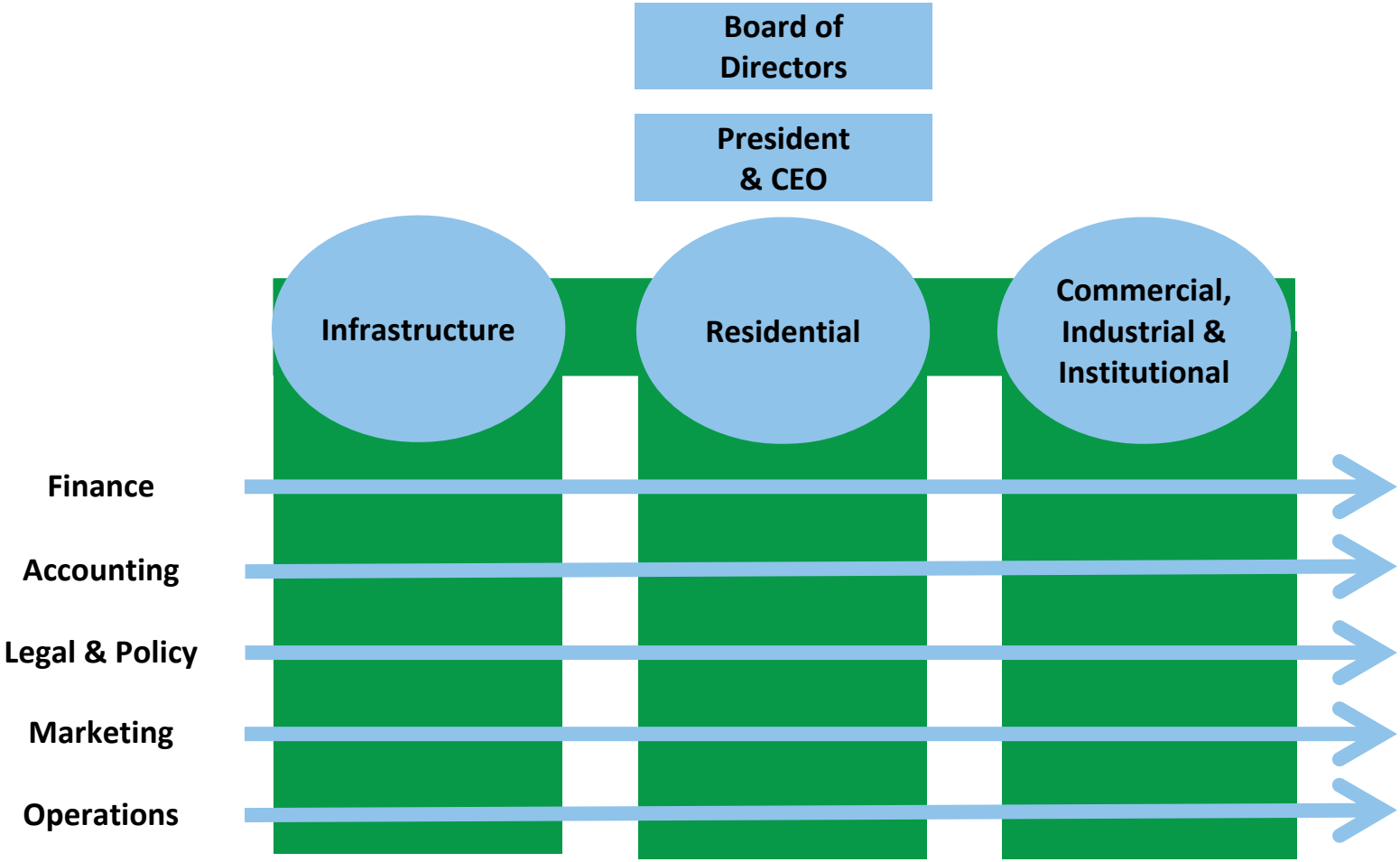
Position	Status	Voting	Name	Organization
State Treasurer (or designee)	Ex Officio	Yes	Bettina Bronisz	Treasurer's Office
Commissioner of DEEP[5] (or designee)	Ex Officio	Yes	Robert Klee[6]	DEEP
Commissioner of DECD[7] (or designee)	Ex Officio	Yes	Catherine Smith[8]	DECD
Residential or Low Income Group	Resigned Appointed	Yes	Pat Wrice Betsy Crum	Operation Fuel Women's Institute for Housing and Economic Development
Investment Fund Management	Appointed	Yes	Norma Glover	NJG Associates
Environmental Organization	Appointed	Yes	Matthew Ranelli[9]	Shipman & Goodwin
Finance or Deployment	Appointed	Yes	Thomas Flynn	Environmental Data Resources
Finance of Renewable Energy	Appointed	Yes	Reed Hundt[10]	Coalition for Green Capital
Finance of Renewable Energy	Appointed	Yes	Kevin Walsh	GE Energy Financial Services
Labor Organization	Appointed	Yes	John Harrity	IAM Connecticut
R&D or Manufacturing	Resigned Appointed	Yes	Mun Choi Gina McCarthy	University of Connecticut Harvard T.H. Chan School of Public Health
President of the Green Bank	Ex Officio	No	Bryan Garcia	Connecticut Green Bank
Board of Connecticut Innovations[11]	Ex Officio	No	(unfilled)	(unfilled)

Discretely Presented Component Units

Position	Name
President	Bryan Garcia
Treasurer	George Bellas
Secretary	Brian Farnen
Chief Investment Officer	Roberto Hunter

[5] Department of Energy and Environmental Protection
[6] Vice Chairperson of the Board of Directors and Chairperson of the Budget and Operations Committee
[7] Department of Economic and Community Development
[8] Chairperson of the Board of Directors
[9] Secretary of the Board of Directors and Chairperson of the Audit, Compliance and Governance Committee
[10] Chairperson of the Deployment Committee
[11] Catherine Smith also serves on the Board of Directors of Connecticut Innovations.

Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Connecticut Green Bank

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

FINANCIAL SECTION

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Independent Auditors' Report

To the Board of Directors
Connecticut Green Bank

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component units of the Connecticut Green Bank (the Green Bank) (a component unit of the State of Connecticut) as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Green Bank's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the Connecticut Green Bank as of June 30, 2017, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 and schedule of Green Bank's proportionate share of the net pension liability and proportionate share of contributions to the state employees' retirement system (SERS) on pages 59 and 60 be presented to supplement the basic financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Connecticut Green Bank's basic financial statements. The introductory section, financial statistical section, and other statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section, financial statistical section and other statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Connecticut Green Bank as of and for the year ended June 30, 2016 (not presented herein), and have issued our report thereon dated December 26, 2016, which contained unmodified opinions on the respective financial statements of the business-type activities and the discretely presented component units. The accompanying summarized comparative information as of June 30, 2016 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2016 financial statements. The accompanying summarized comparative information has been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the summarized comparative information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2016.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2017 on our consideration of the Connecticut Green Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Connecticut Green Bank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Connecticut Green Bank's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
October 26, 2017

CONNECTICUT GREEN BANK

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) provides an overview of the financial performance of the Connecticut Green Bank (the Green Bank), formerly known as the Clean Energy Finance and Investment Authority, (a component unit of the State of Connecticut) for the fiscal year ended June 30, 2017. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements and notes to the financial statements included in the "Basic Financial Statements" section of this report.

The Green Bank as a reporting entity is comprised of the primary government and two discretely presented component units as defined under Government Auditing Standards Board Statement No. 61: *The Financial Reporting Entity: Omnibus and Amendment of GASB Statements No. 14 and No. 34*.

This MD&A discusses financial performance of both the primary government, the Green Bank, and its discretely presented component units, CT Solar Lease 2 LLC and CEFIA Solar Services Inc. We are including the performance of these component units in this analysis because they play an integral part in assisting the Green Bank in achieving its goal to deploy renewable energy in the State of Connecticut and to omit them from the analysis would not provide a complete picture of the Green Bank's activities. Where possible we have distinguished activity pertaining solely to a component unit or the primary government in the discussion that follows.

FINANCIAL STATEMENTS PRESENTED IN THIS REPORT

On June 6, 2014, Public Act 14-94 of the State of Connecticut changed the name of the Clean Energy Finance and Investment Authority to the Connecticut Green Bank.

The Green Bank is a quasi-public agency of the State of Connecticut established on July 1, 2011 by Section 16-245n of the Connecticut General Statutes, created for the purposes of, but not limited to: (1) implementing the Comprehensive Plan developed by the Green Bank pursuant to Section 16-245n(c) of the Connecticut General Statutes, as amended; (2) developing programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects, and such others as the Green Bank may determine; (3) supporting financing or other expenditures that promote investment in clean energy sources to foster the growth, development and commercialization of clean energy resources and related enterprises; and (4) stimulating demand for clean energy and the deployment of clean energy sources within the state that serve end-use customers in the State. The Green Bank constitutes the successor agency to Connecticut Innovations for the purposes of administering the Connecticut Clean Energy Fund in accordance with section 4-38d of the Connecticut General Statutes and therefore the net position of such fund was transferred to the newly created the Green Bank as of July 1, 2011.

The basic financial statements include: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. The Statement of Net Position provides a measure of the Green Bank's economic resources. The Statement of Revenues, Expenses and Changes in Net Position measures the transactions for the periods presented and the impact of those transactions on the resources of the Green Bank. The Statement of Cash Flows reconciles the changes in cash and cash equivalents with the activities of the Green Bank for the period presented. The activities are classified as to operating, noncapital financing, capital and related financing, and investing activities.

Notes to the basic financial statements provide additional detailed information to supplement the basis for reporting and nature of key assets and liabilities.

FINANCIAL HIGHLIGHTS OF FISCAL 2017

NET POSITION

The Green Bank's overall net position increased slightly year over year. Net position as of June 30, 2017 and 2016 was $128.7 million and $127.4 million, respectively, an increase of $1.3 million. The components of net position show that unrestricted net position decreased to $51.2 million as of June 30, 2017 as compared to $62.7 million as of June 30, 2016, a decrease of $11.5 million. Contributing to this decrease in unrestricted net position was a transfer of a portion of the primary government's available unrestricted cash balances into restricted cash balances to support the maintenance of loan loss reserves, interest rate buydowns, contractual obligations under the Clean Renewable Energy Bond and contractual obligations to maintain collateral accounts to support loan guarantees. This transfer is reflected in the component of net position designated as net position restricted for energy programs, which increased $11.5 million from $5.3 million as of June 30, 2016 to $16.8 million as of June 30, 2017. Restricted net position energy programs includes approximately $2.9 in proceeds received upon the issuance of Clean Renewable Energy Bonds by the Green Bank in fiscal year 2017 which the Green Bank, through its component unit, CGB Meriden Hydro LLC, will use to purchase a hydro-electric facility in fiscal year 2018 from the facility's developer in a sale- lease back transaction. Note 17 Restricted Net Position provides a breakout by dollar amount of cash balances restricted for these programs.

Green Bank assets increased $14.4 million in fiscal year 2017 to $191.3 million as of June 30, 2017 from $176.8 million as of June 30, 2016 primarily resulting from an increase of $8.9 million in program loans made by the primary government to support renewable energy installations and energy efficiency upgrades for both residential and commercial property owners in Connecticut and an increase in investments in capital assets by the component unit, CT LS2 LLC of $3.4 million.

Investments in capital assets net of depreciation increased from $58.1 million as of June 30, 2016 to $61.5 million as of June 30, 2017, an increase of $3.4 million. This increase was the result of the purchase and construction of commercial solar PV systems by CT Solar Lease 2 LLC. These systems will either be leased or the electricity generated by them sold, to third party commercial, not for profit and municipal customers. During fiscal 2017, CT Solar lease 2 completed its acquisition of both residential and commercial solar PV systems which comprise the balance in capital assets. During fiscal year 2017, the Green Bank established a new component unit, CT Solar Lease 3 LLC, whose purpose will be to continue the acquisition of commercial solar PV systems begun by CT Solar Lease 2 LLC and to sell the electricity generated by these facilities to non-residential customers.

Unrestricted cash and cash equivalents decreased $10.9 million to $37.1 million as of June 30, 2017 from $48.1 million as of June 30, 2016 and restricted cash and cash equivalents increased $12.3 million to $22.1 million as of June 30, 2017 from $9.8 million as of June 30, 2016 primarily for the reasons also discussed in the preceding paragraph. As of June 30, 2016, Green Bank assets included $1.0 million representing an equity investment in a company that developed uninterruptable power supply products. During fiscal 2017 the Green Bank fully reserved this investment which it made when it was managed as the Connecticut Clean Energy Fund by Connecticut Innovations, Inc. Connecticut Innovations investment staff continue to monitor and manage this investment and recommended a full reserve as of June 30, 2017. Investment staff will continue to monitor this investment and recommend changes to the reserve if warranted.

Green Bank liabilities increased by $20.5 million in fiscal year 2017 to $72.6 million as of June 30, 2017 from $52.0 million as of June 30, 2016. Current liabilities, comprised of current maturities of long term debt, accounts payable and accrued expenses increased $6.2 million to $13.2 million as of June 30, 2017 compared to $ 7.0 million as of June 30, 2016. This increase was primarily the result of an increase in performance based incentives (PBI) payable to third party owners of solar facilities as of June 30, 2017 when compared to June 30, 2016 of $5.8 million. A portion of the $5.8 million, $1.7 million, represents the buyout of future PBI obligations to third party owners, which was approved by the Green Bank Board of Directors in fiscal year 2017. The significant increase in PBI liabilities resulted from the increase in residential solar PV systems coming on line and generating electricity in fiscal year 2017. The primary government is responsible for these obligations. Deferred revenues resulting from the development and acquisition of commercial solar PV systems by CEFIA Holdings LLC and CT Solar Lease 2 LLC and the leasing of residential solar PV systems by CT Solar Lease 2 LLC decreased $5.4 million to $872,000 as of June 30, 2017 from $6.3 million as of June 30, 2016 as the remaining commercial solar PV systems were completed in fiscal year 2017.

The Green Bank's allocation of the State of Connecticut State Employee Retirement System unfunded pension liability, as calculated under Government Accounting Standard Board (GASB) statement 68 increased $9.1 million in fiscal year 2017 to $25.2 million as of June 30, 2017 compared to $16.1 million as of June 30, 2016. The related Deferred Outflows of Resources, which represents timing differences in plan earnings, assumptions and Green Bank pension contributions increased $7.4 million to $10.0 million as of June 30, 2017 compared to $2.6 million as of June 30, 2016. Notes 15 and 16 provide further details regarding the pension plan. The primary government is responsible for this pension obligation.

Long term debt increased $11.1 million in fiscal year 2017 to $29.7 million as of June 30, 2017 when compared to $18.6 million as of June 30, 2016. During fiscal year 2017, the Green Bank issued $2.9 million of Clean Renewable Energy Bonds. The proceeds from these bonds will be used by CGB Meriden Hydro LLC, a component of the primary government, to purchase a hydro-electric facility from the developer in fiscal year 2018 in a sale-leaseback transaction. During fiscal year 2017, CEFIA Solar Services, Inc. borrowed $1.8 million from the Connecticut Housing Finance Authority which it lent to CT Solar Lease 2 LLC to finance the installation of renewable energy and energy efficiency projects in municipal housing developments throughout Connecticut. The remainder of the increase in long term debt represents advances of $9.5 million made to CT Solar Lease 2 LLC under its credit facility with KeyBank for total of $14.2 million in new borrowings during fiscal year 2017.

As of June 30, 2017, the Green Bank's unfunded contingent grant and loan commitments, which are obligations of the primary government, the majority of which represent PBI payments to third party owners of solar facilities as described in Note 13, totaled $76 million. These grant and loan commitments are expected to be funded over the next one to six years from current and future unrestricted cash balances.

The following table summarizes the net position of the reporting entity at June 30, 2017 and 2016:

Net Position
(in thousands)

	2017	2016	Increase (Decrease)
Cash and cash equivalents-unrestricted	$ 37,148	$ 48,072	$ (10,924)
Cash and cash equivalents-restricted	22,063	9,750	12,313
Bonds receivable	3,329	3,492	(163)
Portfolio investments	-	1,000	(1,000)
Solar lease notes	8,113	9,008	(895)
Program loans	42,206	33,268	8,938
Capital assets, net	61,510	58,115	3,395
Other assets	16,885	14,124	2,761
Total Assets	191,254	176,829	14,425
Deferred Outflows of Resources			
Deferred amount for pensions	9,978	2,575	7,403
Total deferred outflows of resources	9,978	2,575	7,403
Current liabilities	13,154	6,964	6,190
Unearned revenue	872	6,259	(5,387)
Pension liabilities	25,245	16,096	9,149
Other long term liabilities	3,020	2,528	492
Fair value of interest rate swap	541	1,628	(1,087)
Long term debt, less current maturities	29,737	18,567	11,170
Total liabilities	72,569	52,042	20,527
Deferred Inflows of Resources			
Deferred amount for pensions	-	-	-
Total deferred outflows of resources	-	-	-
Invested in capital assets	561	656	(95)
Restricted Net Position:			
Non-expendable	60,027	58,709	1,318
Restricted - energy programs	16,843	5,295	11,548
Unrestricted	51,232	62,702	(11,470)
Total Net Position	$ 128,663	$ 127,362	$ 1,301

CHANGES IN NET POSITION

Operating revenues decreased by $3.8 million to $34.0 million as of June 30, 2017 as compared to $37.8 million as of June 30, 2016. Continuing a trend in recent years, remittances to the Green Bank from utility companies representing the one mil per kilowatt hour charge to each end use customer of electric services in the State of Connecticut decreased $200,000 to $26.4 million for the fiscal year ended June 30, 2017 as compared to $26.6 million for the fiscal year ending June 30, 2016. Sales of Renewable Energy Credits (RECs) remained level year over year at $2.6 million for the fiscal year 2017 compared to $2.7 million for the fiscal year 2016. Proceeds received by the Green Bank from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions declined $4.1 million year over year with proceeds of $2.4 million in fiscal year 2017 compared to proceeds of $6.5 million in fiscal year 2016. The decrease in proceeds received by the Green Bank can primarily be attributed to a decrease in the auction clearing price for CO2 allowances. For the four auctions in fiscal year 2016, the clearing price average was $6.18 per allowance while the clearing price average for the four auctions held in fiscal year 2017 was $3.40 per allowance. Contributing to the decline in auction proceed revenue was the diversion of approximately $800,000 in proceeds earmarked for the Green Bank to the State of Connecticut general fund under Public Act 16-3.

Total payments of grants and incentives to commercial, not for profit, municipal and residential owners to install either solar PV systems or energy efficiency measures increased $6.4 million to $17.1 million in fiscal year 2017 compared to $10.6 million for the fiscal year 2016. PBI payments comprised the largest share of this increase as PV systems came on line in fiscal 2017 and began to generate electricity which provides the basis for the PBI payment.

As a result of continuing efforts by Green Bank management to control costs, program administration expenses increased $327,000 to $16.8 million in fiscal 2017 from $16.5 million in fiscal 2016, a 2% increase. Included in program administration expenses is the non-cash depreciation expense for Solar PV capital assets acquired by CT Solar Lease 2 LLC of $2.3 million in fiscal 2017 and $1.5 million in fiscal 2016. General and administrative costs increased by $1 million to $5.7 million in fiscal year 2017 from $4.7 million in fiscal year 2016, a 2.2% increase. Included in general and administrative costs is an increase of $2.0 million year over year for the non-cash GASB 68 pension expense allocated to the Green Bank by the State of Connecticut which is not an expense that is controllable by Green Bank management.

Interest earned on program investments and bank deposits increased $128,000 in fiscal 2017 to $3.1 million compared to $3 million. Interest as a revenue source is expected to continue to increase in future years as the Green Bank expands its investment portfolio. Interest expense increased $491,000 to $1.2 million from $731,000 as borrowings have increased to finance its leasing programs. The unrealized loss on investment of $1.0 million results from fully reserving the carrying cost of the Green Bank's previously discussed equity investment. Capital contributions to CT SL2 LLC by its investor member decreased $5.9 million to $6.4 million in fiscal 2017 from $12.3 million in fiscal year. Capital contributions from the investor member are received as projects are completed. As of June 30, 2017, all capital contributions to CT SL2 LC due from the investor member have been received.

The following table summarizes the changes in net position between June 30, 2017 and 2016:

Changes in Net Position
(in thousands)

	2017	2016	Increase (Decrease)
Revenues	$ 33,967	$ 37,788	$ (3,821)
Operating Expenses			
Grant and incentive payments	17,085	10,645	6,440
Program administration expenses	16,824	16,497	327
General and administrative expenses	5,725	4,706	1,019
Total operating expenses	39,634	31,848	7,786
Operating Income	(5,667)	5,940	(11,607)
Non-Operating Revenues (Expenses)			
Interest earned	3,144	3,016	128
Interest expense	(1,222)	(731)	(491)
Investment loss	(94)	(33)	(61)
Unrealized loss on investment	(1,000)	-	(1,000)
Unrealized gain (loss) on interest rate swap	1,087	(968)	2,055
Provision for loan losses	(956)	(1,022)	66
Capital contribution by member	6,446	12,294	(5,848)
Distribution to member	(437)	(301)	(136)
Net Change	1,301	18,195	(15,894)
Net Position at Beginning of Year	127,362	109,167	18,195
Net Position at End of Year	$ 128,663	$ 127,362	$ 1,301

FINANCIAL HIGHLIGHTS OF FISCAL 2016

NET POSITION

Total net position increased by $18.2 million to $127.4 million at June 30, 2016 compared to $109.2 million as of June 30, 2015. This growth was primarily driven by the acquisition of residential and commercial solar PV capital assets by a component unit of the primary government, CT Solar Lease 2 LLC, which increased $31.1 million to $58.1 million as of June 30, 2016 compared to $27.0 million as of June 30, 2015. Offsetting this growth in capital assets was a decrease in unrestricted net position of $9.2 million to $62.7 million as of June 30, 2016 compared to $71.9 million as of June 30, 2015. Significant factors affecting the decrease in unrestricted net position include an increase in long term debt to finance the acquisition of solar PV equipment by CT Solar Lease 2 LLC, an increase in the primary government's pension obligation under GASB 68 and an increase in CT Solar Lease 2 LLC's asset retirement obligation which is directly correlated to the increase in solar PV equipment placed into service in fiscal 2016.

Unrestricted cash and cash equivalents increased $8.1 million to $48.1 million as of June 30, 2016 compared to $39.9 million as of June 30, 2015 primarily due to the sale of a portion of the Green Bank's CPACE portfolio to an outside investor. Restricted cash over the same period increased $1.0 million to $9.75 million as a result in funds received which are to be used to administer a program of an agency of the State of Connecticut.

The acquisition of $3.5 million in bonds was a part of the proceeds received by the Green Bank as a result of the sale of CPACE program loans during fiscal years 2014 through 2016. Note 5 provides further detail as to the future cash flows related to these bonds. The Green Bank's portfolio of solar lease note principal decreased $811,000 due to scheduled principal repayments. Note 6 provides further detail as to future cash flows expected from this investment. The decrease in program loans in 2016 to $33.3 million as compared to $40.5 million in 2015 was primarily a result of sales of CPACE loans held in the Green Bank portfolio to an outside investor. Note 7 provides further detail regarding these sales

The Green Bank's allocation of the State of Connecticut State Employee Retirement System unfunded pension liability, as calculated under Government Accounting Standard Board (GASB) statement 68 increased $1.2 million in fiscal year 2016 to $16.1 million as of June 30, 2016 compared to $14.9 million as of June 30, 2015. The related Deferred Outflows of Resources, which represents timing differences in plan assumptions and Green Bank pension contributions increased $905,000 to $2.6 million as of June 30, 2016 compared to $1.7 million as of June 30, 2015. The related Deferred Inflows of Resources representing timing differences in plan earnings decreased $532,000 from its balance of $532,000 as of June 30, 2015. Notes 15 and 16 provide further details regarding the pension plan.

As of June 30, 2016, the Green Bank's unfunded contingent grant and loan commitments, all obligations of the primary government, the majority of which represent PBI payments to third party owners of solar facilities as described in Note 13, totaled $84.5 million. These grant and loan commitments are expected to be funded over the next one to six years from current and future unrestricted cash balances.

The following table summarizes the net position of the reporting entity at June 30, 2016 and 2015:

Net Position
(in thousands)

	2016	2015	Increase (Decrease)
Cash and cash equivalents-unrestricted	$ 48,072	$ 39,894	$ 8,178
Cash and cash equivalents-restricted	9,750	8,799	951
Bonds receivable	3,492	1,600	1,892
Portfolio investments	1,000	1,000	-
Solar lease notes	9,008	9,819	(811)
Program loans	33,268	40,518	(7,250)
Capital assets, net	58,115	26,971	31,144
Other assets	14,124	8,972	5,152
Total Assets	176,829	137,573	39,256
Deferred Outflows of Resources			
Deferred amount for pensions	2,575	1,670	905
Total deferred outflows of resources	2,575	1,670	905
Current liabilities	6,964	6,825	139
Unearned revenue	6,259	2,519	3,740
Pension liabilities	16,096	14,900	1,196
Other long term liabilities	2,528	1,094	1,434
Fair value of interest rate swap	1,628	660	968
Long term debt, less current maturities	18,567	3,546	15,021
Total liabilities	52,042	29,544	22,498
Deferred Inflows of Resources			
Deferred amount for pensions	-	532	(532)
Total deferred outflows of resources	-	532	(532)
Invested in capital assets	656	501	155
Restricted Net Position:			
Non-expendable	58,709	32,468	26,241
Restricted - energy programs	5,295	4,344	951
Unrestricted	62,702	71,854	(9,152)
Total Net Position	$ 127,362	$ 109,167	$ 18,195

CHANGES IN NET POSITION

Operating revenues decreased by $8.5 million in fiscal year 2016 primarily as a result of a decrease in RGGI auction proceeds of $10.1 million. The Green Bank received $6.5 million from the State in RGGI auction proceeds during the year as compared to RGGI auction proceeds of $16.6 million in 2015. Public Act 13-247 allowed the Commissioner of the Connecticut Department of Energy and Environmental Protection to transfer additional RGGI auction proceeds to The Green Bank to be used to support energy efficiency financing opportunities. This increase in RGGI auction proceeds helped offset payments to the State by the Green Bank required under Public Act 13-247 during fiscal year 2015. Helping to offset the decrease in RGGI auction proceeds was in increase in REC sales of $1.2 million over the prior year to $2.7 million for fiscal year 2016.

Total expenditures for grants and programs in 2016 were $10.6 million, a decrease of $18,000 when compared to the total expenditures of $10.7 million in 2015. Included in these totals are payments representing financial incentives to residential and commercial property owners to install renewable energy or energy efficiency measures of $12.8 million in 2016 and $10.7 million in 2015. These financial incentives and the associated costs to administer these payments fluctuate from year to year as they are based on the achievement of contract milestones established by each the Green Bank program.

General and administrative expenses increased by $1.6 million in 2016 to $4.7 million compared to $3.1 million in 2015 primarily resulting from expenditures for new marketing and branding initiatives undertaken in 2016.

The following table summarizes the changes in net position between June 30, 2016 and 2015:

Changes in Net Position
(in thousands)

	2016	2015	Increase (Decrease)
Revenues	$ 37,788	$ 46,294	$ (8,506)
Operating Expenses			
Grant and incentive payments	10,645	10,627	18
Program administration expenses	16,497	11,504	4,993
General and administrative expenses	4,706	3,117	1,589
Total operating expenses	31,848	25,248	6,600
Operating Income	5,940	21,046	(15,106)
Non-Operating Revenues (Expenses)			
Interest earned	3,016	2,312	704
Interest expense	(731)	(119)	(612)
Investment loss	(33)	(1,180)	1,147
Unrealized loss on interest rate swap	(968)	(660)	(308)
Provision for loan losses	(1,022)	(564)	(458)
Capital contribution by member	12,294	6,844	5,450
Distribution to member	(301)	(105)	(196)
Payments to State of Connecticut	-	(19,200)	19,200
Net Change	18,195	8,374	10,017
Net Position at Beginning of Year	109,167	100,793	8,374
Net Position at End of Year	$ 127,362	$ 109,167	$ 18,195

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Green Bank's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Office of Finance and Administration, 845 Brook Street, Rocky Hill, Connecticut 06067.

CONNECTICUT GREEN BANK
CONSOLIDATING STATEMENT OF NET POSITION
JUNE 30, 2017
(with summarized totals for the year ended June 30, 2016)

		Discretely Presented Component Units					
	Total Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services Inc.	CT Solar Lease 3 LLC	Eliminating Entries	2017 Total Reporting Entity	2016 Total Reporting Entity
Assets							
Current Assets							
Cash and cash equivalents	$ 29,705,100	$ 5,466,605	$ 1,975,578	$ 1,000	$	$ 37,148,283	$ 48,072,061
Accounts receivable	290,787	114,020				404,807	1,430,622
Utility remittance receivable	2,507,659					2,507,659	2,670,634
Other receivables	394,384	375,619				770,003	430,002
Due from component units	35,934,016	507,865	10,826,490		(47,268,371)	-	-
Prepaid expenses and other assets	9,023,655	976,635	11,735			10,012,025	4,245,806
Contractor loans						-	2,272,906
Current portion of solar lease notes	869,831					869,831	845,479
Current portion of program loans	1,910,048					1,910,048	1,378,242
Total current assets	80,635,480	7,440,744	12,813,803	1,000	(47,268,371)	53,622,656	61,345,752
Noncurrent Assets							
Portfolio investments	1					1	1,000,000
Bonds receivable	3,328,530					3,328,530	3,492,282
Solar lease notes, less current portion	7,242,822					7,242,822	8,162,635
Program loans, less current portion	40,296,113					40,296,113	31,889,275
Renewable Energy Credits	654,767					654,767	812,770
Investment in component units	100		22,682,460		(22,682,560)	-	-
Capital assets, net of depreciation and amortization	198,486	70,192,062			(8,880,341)	61,510,207	58,114,914
Asset retirement obligation, net		2,535,104				2,535,104	2,261,472
Restricted assets:							
Cash and cash equivalents	17,560,622	4,502,784				22,063,406	9,749,983
Total noncurrent assets	69,281,441	77,229,950	22,682,460	-	(31,562,901)	137,630,950	115,483,331
Total Assets	149,916,921	84,670,694	35,496,263	1,000	(78,831,272)	191,253,606	176,829,083
Deferred Outflows of Resources							
Deferred amount for pensions	9,978,107					9,978,107	2,575,368
Total Deferred Outflows of Resources	9,978,107	-	-	-	-	9,978,107	2,575,368

The accompanying notes are an integral part of the financial statements

CONNECTICUT GREEN BANK
CONSOLIDATING STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2017
(with summarized totals for the year ended June 30, 2016)

		Discretely Presented Component Units					
	Total Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services Inc.	CT Solar Lease 3 LLC	Eliminating Entries	2017 Total Reporting Entity	2016 Total Reporting Entity
Liabilities and Net Position							
Liabilities							
Current maturities of long-term debt	$ 194,090	$ 2,358,281	$ 94,788	$	$	$ 2,647,159	$ 1,794,181
Accounts payable and accrued expenses	7,994,515	657,697	8,734			8,660,946	2,984,746
Due to component units	507,865	13,599,055	33,160,451	1,000	(47,268,371)	-	-
Due to outside agency						-	30,127
Custodial liability	1,844,791					1,844,791	2,155,128
Unearned revenue		871,714				871,714	6,258,204
Total current liabilities	10,541,261	17,486,747	33,263,973	1,000	(47,268,371)	14,024,610	13,222,386
Asset retirement obligation		3,020,405				3,020,405	2,528,335
Long-term debt, less current maturities	5,241,847	22,749,427	1,745,725			29,736,999	18,567,419
Fair value of interest rate swap		540,877				540,877	1,627,864
Pension liability	25,245,439					25,245,439	16,096,113
Total liabilities	41,028,547	43,797,456	35,009,698	1,000	(47,268,371)	72,568,330	52,042,117
Net Position							
Invested in capital assets	198,486	450,844			(88,803)	560,527	655,737
Restricted Net Position:							
Nonexpendable	91,121	68,727,413			(8,791,538)	60,026,996	58,709,303
Restricted for energy programs	16,798,243	45,028				16,843,271	5,294,983
Unrestricted (deficit)	101,778,631	(28,350,047)	486,565		(22,682,560)	51,232,589	62,702,311
Total Net Position	$ 118,866,481	$ 40,873,238	$ 486,565	$ -	$ (31,562,901)	$ 128,663,383	$ 127,362,334

The accompanying notes are an integral part of the financial statements

CONNECTICUT GREEN BANK
CONSOLIDATING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2017
(with summarized totals for the year ended June 30, 2016)

		Discretely Presented Component Units					
	Total Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services Inc.	CT Solar Lease 3 LLC	Eliminations	2017 Total Reporting Entity	2016 Total Reporting Entity
Operating Revenues							
Utility remittances	$ 26,404,349	$	$	$	$	$ 26,404,349	$ 26,605,084
Grant revenue	98,486					98,486	589,917
RGGI auction proceeds	2,392,647					2,392,647	6,481,562
Energy system sales	12,689,540				(12,689,540)	-	-
REC sales	2,214,000	356,647				2,570,647	2,653,783
Other income	240,994	3,303,236	129,227		(1,173,038)	2,500,419	1,457,889
Total operating revenues	44,040,016	3,659,883	129,227	-	(13,862,578)	33,966,548	37,788,235
Operating Expenses							
Cost of goods sold - energy systems	11,333,034				(11,333,034)	-	-
Grants and incentive programs	18,128,022				(1,043,811)	17,084,211	10,644,334
Program administration expenses	13,228,749	3,884,129			(288,496)	16,824,382	16,497,328
General and administrative expenses	5,228,711	620,912	4,998		(129,227)	5,725,394	4,706,315
Total operating expenses	47,918,516	4,505,041	4,998	-	(12,794,568)	39,633,987	31,847,977
Operating Income (Loss)	(3,878,500)	(845,158)	124,229		(1,068,010)	(5,667,439)	5,940,258
Nonoperating Revenue (Expenses)							
Interest income - promissory notes	2,921,710					2,921,710	2,895,504
Interest income - short-term cash deposits	189,237	17,615	16,446			223,298	120,613
Interest expense long-term debt	(228,502)	(961,956)	(31,926)			(1,222,384)	(730,839)
Interest income - component units	61,455		31,437		(92,892)	-	-
Interest expense - component units		(92,892)			92,892	-	-
Distributions to member		(436,452)				(436,452)	(301,548)
Realized gain (loss) on investments	(93,974)					(93,974)	(33,723)
Unrealized gain (loss) on investments	(999,998)					(999,998)	-
Unrealized gain (loss) on interest rate swap		1,086,987				1,086,987	(967,791)
Provision for loan losses	(956,489)					(956,489)	(1,021,826)
Total nonoperating revenue (expenses)	893,439	(386,698)	15,957	-	-	522,698	(39,610)
Change in Net Position before Capital Contributions	(2,985,061)	(1,231,856)	140,186	-	(1,068,010)	(5,144,741)	5,900,648
Capital contributions		8,145,358			(1,699,568)	6,445,790	12,294,443
Change in Net Position	(2,985,061)	6,913,502	140,186	-	(2,767,578)	1,301,049	18,195,091
Net Position - Beginning of Year	121,851,542	33,959,736	346,379	-	(28,795,323)	127,362,334	109,167,243
Net Position - End of Year	$ 118,866,481	$ 40,873,238	$ 486,565	$ -	$ (31,562,901)	$ 128,663,383	$ 127,362,334

The accompanying notes are an integral part of the financial statements

CONNECTICUT GREEN BANK
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017
(with summarized totals for the year ended June 30, 2016)

		Discretely Presented Component Units					
	Total Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services Inc.	CT Solar Lease 3 LLC	Eliminating Entries	2017 Total Reporting Entity	2016 Total Reporting Entity
Cash Flows from Operating Activities							
Sales of energy systems	$ 18,826,940	$	$	$	$ (18,304,578)	$ 522,362	$ -
Sales of Renewable Energy Credits	2,214,000	301,088				2,515,088	2,443,524
Utility company remittances	26,567,324					26,567,324	26,453,300
Grants	99,949					99,949	797,101
RGGI auction proceeds	3,560,543					3,560,543	5,313,666
Other income	251,047	1,778,549				2,029,596	1,240,305
Lease payments received		1,295,956				1,295,956	976,737
Program administrative expenses	(13,734,338)	(1,602,391)				(15,336,729)	(14,773,218)
Grants, incentives and credit enhancements	(10,842,910)					(10,842,910)	(11,170,406)
Purchases of energy equipment	(16,907,742)					(16,907,742)	(34,278,291)
General and administrative expenditures	(2,666,644)	(454,892)	(12,500)			(3,134,036)	(4,910,476)
Net cash provided by (used in) operating activities	7,368,169	1,318,310	(12,500)	-	(18,304,578)	(9,630,599)	(27,907,758)
Cash Flows from Noncapital Financing Activities							
Funds received (disbursed) from escrow and custodial accounts	(564,964)					(564,964)	1,035,343
Advances to CGB component units	(3,001,000)				3,001,000	-	-
Advances repaid (disbursed) to third party capital providers	90,908					90,908	-
Subordinated debt advance to component units			(414,990)		414,990	-	-
Advances from CGB and component units		5,875,000	3,000,000	1,000	(8,876,000)	-	-
Repayments of advances (to) from component units			(5,875,000)		5,875,000	-	-
Net cash provided by (used in) noncapital financing activities	(3,475,056)	5,875,000	(3,289,990)	1,000	414,990	(474,056)	1,035,343
Cash Flows from Capital and Related Financing Activities							
Purchase of capital assets	(105,149)	(18,304,578)			18,304,578	(105,149)	(67,646)
Proceeds from long-term debt	2,957,971	9,500,633	1,895,807			14,354,411	17,510,837
Repayment of long-term debt	(715,950)	(1,560,600)	(55,294)			(2,331,844)	(1,002,770)
Interest expense	(172,379)	(906,238)	(31,926)			(1,110,543)	(637,267)
Proceeds from subordinated debt with component unit		414,990			(414,990)	-	-
Capital contributions from (to) component entities		1,699,567	(1,699,567)			-	-
Capital contributions from Firstar Development, LLC		6,445,790				6,445,790	12,294,443
Return of capital to Firstar Development, LLC		(412,606)				(412,606)	(219,969)
Net cash provided by (used in) capital and related financing activities	1,964,493	(3,123,042)	109,020	-	17,889,588	16,840,059	27,877,628
Cash Flows from Investing Activities							
Loan losses	(20,277)						
Return of principal on WC & program loans	9,531,886					9,531,886	26,765,812
Interest on short-term investments, cash, solar lease notes and loans	2,679,839	17,615	47,883			2,745,337	2,225,388
CPACE program loan disbursements	(5,602,984)					(5,602,984)	(15,474,204)
Grid Tied program loan disbursements	(319,471)					(319,471)	(911,249)
AD/CHP program loan disbursements	(1,997,403)					(1,997,403)	-
Alpha/Operational Demo program loan disbursements	(15,000)					(15,000)	(350,000)
Energy Efficiency program loan disbursements	(130,000)					(130,000)	-
HOPBI program loan disbursements						-	(1,093,599)
Residential Solar Loan program disbursements	(9,537,847)					(9,537,847)	(3,037,972)
Net cash used in investing activities	(5,411,257)	17,615	47,883	-	-	(5,325,482)	8,124,176
Net Increase (Decrease) in Cash and Cash Equivalents	446,349	4,087,883	(3,145,587)	1,000	-	1,389,645	9,129,389
Cash and Cash Equivalents - Beginning of Year	46,819,373	5,881,506	5,121,165	-	-	57,822,044	48,692,655
Cash and Cash Equivalents - End of Year	$ 47,265,722	$ 9,969,389	$ 1,975,578	$ 1,000	$ -	$ 59,211,689	$ 57,822,044
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:							
Operating income (loss)	$ (3,878,500)	$ (845,158)	$ 124,229	$	$ (1,068,010)	$ (5,667,439)	$ 5,940,258
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	116,584	2,307,546				2,424,130	1,777,556
Accretion		(273,633)				(273,633)	105,843
Deferred lease revenue						-	(41,040)
Pension expense adjustment	1,746,587					1,746,587	-
Other						-	92,396
Changes in operating assets and liabilities:							
(Increase) decrease in operating assets	8,821,259	(272,997)	(129,230)		(17,236,568)	(8,817,536)	(37,716,132)
(Decrease) increase in operating liabilities	562,239	402,552	(7,499)			957,292	1,933,361
Net Cash Provided by (Used in) Operating Activities	$ 7,368,169	$ 1,318,310	$ (12,500)	$ -	$ (18,304,578)	$ (9,630,599)	$ (27,907,758)

The accompanying notes are an integral part of the financial statements

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Connecticut Green Bank (the Green Bank) was established in July 2011 under Title 16, Sec. 16-245n of the General Statutes of the State of Connecticut as the successor entity of the Connecticut Clean Energy Fund. The Green Bank, a component unit of the State of Connecticut, was created to promote energy efficiency and investment in renewable energy sources in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of renewable energy sources and related enterprises and stimulate demand for renewable energy and deployment of renewable energy sources which serve end-use customers in the State. The Green Bank constitutes the successor agency to Connecticut Innovations Incorporated (CI), a quasi-public agency of the State of Connecticut, for the purposes of administering the Clean Energy Fund in accordance with section 4-38d of the Connecticut General Statutes and therefore the net position of such fund was transferred to the newly created Green Bank as of July 1, 2011.

On June 6, 2014, Public Act 14-94 of the State of Connecticut changed the name of the Clean Energy Finance and Investment Authority to the Connecticut Green Bank.

Prior Period Summarized Financial Information

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Green Bank's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

Principal Revenue Sources

The Public Utility Regulatory Authority (PURA) assesses a charge per kilowatt-hour to each end-use customer of electric services provided by utility companies (excluding municipally owned entities) in the state, which is paid to the Green Bank and is the principal source of the Green Bank's revenue. The Green Bank may deploy the funds for loans, direct or equity investments, contracts, grants or other actions that support energy efficiency projects and research, development, manufacture, commercialization, deployment and installation of renewable energy technologies.

The Green Bank also receives a portion, currently 23%, of proceeds the State of Connecticut receives from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions. These proceeds finance energy efficiency and renewable energy projects through the Green Bank's CPACE program. The Green Bank also earns both interest income and revenue from the sale of Solar Renewable Energy Credits (SREC's) generated by facilities it has financed.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity

The Green Bank, as the primary government, follows the reporting requirements of Governmental Accounting Standards Board (GASB) Statement No. 61 (*The Financial Reporting Entity Omnibus - an Amendment of GASB Statements No. 14 and No. 34*) (the Statement) regarding presentation of component units. The Statement modifies certain requirements for including component units in the reporting entity, either by blending (recording their amounts as part of the primary government), or discretely presenting them (showing their amounts separately in the reporting entity's financial statements). To qualify as a blended component unit, the unit must meet one of the following criteria: 1) have substantively the same governing body as that of the primary government, and either (A) a financial benefit or burden relationship exists between the unit and the primary government, or (B) management of the primary government (below the level of the governing body) has operational responsibility of the unit; 2) the unit provides services or benefits exclusively or almost exclusively to the primary government; or 3) the unit's total debt outstanding, including leases, is expected to be repaid by resources of the primary government. A unit which fails to meet the substantively the same governing requirement may still be included as a discretely presented component unit, if the primary government has appointed the voting majority of the component unit's governance or met other criteria specified in the Statement such as whether or not it would be misleading were the entity to be excluded.

The Green Bank, as of June 30, 2017, has established five legally separate for-profit entities whose collective purpose is to administer the Green Bank's solar energy programs. The Green Bank believes to exclude any of the entities from these financial statements would be misleading. Each entity is listed below, along with whether it is included as a blended component unit (blended) or qualifies as a discretely presented component unit (discrete) within these financial statements based on the criteria previously described.

CEFIA Holdings LLC (blended)

A Connecticut limited liability company (LLC), 99% owned by the Green Bank (1% owned by CI), established to acquire and develop a portfolio of commercial and residential solar facilities and, through its CT Solar Lease 2 program, to enable investment in solar photovoltaic equipment for the benefit of Connecticut homeowners, businesses, not-for-profits and municipalities (the End Users). CEFIA Holdings LLC acquires the initial title to the solar assets and contracts with independent solar installers to complete the installation of the solar assets and arrange for the leasing of the solar assets (or sale of energy under power purchase agreements) to the End Users. CEFIA Holdings LLC is also responsible for procuring insurance for the solar assets, operation and maintenance services as well as warranty management services for the ultimate owner of the solar assets, CT Solar Lease 2 LLC, to which CEFIA Holdings LLC sells the residential and commercial projects before the projects are placed in service. After acquiring the residential and commercial projects, CT Solar Lease 2 LLC administers the portfolio of projects with the assistance of Renew Financial Corporation. The Green Bank's Board of Directors acts as the governing authority of CEFIA Holdings LLC. The Green Bank appoints its employees to manage the operations of CEFIA Holdings LLC. The Green Bank is also financially responsible (benefit/burden) for CEFIA Holdings LLC's activities.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CT Solar Loan I LLC (blended)

A limited-liability company, wholly-owned by CEFIA Holdings LLC, CT Solar Loan I LLC was established to make loans to residential property owners for the purpose of purchasing and installing solar photovoltaic equipment. The Green Bank's Board of Directors acts as the governing authority of CT Solar Loan I LLC. The Green Bank appoints its employees to manage the operations of CT Solar Loan I LLC. The Green Bank is also financially responsible (benefit/burden) for CT Solar Loan I LLC's activities.

CEFIA Solar Services, Inc. (discrete)

A Connecticut corporation, 100% owned by CEFIA Holdings LLC, established to share in the ownership risks and benefits derived from the leasing of solar photovoltaic and the sale of energy under power purchase agreements as managing member of CT Solar Lease 2 LLC. CEFIA Solar Services, Inc. (Solar Services) has a one percent ownership interest in CT Solar Lease 2 LLC and is its managing member. Solar Services is responsible for performing all management and operational functions pursuant to the Operating Agreement of CT Solar Lease 2 LLC. The Green Bank through CEFIA Holdings LLC directly appoints the Board of Directors of Solar Services. The Board of Directors is comprised exclusively of Green Bank employees. The primary government's intent for owning a controlling interest in Solar Services is to enhance its ability to offer financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. The Green Bank believes that to exclude Solar Services from these financial statements would be misleading.

CT Solar Lease 2 LLC (discrete)

A Connecticut limited-liability company, CT Solar Lease 2 LLC acquires title to the residential and commercial solar projects from the developer, CEFIA Holdings LLC, using capital from its members along with non-recourse funding from participating banks. Repayment to participating banks is predicated upon the property owners' payment to CT Solar Lease 2 LLC of their obligations under leases and power purchase agreements, as well as revenue earned from production-based incentives. CT Solar Lease 2 LLC is owned ninety-nine percent (99%) by Firstar Development, LLC, a Delaware limited liability company, as the Investor Member and one percent (1%) by CEFIA Solar Services Inc., as the Managing Member. The primary government's intent to provide management services through Solar Services is to directly enhance its ability to provide financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. Although the Green Bank has a minority membership interest in CT Solar Lease 2 LLC, the Green Bank believes that to exclude it from these financial statements would be misleading.

As of June 30, 2017, CT Solar Lease 2 LLC has completed its acquisition of residential and commercial solar projects from the developer. All projects have been placed in service and are generating revenue. CT Solar Lease 2 LLC has also received all capital contributions required under its Operating Agreement from its members.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CT Solar Lease 3 LLC (discrete)

A Connecticut limited-liability company, CT Solar Lease 3 LLC, will acquire title to commercial solar projects from the developer, CEFIA Holdings LLC, using capital from its members. CT Solar Lease 3 LLC's primary sources of revenue will be from the sale of electricity generated by its solar PV facilities to property owners through power purchase agreements and the sale of RECs generated from facility electrical production to third parties. As of June 30, 2017, CT Solar Lease 3 LLC had a single member, CEFIA Solar Services Inc. (Solar Services). As of June 30, 2017, CT Solar Lease 3 LLC has not commenced operations. During fiscal year 2018, Solar Services plans to admit an investor member into CT Solar Lease 3 LLC. See subsequent events for developments regarding this component unit subsequent to June 30, 2017 but prior to the issuance of this report.

Advances between the primary government (the Green Bank) and its component units, or between the component units themselves, involved establishment of funds to provide for loan loss reserves as well as pay certain organizational costs. Advances were eliminated in preparing the combining and reporting entity financial statements.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Condensed combining information for the primary government (The Green Bank) and its two blended component units (CEFIA Holdings LLC and CT Solar Loan I LLC) is presented as follows:

Condensed, Combining Information - Statement of Net Position

	CGB	CT Solar Loan I LLC	CEFIA Holdings LLC	Eliminating Entries	Total Primary Government
Assets					
Current Assets					
Cash and cash equivalents	$ 19,766,551	$ 3,081,696	$ 6,856,853	$	$ 29,705,100
Accounts receivable	243,186	1,080	46,521		290,787
Utility remittance receivable	2,507,659				2,507,659
Other receivables	394,384				394,384
Due from component units	45,078,634		5,294,126	(14,438,744)	35,934,016
Prepaid expenses and other assets	563,936	17,755	8,441,964		9,023,655
Contractor loans					
Current portion of solar lease notes	869,831				869,831
Current portion of program loans	1,712,551	197,497			1,910,048
Total current assets	71,136,732	3,298,028	20,639,464	(14,438,744)	80,635,480
Noncurrent Assets					
Portfolio investments	1				1
Bonds receivable	3,328,530				3,328,530
Solar lease notes, less current portion	7,242,822				7,242,822
Program loans, less current portion	37,172,357	3,123,756			40,296,113
Renewable Energy Credits	654,767				654,767
Investment in component units	99,100		100	(99,100)	100
Capital assets, net of depreciation and amortization	198,486				198,486
Asset retirement obligation, net					
Restricted assets:					
Cash and cash equivalents	17,259,690	300,932			17,560,622
Total noncurrent assets	65,955,753	3,424,688	100	(99,100)	69,281,441
Total Assets	137,092,485	6,722,716	20,639,564	(14,537,844)	149,916,921
Deferred Outflows of Resources					
Deferred amount for pensions	9,978,107				9,978,107
Total Deferred Outflows of Resources	9,978,107	-	-	-	9,978,107

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Condensed, Combining Information - Statement of Net Position (Continued)

	CGB	CT Solar Loan I LLC	CEFIA Holdings LLC	Eliminating Entries	Total Primary Government
Liabilities and Net Position					
Liabilities					
Current maturities of long-term debt	$ 53,418	$ 140,672	$	$	$ 194,090
Accounts payable and accrued expenses	7,910,104	4,706	79,705		7,994,515
Due to component units	508,765	4,072,500	10,365,344	(14,438,744)	507,865
Due to outside agency					
Custodial liability	762,379		1,082,412		1,844,791
Unearned revenue					
Total current liabilities	9,234,666	4,217,878	11,527,461	(14,438,744)	10,541,261
Asset retirement obligation					
Long-term debt, less current maturities	2,904,553	2,337,294			5,241,847
Fair value of interest rate swap					
Pension liability	25,245,439				25,245,439
Total liabilities	37,384,658	6,555,172	11,527,461	(14,438,744)	41,028,547
Net Position					
Invested in capital assets	198,486				198,486
Restricted Net Position:					
Nonexpendable			91,121		91,121
Restricted for energy programs	16,497,311	300,932			16,798,243
Unrestricted (deficit)	92,990,137	(133,388)	9,020,982	(99,100)	101,778,631
Total Net Position	$ 109,685,934	$ 167,544	$ 9,112,103	$ (99,100)	$ 118,866,481

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Condensed, Combining Information - Statement of Revenues, Expenses and Changes in Net Position

	CGB	CT Solar Loan I LLC	CEFIA Holdings LLC	Eliminating Entries	Total Primary Government
Operating Revenues					
Utility remittances	$ 26,404,349	$	$	$	$ 26,404,349
Grant revenue	98,486				98,486
RGGI auction proceeds	2,392,647				2,392,647
Energy system sales			12,689,540		12,689,540
REC sales	2,214,000				2,214,000
Other income	240,371	623			240,994
Total operating revenues	31,349,853	623	12,689,540	-	44,040,016
Operating Expenses					
Cost of goods sold - energy systems			11,333,034		11,333,034
Grants and incentive programs	18,128,022				18,128,022
Program administration expenses	13,011,308	58,630	158,811		13,228,749
General and administrative expenses	5,210,521	7,021	11,169		5,228,711
Total operating expenses	36,349,851	65,651	11,503,014	-	47,918,516
Operating Income (Loss)	(4,999,998)	(65,028)	1,186,526		(3,878,500)
Nonoperating Revenue (Expenses)					
Interest income - promissory notes	2,680,027	241,683			2,921,710
Interest income - short-term cash deposits	181,430	88	7,719		189,237
Interest expense long-term debt	(56,123)	(172,379)			(228,502)
Interest income - component units	61,455				61,455
Interest expense - component units					
Distributions to member					
Realized gain (loss) on investments	(93,974)				(93,974)
Unrealized gain (loss) on investments	(999,998)				(999,998)
Unrealized gain (loss) on interest rate swap					
Provision for loan losses	(956,489)				(956,489)
Total nonoperating revenue (expenses)	816,328	69,392	7,719	-	893,439
Change in Net Position before Capital Contributions	(4,183,670)	4,364	1,194,245		(2,985,061)
Capital contributions	100			(100)	
Change in Net Position	(4,183,570)	4,364	1,194,245	(100)	(2,985,061)
Net Position - Beginning of Year	113,869,504	163,180	7,917,858	(99,000)	121,851,542
Net Position - End of Year	$ 109,685,934	$ 167,544	$ 9,112,103	$ (99,100)	$ 118,866,481

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Condensed, Combining Information - Statement of Cash Flows

	CGB	CT Solar Loan I LLC	CEFIA Holdings LLC	Eliminating Entries	Total Primary Government
Cash Flows from Operating Activities					
Sales of energy systems	$	$	$ 18,826,940	$	$ 18,826,940
Sales of Renewable Energy Credits	2,214,000				2,214,000
Utility company remittances	26,567,324				26,567,324
Grants	99,949				99,949
RGGI auction proceeds	3,560,543				3,560,543
Other income	250,424	623			251,047
Lease payments received					
Program administrative expenses	(13,576,520)	(32,397)	(125,421)		(13,734,338)
Grants, incentives and credit enhancements	(10,842,910)				(10,842,910)
Purchases of energy equipment			(16,907,742)		(16,907,742)
General and administrative expenditures	(2,653,092)	(5,356)	(8,196)		(2,666,644)
Net cash provided by (used in) operating activities	5,619,718	(37,130)	1,785,581	-	7,368,169
Cash Flows from Noncapital Financing Activities					
Funds received (disbursed) from escrow and custodial accounts	(564,964)				(564,964)
Advances to CGB component units	(4,051,000)			1,050,000	(3,001,000)
Advances repaid (disbursed) to third party capital providers	90,908				90,908
Subordinated debt advance to component units					
Advances from CGB and component units			1,050,000	(1,050,000)	
Repayments of advances (to) from component units					
Net cash provided by (used in) noncapital financing activities	(4,525,056)	-	1,050,000	-	(3,475,056)
Cash Flows from Capital and Related Financing Activities					
Purchase of capital assets	(105,149)				(105,149)
Proceeds from long-term debt	2,957,971				2,957,971
Repayment of long-term debt		(715,950)			(715,950)
Interest expense		(172,379)			(172,379)
Proceeds from subordinated debt with component unit					
Capital contributions from (to) component entities					
Capital contributions from Firstar Development, LLC					
Return of capital to Firstar Development, LLC					
Net cash provided by (used in) capital and related financing activities	2,852,822	(888,329)	-	-	1,964,493
Cash Flows from Investing Activities					
Loan losses	(20,277)				(20,277)
Return of principal on WC & program loans	8,812,656	719,230			9,531,886
Interest on short-term investments, cash, solar lease notes and loans	2,426,254	245,866	7,719		2,679,839
CPACE program loan disbursements	(5,602,984)				(5,602,984)
Grid Tied program loan disbursements	(319,471)				(319,471)
AD/CHP program loan disbursements	(1,997,403)				(1,997,403)
Alpha/Operational Demo program loan disbursements	(15,000)				(15,000)
Energy Efficiency program loan disbursements	(130,000)				(130,000)
HOPBI program loan disbursements					
Residential Solar Loan program disbursements	(9,537,847)				(9,537,847)
Net cash used in investing activities	(6,384,072)	965,096	7,719	-	(5,411,257)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,436,588)	39,637	2,843,300	-	446,349
Cash and Cash Equivalents - Beginning of Year	39,462,829	3,342,991	4,013,553	-	46,819,373
Cash and Cash Equivalents - End of Year	$ 37,026,241	$ 3,382,628	$ 6,856,853	$ -	$ 47,265,722
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating income (loss)	$ (4,999,998)	$ (65,028)	$ 1,186,526	$	$ (3,878,500)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	116,584				116,584
Accretion					
Deferred lease revenue					
Pension expense adjustment	1,746,587				1,746,587
Other					
Changes in operating assets and liabilities:					
(Increase) decrease in operating assets	2,972,962	26,233	5,822,064		8,821,259
(Decrease) increase in operating liabilities	5,783,583	1,665	(5,223,009)		562,239
Net Cash Provided by (Used in) Operating Activities	$ 5,619,718	$ (37,130)	$ 1,785,581	$ -	$ 7,368,169

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

All entities are enterprise funds. Enterprise funds are used to account for governmental activities that are similar to those found in the private sector in which the determination of net income is necessary or useful to sound financial administration.

Basis of Presentation

These financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the liability is incurred, regardless of the timing of the related cash flows.

Revenue Recognition

The Green Bank, in addition to utility assessments and RGGI auction income, recognizes revenue from grants as expenses are incurred.

CT Solar Loan I LLC derives revenue from interest earned on residential solar loan products.

CEFIA Holdings LLC derives revenue from the sales of photovoltaic energy systems to CT Solar Lease 2, LLC. This amount was eliminated to arrive at the total reporting entity revenue.

CEFIA Solar Services, Inc. revenue consists of an administrative fee from CT Solar Lease 2 LLC. This amount was eliminated to arrive at the total reporting entity revenue.

CT Solar Lease 2 LLC derives revenue from the following sources: operating leases, energy generation, performance based incentives (PBIs) and the sale of Solar Renewable Energy Certificates (SRECs) to third parties.

Upon commencement of operations in fiscal 2018, CT Solar Lease 3 LLC will derive revenue from the following sources: energy generation and the sale of Solar Renewable Energy Certificates (SRECs) to third parties.

Rental income from operating leases for residential and certain commercial scale solar facilities is recognized on a straight-line basis over the term of each underlying lease.

Energy generation revenue will be recognized as electricity is generated, based on actual output and contractual prices set forth in long term PPAs associated with certain commercial scale facilities.

Revenue from the sale of SRECs to third parties is recognized upon the transfer of title and delivery of the SRECs to third parties and is derived from contractual prices set forth in SREC sale agreements associated with commercial scale facilities.

Operating vs. Nonoperating Revenue (Expense)

All entities distinguish operating revenues and expenses from nonoperating items. Operating revenues consist of utility customer assessments, grants for operating activities, and other revenue generated in connection with investments in clean energy programs. Operating expenses consist of operating costs, including depreciation on capital assets and grants and programs. Nonoperating revenue (expense) consists of investment earnings, and other items not considered operational by management.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect certain reported amounts and disclosures in the financial statements. Actual results could vary from the estimates that were used.

Use of Restricted vs. Nonrestricted Resources

When both restricted and unrestricted amounts are available for use, the policy is to use restricted resources for their intended purposes first and then unrestricted resources.

Cash and Cash Equivalents

Cash equivalents consist of cash and highly liquid short-term investments with an original term of 90 days when purchased and are recorded at cost, which approximates fair value.

Capital Assets

Capital asset acquisitions exceeding $500 are capitalized at cost. Maintenance and repair expenses are charged to operations when incurred. Depreciation is computed using straight-line methods over the estimated useful lives of the assets, which range from two to thirty years. Leasehold improvements are amortized over the shorter of their useful life or the lease term.

The estimated useful lives of capital assets are as follows:

Asset	Years
Solar lease equipment	30 years
Furniture and equipment	5 years
Leasehold improvements	5 years
Computer hardware and software	2-3 years

For capital assets sold or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts, and any related gain or loss is reflected in income for the period.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All solar facilities are owned by CT Solar Lease 2 LLC and are stated at cost and include all amounts necessary to construct them. Systems are placed in service when they are ready for use and all necessary approvals have been received from local utility companies. Additions, renewals, and betterments that significantly extend the life of an asset are capitalized. Expenditures for warranty maintenance and repairs to solar facilities are charged to expense as incurred. Solar facilities in process represent facilities which are in various stages of construction or have not yet received the necessary utility company approvals.

Impairment of Long-Lived Assets

CT Solar Lease 2 LLC (CT SL2) reviews its solar facilities for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by an asset is less than its carrying amount, management compares the carrying amount of the asset to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss was recognized by CT SL2 during the fiscal year ending June 30, 2017. As of June 30, 2017, CT Solar Lease 3 LLC had not acquired any solar facilities.

Asset Retirement Obligations

CT SL2 is required to recognize its liability related to asset retirement obligations when it has the legal obligation to retire long-lived assets. Upon the expiration of operating leases or a Power Purchase Agreement's (PPA's) initial or extended terms, customers generally have the option to purchase the solar facilities at fair market value or require CT SL2 to remove the solar facilities at its expense.

Asset retirement obligations are recorded in the period in which they are incurred and reasonably estimable, including those obligations for which the timing method of settlement are conditional on a future event that may or may not be in the control of CT SL2. Retirement of assets may involve efforts to remove the solar facilities depending on the nature and location of the assets. In identifying asset retirement obligations, CT SL2 considers identification of legally enforceable obligations, changes in existing law, estimates of potential settlement dates, and the calculation of an appropriate discount rate to be used in calculating the fair value of the obligations. For those assets where a range of potential settlement dates may be reasonably estimated, obligations are recorded. CT SL2 routinely reviews and reassesses its estimates to determine if an adjustment to the value of asset retirement obligations is required. As of June 30, 2017, CT Solar Lease 3 LLC had not acquired any solar facilities.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The aggregate carrying amount of asset retirement obligations recognized by CT SL2 was $3,020,405 and $2,528,335 at June 30, 2017 and June 30, 2016 respectively. The following table shows changes in the aggregate carrying amount of CT SL2's asset retirement obligation for the year ended June 30, 2017:

Balance - June 30, 2016	$	2,528,335
Additional accruals		429,559
Accretion expense		62,511
Balance - June 30, 2017	$	3,020,405

Portfolio Investments

The Green Bank carries all investments at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer liability by in an orderly transaction between market participants at the measurement date. As discussed in Note 4, the Green Bank's portfolio investments are managed by CI. Fair value is determined by CI's independent valuation committee (Committee) using United States Private Equity Valuation Guidelines promulgated by the Private Equity Investment Guidelines Group. In the absence of readily determinable market values, the Committee gives consideration to pertinent information about the companies comprising these investments, including, but not limited to, recent sales prices of the issuer's securities, sales growth, progress toward business goals and other operating data. CI has applied procedures in arriving at the estimate of the value of such securities that it believes are reasonable and appropriate. Green Bank management reserves the right to establish a reserve in addition to the reserve recommended by the Committee to further account for current market conditions and volatility. Due to the inherent uncertainty of valuation, those estimated values may differ significantly from the amounts ultimately realized from the investments, and the differences could be material. The Green Bank reports gains as realized and unrealized consistent with the practice of venture capital firms. The calculation of realized gains and losses is independent of the calculation of the net change in investment value.

All of the Green Bank's portfolio investments are uninsured against loss and unregistered, and are held in CI's name since the investments were made when the Green Bank's predecessor, the Connecticut Clean Energy Fund, was administered by CI.

Net Position

Net position is presented in the following three categories:

- *Investment in Capital Assets* represent capital assets, net of accumulated depreciation and amortization that are attributable to those particular assets.

- *Restricted Net Position* represent assets whose use is restricted through external restrictions imposed by creditors, grantors, contributors and the like, or through restrictions imposed by laws or through constitutional provisions or enabling legislature, and includes equity interest within the Green Bank's component units by outside entities.

- *Unrestricted Net Position* represents assets which do not meet the definition of the two preceding categories.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Programs

Expenditures for grants and programs are recorded upon the submission of invoices and other supporting documentation and approval by management. Salaries, benefits and overhead expenses are allocated to program expenses based on job functions.

Reclassifications

Certain amounts in the 2016 summarized information have been reclassified to conform to the 2017 presentation.

Subsequent Events

The Green Bank has performed a review of events subsequent to the statement of net position date through October 26, 2017, the date of the financial statements where available to be issued. Except as described below, no additional events requiring recording or disclosure in the financial statements were identified.

CT Solar Lease 3 LLC
On August 2, 2017, an operating agreement between CEFIA Solar Services Inc. (Solar Services), as the managing member, and Firstar Development LLC (Firstar), as the investor member, was executed for CT Solar Lease 3 LLC (CT SL3). Solar Services membership interest is 1% and Firstar's membership interest is 99%. Solar Services has committed to providing $13,984,204 in capital contributions and Firstar has committed providing $7,861,324 in capital contributions to CT SL3. On August 2, 2017, CT SL3 also executed a development and purchase agreement (the Agreement) with CEFIA Holdings LLC to purchase commercial solar projects. The Agreement commits CT SL3 to purchase $21,457,062 of commercial solar projects from CEFIA Holdings LLC.

Purchase of Hydroelectric Facility
On August 31, 2017, the Green Bank, through its wholly owned component unit, CGB Meriden Hydro LLC (CGB Meriden), purchased a 195 kW hydroelectric facility located in Meriden, Connecticut, from the facility's developer, Hanover Pond Hydro LLC (Hanover Pond), pursuant to a sale and leaseback agreement dated January 1, 2017 for $3,911,706. The Green Bank utilized the proceeds of the Clean Energy Renewable Bond (CREB), $2,957,971 issued in fiscal year 2017, to finance a portion of the total purchase price.

Hanover Pond will remit to CGB Meriden a monthly lease payment equal to the monthly payment made by the City of Meriden to Hanover Pond for the purchase of electricity generated by the hydroelectric facility under a power purchase agreement dated August 14, 2014, as amended. This lease commences on the date commercial operations begin and terminates on the 30th anniversary of said date. Commercial operations began on March 7, 2017. In addition to revenues earned through its lease with Hanover Pond, CGB Meriden will also receive revenues from the sale of renewable energy credits generated by the facility and sold to the local utility company under a sale and purchase contract dated July 31, 2014 which was assigned to CGB Meriden on September 18, 2017.

2. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). In determining fair value, The Green Bank utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The Green Bank also considers nonperformance risk in the overall assessment of fair value.

Investments are measured at fair value utilizing valuation techniques based on observable and/or unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect market assumptions. These inputs are classified into the following hierarchy:

Level 1
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2
Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liability (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observed market data by correlation or other means

Level 3
Unobservable inputs for the asset or liability (supported by little or no market activity). Level 3 inputs include management's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

2. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, the Green Bank's fair value measurements at June 30, 2017:

	Investment Assets at Fair Value as of June 30, 2017			
	Level 1	Level 2	Level 3	Total
Portfolio investments	$	$	$ 1	$ 1

The following table sets forth by level, within the fair value hierarchy, the Green Bank's fair value measurements at June 30, 2016:

	Investment Assets at Fair Value as of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Portfolio investments	$	$	$ 1,000,000	$ 1,000,000

There were no transfers between levels during the years ended June 30, 2017 and 2016.

3. CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents for the reporting entity at June 30:

	2017	2016
Checking	$ 8,382,573	$ 4,499,265
Money market	13,114,107	10,103,292
State Treasurer's Short-Term Investment Fund	15,651,603	33,469,504
Unrestricted cash and cash equivalents	37,148,283	48,072,061
Checking - restricted	1,132,633	1,109,782
Money market - restricted	8,986,340	5,001,190
State Treasurer's Short-Term Investment Fund - restricted	11,944,433	3,639,011
Total Cash and Cash Equivalents	$ 59,211,689	$ 57,822,044

3. CASH AND CASH EQUIVALENTS (CONTINUED)

	Cash and Cash Equivalents as of June 30, 2017				
	Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Total
Checking	$ 7,722,434	$ 523,672	$ 135,967	$ 500	$ 8,382,573
Money market	6,331,063	4,942,933	1,839,611	500	13,114,107
State Treasurer's Short-Term Investment Fund	15,651,603				15,651,603
Unrestricted cash and cash equivalents	29,705,100	5,466,605	1,975,578	1,000	37,148,283
Restricted cash:					
Checking	132,633	1,000,000			1,132,633
Money market	5,483,556	3,502,784			8,986,340
State Treasurer's Short-Term Investment Fund	11,944,433				11,944,433
	$ 47,265,722	$ 9,969,389	$ 1,975,578	$ 1,000	$ 59,211,689

	Cash and Cash Equivalents as of June 30, 2016				
	Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Total
Checking	$ 4,179,676	$ 244,856	$ 74,733	$	$ 4,499,265
Money market	3,920,210	1,136,650	5,046,432		10,103,292
State Treasurer's Short-Term Investment Fund	33,469,504				33,469,504
Unrestricted cash and cash equivalents	41,569,390	1,381,506	5,121,165	-	48,072,061
Restricted cash:					
Checking	109,782	1,000,000			1,109,782
Money market	1,501,190	3,500,000			5,001,190
State Treasurer's Short-Term Investment Fund	3,639,011				3,639,011
	$ 46,819,373	$ 5,881,506	$ 5,121,165	$ -	$ 57,822,044

State Treasurer's Short-Term Investment Fund

The State Treasurer's Short-Term Investment Fund is a Standard & Poor's AAAm investment pool of high-quality, short-term money market instruments managed by the Cash Management Division of the State Treasurer's Office, and operates in a manner similar to money market mutual funds. It is the investment vehicle for the operating cash of the State of Connecticut Treasury, state agencies and authorities, municipalities, and other political subdivisions of the State. The value of the Green Bank's position in the pool is the same as the value of pool shares. Regulatory oversight is provided by an investment advisory council and the State Treasurer's Cash Management Board.

3. CASH AND CASH EQUIVALENTS (CONTINUED)

Investment Maturities

The State Treasurer's Short-Term Investment Fund itself has no maturity date and is available for withdrawal on demand.

Interest Rate Risk

The Green Bank manages its exposure to declines in fair value by limiting the average maturity of its cash and cash equivalents to no more than one year. The Green Bank does not have a formal policy relating to a specific investment related risk.

Credit Risk

Connecticut General Statutes authorize the Green Bank to invest in obligations of the U.S. Treasury including its agencies and instrumentalities, commercial paper, banker's acceptance, repurchase agreements and the State Treasurer's Short-Term Investment Fund.

Investment ratings for the Fund's investment are as follows:

	Standard & Poor's
State Treasurer's Short-Term Investment Fund	AAAm

Concentration of Credit Risk

The Green Bank's investment policy does not limit the investment in any one investment vehicle. The State Treasurer's Short-term Investment Fund is not subject to this disclosure.

Custodial Credit Risk - Deposits

In the case of deposits, this represents the risk that, in the event of a bank failure, the Green Bank's deposits may not be returned to it. The Green Bank does not have a deposit policy for custodial credit risk. As of June 30, 2017 and 2016, $29,254,187 and $19,019,356, respectively, of the Green Bank's bank balances were exposed to custodial credit risk. Primary government consisted of $17,966,373 and $8,727,950 as of June 30, 2017 and 2016, respectively. CT Solar Lease 2, LLC consisted of $9,562,237 and $5,420,241 as of June 30, 2017 and 2016, respectively. CEFIA Solar Services, Inc. consisted of $ 1,725,577 and $4,871,165 as of June 30, 2017 and 2016, respectively. Funds held by banks on behalf of the Green Bank, CT Solar Lease 2 LLC and CEFIA Solar Services included contractual requirements to maintain $10,132,312 in deposits with financial institutions participating in various lease and loan programs, representing loan loss and lease maintenance reserves and guaranty pledge accounts.

Custodial Credit Risk - Investments

For an investment, this represents the risk that, in the event of the failure of the counterparty, the Green Bank will not be able to recover the value of the investment. The Green Bank does not have a policy relating to the credit risk of investments. As of June 30, 2017 and 2016, the Green Bank had no reportable credit risk.

4. PORTFOLIO INVESTMENTS

The former Connecticut Clean Energy Fund (CCEF) invested in emerging technology companies as equity and debt investments in Operational Demonstration projects. Based on a memorandum of understanding between the Green Bank and CI, CI manages these investments on behalf of the Green Bank.

5. BONDS RECEIVABLE

Subordinate Series 2014B-1 and 2014C-1
This Series represents two $800,000 bonds received in connection with the Green Bank's May 2014 sale of C-PACE loans to Clean Fund Holdings, LLC (CFH). CFH paid the Green Bank approximately $6.4 million in cash along with two bonds issued to the Green Bank through Public Finance Authority. The 2014 Series bonds carry interest of 5.30% per annum with a maturity date of September 10, 2034. The bonds are secured by the C-PACE loans sold to CFH. The Green Bank received a principal repayment of $8,858 for each bond as a result of a C-PACE loan payoff in 2016. At June 30, 2017, management believes no valuation allowance is necessary on these bonds.

Each bond required semi-annual interest-only payments to the Green Bank starting September 10, 2014 and continuing to September 10, 2034. Starting March 10, 2030 and every six months thereafter, principal payments, along with the required interest is to be paid to the Green Bank.

Subordinate Series 2015B-1 and 2015C-1
This Series represents two $955,000 bonds received in connection with the Green Bank's August 2015 sale of C-PACE Loans to Clean Fund Holdings, LLC (CFH). CFH paid the Green Bank approximately $7.7 million in cash along with two bonds issued to the Green Bank through Public Finance Authority. The 2015 Series bonds carry interest of 5.52% per annum with a maturity date of August 13, 2035. The bonds are secured by the C-PACE loans sold to CFH. The Green Bank received a principal repayment of $81,877 for each bond as a result of a C-PACE loan payoff in 2017. At June 30, 2017, management believes no valuation allowance is necessary on these bonds.

Each bond required semi-annual interest-only payments to the Green Bank starting September 10, 2015 and continuing to August 13, 2035. Starting September 10, 2032 and every six months thereafter, principal payments, along with the required interest is to be paid to the Green Bank.

Principal maturities of these bonds are as follows:

Year ended June 30,	2014B-1	2014C-1	2015B-1	2015B-1	Total
2018	$	$	$	$	$
2019					
2020					
2021					
2022					
2023 - 2027					
2028 - 2032	457,500	457,500			915,000
2033 - 2037	333,642	333,642	873,123	873,123	2,413,530
	$ 791,142	$ 791,142	$ 873,123	$ 873,123	$ 3,328,530

6. SOLAR LEASE NOTES RECEIVABLE

In June of 2008 the predecessor of the Green Bank, the Connecticut Clean Energy Fund (CCEF) entered into a Master Lease Program Agreement with CT Solar Leasing LLC, a third party leasing company, AFC First Financial Corporation, a third party servicer, and Firstar Development LLC, the tax equity investor, to develop a residential solar PV leasing program in Connecticut. CCEF purchased a total of $13,248,685 of promissory notes issued by CT Solar Leasing LLC during the period commencing in April of 2009 and ending in February of 2012 to fund the program. Each nonrecourse promissory note is secured by the payments under a specific PV equipment lease, with a rate of interest of 5% and a term of 15 years. Future principal repayments under the program and the current loss reserve are as follows:

Future principal repayments		
2018	$	869,831
2019		914,334
2020		958,388
2021		986,312
2022		1,008,384
2023-2026		3,457,350
		8,194,599
Less reserve for losses		(81,946)
	$	8,112,653
Current portion	$	869,831
Noncurrent portion		7,242,822
	$	8,112,653

7. PROGRAM LOANS RECEIVABLE

Outstanding principal balances by program for the years ending June 30, 2017 and 2016, are as follows:

	2017	2016
Loans in repayment for completed projects:		
Connecticut Green Bank		
CPACE Program benefit assessments - in repayment	$ 12,157,762	$ 11,221,563
CPACE Promissory notes	1,791,578	1,553,884
Grid-Tied Program term loans	10,568,847	8,701,188
Multifamily/Affordable housing program loans	10,967,995	2,467,231
Alpha/Operational Demonstration program loans	1,151,421	1,136,421
Other program loans	684,580	680,737
CT Solar Loan I LLC		
Residential Solar PV Program loans-in repayment	3,321,253	4,041,563
	40,643,436	29,802,587
Reserve for loan losses	(5,611,942)	(4,674,813)
Total loans in repayment for completed projects, net	$ 35,031,494	$ 25,127,774
Loan advances for projects under construction:		
Connecticut Green Bank		
CPACE Program benefit assessments - under construction	$ 7,174,667	$ 8,113,510
CT Solar Loan I LLC		
Residential Solar PV Program loans - under construction		26,233
Total loans advances for projects under construction	$ 7,174,667	$ 8,139,743

7. PROGRAM LOANS RECEIVABLE (CONTINUED)

Scheduled repayments of principal under these loans in repayment as of June 30, 2017 is as follows:

	2018	2019	2020	2021	2022	Thereafter	Total
Connecticut Green Bank							
CPACE Program benefit assessments-in repayment	$ 488,884	$ 519,622	$ 548,639	$ 577,611	$ 611,546	$ 9,411,460	$ 12,157,762
CPACE promissory notes	36,868	45,922	49,482	53,584	58,217	1,547,505	1,791,578
Grid-Tied Program term loans	303,360	310,752	318,374	327,904	1,216,697	8,091,760	10,568,847
Multifamily/Affordable housing term loans	791,352	767,720	810,092	857,148	1,400,785	6,340,898	10,967,995
Alpha/Operational Demonstration program loans	501,421					650,000	1,151,421
Other program loans	110,462	101,535	95,000	12,699	37,801	327,083	684,580
CT Solar Loan I LLC							
Residential Solar PV Program loans - in repayment	197,497	189,172	202,005	215,537	230,633	2,286,409	3,321,253
	2,429,844	1,934,723	2,023,592	2,044,483	3,555,679	28,655,115	40,643,436
Reserve for loan losses	(519,796)	(1,100)	(38,460)	(3,378)		(5,049,208)	(5,611,942)
	$ 1,910,048	$ 1,933,623	$ 1,985,132	$ 2,041,105	$ 3,555,679	$ 23,605,907	$ 35,031,494

Benefits assessments under the C-PACE program finance energy efficiency upgrades and the installation of renewable energy equipment on non-residential property. These assessments carry interest rates ranging from 5.0% to 9.0% with terms ranging from 10 to 26 years. CPACE promissory notes represent a component of proceeds received from the sale of 37 benefit assessments from the Green Bank's portfolio to a third-party capital provider. These promissory notes carry interest rates ranging from 7.1% to 14.4% and mature at various intervals commencing on September 10, 2036 and ending on March 10, 2037.

Grid-tied term loans represent the financing of three projects. The first project is the 15-megawatt Bridgeport Fuel Cell Park from Project 150. Interest is paid monthly on the outstanding principal balance at a rate of 5.0% until 2022 when principal repayments commence over a 48-month period. The second project is a 5 mega-watt wind turbine facility in Colebrook, CT. Interest on a revolving term loan is paid quarterly at prime plus 3%. Interest on a nonrevolving term loan is paid quarterly based on the project's cash flows. The minimum rate of interest on the nonrevolving term loan is 10%. Principal under both loans is repaid at maturity which is 15 years from the date the project was placed in service. The project was placed in service in November 2015. The third project is an anaerobic digestion facility located in Southington, CT. The term loan carries an interest rate of 2% and interest and principal are repaid on a quarterly basis. Commencing on May 1, 2018 the borrower is required to make annual payments against principal equal to 50% of excess project cash flow as defined in the loan agreement.

Affordable Housing initiatives include providing term loans to two third-party capital providers to finance solar PV installations and energy efficiency measures for low to moderate income households. Under the first initiative through June 30, 2017, the Green Bank has advanced $7,691,173 of a $10,000,000 term financing facility comprising two promissory notes with interest rates of 5% and 7.7% payable monthly. Each advance under the notes matures six years from the date of the advance. The final maturity date of all advances made under these notes as of June 30, 2017 is September 26, 2023. Under a second initiative as of June 30, 2017, the Green Bank has advanced $3,500,000 of a $3,500,000 term financing facility comprising 4 promissory notes. All notes carry an interest rate of 3% payable along with principal on a monthly basis. The notes have terms of 7 and 20 years with maturities ranging from December 1, 2025 to October 1, 2037.

7. PROGRAM LOANS RECEIVABLE (CONTINUED)

Multifamily pre-development loans are advances to developers and owners of multifamily residences to provide funding for project feasibility and site development work. Loans mature in two years and carry no interest. As of June 30, 2017, $91,875 had been advanced under this program.

Operational demonstration program loans are residual transactions of the programs of the Connecticut Clean Energy Fund. The loans finance the development of emerging clean energy technologies. Repayment of each loan is based upon the commercial success of the technology and carries an interest rate of 6%. If commercial success is not achieved after ten years from the date of the loan agreement, the loan converts to a grant. Connecticut Innovations assists in overseeing these loans.

Other program loans represent the financing of feasibility studies for various renewable energy projects or energy efficiency upgrades.

The residential solar PV loan program administered by CT Solar Loan I LLC, makes loans to residential property owners for solar PV installations. Loans carry an interest rate ranging from 6.49% to 6.75% with a term of 15 years.

8. FINANCING ACTIVITIES

Long-Term Debt - Primary Government

CT Solar Loan I LLC Line of Credit

On February 3, 2014, CT Solar Loan I LLC (SLI) executed a $4,000,000 line of credit with Solar Mosaic, Inc. (LOC). The LOC was amended in June 2015 to $1,100,000. Borrowings on the LOC immediately turn into a term note with predefined repayment terms at the time of borrowing. No further borrowings were available after June 30, 2015. Borrowings on the Mosaic LOC bear interest at 6.4586% (Base Rate) and SLI exercised its option to buy-down the interest rate to 6.00% (Reduced Rate) by making a payment on the borrowing date of 2.875% of the principal amount of the loan (Rate Buy-down Amount). As of June 30, 2017 and 2016 there was $508,793 and $691,707, respectively, outstanding. All borrowings will have matured by September 20, 2028.

In connection with the LOC, SLI is required to establish and maintain a collections account, debt service reserve account and a loan loss reserve account. Deposits shall be made into the collections account for all payments received from residential borrowers against loans securing the LOC. The debt service reserve account is required to have no less than six months forward-looking principal and interest payments for the loans outstanding. The loan loss reserve account required a one-time deposit of $300,000 as of June 30, 2014 which was reduced to $82,500 as of June 30, 2015.

8. FINANCING ACTIVITIES (CONTINUED)

Future maturities on borrowings on the LOC are as follows:

Years Ending June 30,	Principal	Interest	Total
2018	$ 47,385	$ 29,237	$ 76,622
2019	49,991	26,325	76,316
2020	52,848	23,248	76,096
2021	55,874	19,994	75,868
2022	59,080	16,555	75,635
2023 - 2027	231,771	32,834	264,605
Thereafter	11,844	294	12,138
	$ 508,793	$ 148,487	$ 657,280

CT Solar Loan I LLC Term Note

On April 25, 2016, CT Solar Loan I LLC (SLI) executed a $2,510,837 Loan Agreement and Promissory Note (Note) with the Reinvestment Fund, Inc. The Note carries a fixed interest rate of 6.02%. Interest and principal repayments are amortized over a hypothetical 15 year period. The Note has a maturity date of April 1, 2023 with all unpaid principal and accrued interest due at that time. Principal repayments and interest payments are made in monthly installments beginning June 1, 2016.

In connection with the Note, SLI is required to establish and maintain a collections account, and maintain $217,500 in a loan loss reserve account. Deposits shall be made into the collections account for all payments received from residential borrowers against loans securing the Note.

Future maturities on borrowings under the Reinvestment Fund LOC is as follows:

Years Ending June 30,	Principal	Interest	Total
2018	$ 93,287	$ 115,998	$ 209,285
2019	99,060	110,225	209,285
2020	105,191	104,094	209,285
2021	111,701	97,584	209,285
2022	118,615	90,671	209,286
2023 - 2027	1,441,319	69,970	1,511,289
Thereafter			-
	$ 1,969,173	$ 588,542	$ 2,557,715

8. FINANCING ACTIVITIES (CONTINUED)

Connecticut Green Bank New Clean Renewable Energy Bond

On February 26, 2016 the Board of Directors of the Green Bank authorized the issuance of a New Clean Energy Renewable Energy Bond (CREB) in an amount not to exceed $3,000,000 to finance a portion of the acquisition cost of a 193kW Hydroelectric Facility located in Meriden, Connecticut by CGB Meriden Hydro LLC, a subsidiary of the Green Bank. On February 2, 2017 the Green Bank issued a CREB in the amount of $2,957,971 with an annual interest rate of 4.19%, maturing on November 15, 2036. Interest and principal payments are to be paid annually on November 15th. Proceeds from the sale of the CREB have been deposited with the bond trustee and will be disbursed upon acquisition of the hydroelectric facility from its developer which is expected to occur during the first quarter of fiscal year 2018. Proceeds from the sale of electricity generated by the facility to the City of Meriden along with revenue from the associated renewable energy credits will fund the payment of principal and interest on the CREB. The CREB qualified for a tax credit from the US Treasury under Section 54C of the Internal Revenue Code. The tax credit will be paid in the form of a subsidy to the Green Bank. The project also qualified to receive an interest rate subsidy from the local electricity utility through a program approved by the Connecticut Public Utility Regulatory Authority (PURA). This subsidy will be paid directly to the purchaser of the CREB. Both these subsidies will reduce the borrowing costs of the Green Bank.

Future maturities on borrowings under the CREB is as follows:

Years Ending June 30,	Principal	Interest	US Treasury Tax Subsidy	CT PURA Interest Subsidy	Total
2018	$ 53,418	$ 97,430	$ (68,721)	$ (18,013)	$ 64,114
2019	106,223	121,701	(85,840)	(18,013)	124,071
2020	109,041	117,250	(82,701)	(18,013)	125,577
2021	123,718	112,681	(79,479)	(18,013)	138,907
2022	134,348	107,497	(75,822)	(18,013)	148,010
2023 - 2027	842,955	440,696	(310,840)	(90,067)	882,744
2028 - 2032	841,184	262,200	(184,940)		918,444
2033 - 2037	747,084	95,718	(67,514)		775,288
	$ 2,957,971	$ 1,355,173	$ (955,857)	$ (180,132)	$ 3,177,155

Long-Term Debt - Primary Government - Discretely Presented Component Units

CEFIA Solar Services Inc. Term Note

On October 18, 2016 CEFIA Solar Services Inc. executed a term note with the Connecticut Housing Finance Authority (CHFA) in the amount of $1,895,807 with an interest rate of 2.5% with a 20-year term maturing on November 1, 2036. Principal and interest are payable monthly. CEFIA Solar Services, in its role as managing member of CT Solar Lease 2 LLC (CT SL2) lent these funds to CT SL2 through the execution of a subordinated promissory note of same date. CT SL2 used these funds to finance the acquisition of renewable energy equipment and installation of energy efficiency measures by eleven housing developments owned by municipalities throughout Connecticut.

8. FINANCING ACTIVITIES (CONTINUED)

Future maturities on borrowings under CHFA is as follows:

Years Ending June 30,	Principal	Interest	Total
2018	$ 94,788	$ 44,927	$ 139,715
2019	94,788	42,557	137,345
2020	94,788	40,187	134,975
2021	94,788	37,817	132,605
2022	94,788	35,448	130,236
2023 - 2027	473,953	141,692	615,645
2028 - 2032	473,953	82,448	556,401
2033 - 2037	418,667	23,949	442,616
	$ 1,840,513	$ 449,025	$ 2,289,538

Line of Credit - Discretely Presented Component Unit - CT Solar Lease 2, LLC

CT Solar Lease 2, LLC has a $27,600,000 line of credit agreement (Additional LOC) with Key Bank as the Administrative Agent and Lender along with an additional participating lender. The additional LOC is broken down by lender as follows:

Key Bank	$ 17,250,000
Webster Bank, National Association	10,350,000
	$ 27,600,000

Funds may be drawn down in no more than ten total advances by March 31, 2017. With the exception of the final advance, each advance must be in the principal amount of $2,760,000 or a whole multiple of $100,000 in excess of $2,760,000. Each loan funding will be shared by all participating lenders in accordance with their pro-rata share of the total facility commitment. As of June 30, 2017 and 2016, $27,500,633 and $18,000,000, respectively, had been advanced under the additional LOC. Principal repayments as of June 30, 2017 and 2016, were $1,560,600 and $832,325, respectively.

Each advance will be amortized separately. CT Solar Lease 2 LLC has the option with each advance of selecting between the LIBOR rate or the base rate which is defined as the highest of (a) the Federal Funds Effective Rate plus one-half of 1 percent, (b) Key Bank's prime rate, and (c) the LIBOR rate plus 1%. CT Solar Lease 2 LLC may also elect to convert an advance from one rate to the other by following the process outlined in the credit agreement.

8. FINANCING ACTIVITIES (CONTINUED)

Payments of interest with respect to any LIBOR rate advances are due on the 15th day of the month following each calendar quarter end. Payments of interest with respect to any base rate advances are due monthly. Payments of principal with respect to all advances are due on the 15th day of the month following each calendar quarter end. Principal payments on each advance will be based on a modified 15-year amortization schedule and are calculated as the lessor of 2.1675% of the initial principal amount of each advance or the net operating income with respect to the projects purchased with each advance as defined in the credit agreement.

Within one month of each advance, CT Solar Lease 2 LLC is required to enter into an interest rate swap contract with respect to a minimum amount of 75% of such advance. If one of the participating lenders is the counterparty to the swap contract, such contract will be secured by the collateral of the credit agreement; otherwise, the swap contract will be unsecured. See Note 9.

Certain obligations of CT Solar Lease 2 LLC under the credit agreement are guaranteed by the Green Bank. This credit agreement is secured by all assets of CT Solar Lease 2 LLC as well as CEFIA Solar Services (the Managing Member) interest in CT Solar Lease 2 LLC. There are no prepayment penalties. There are certain debt service coverage ratios CT Solar Lease 2 LLC must maintain related to each separate advance and which require the separate measurement of the net operating income with respect to the projects purchased with each advance.

9. INTEREST RATE SWAP AGREEMENT

CT Solar Lease 2 LLC entered into a multi-year interest rate swap agreement with Key Bank (the KeyBank Agreement) in September 2014 in anticipation of making its first draw down on the credit agreement with KeyBank. Payments made and received were based on a notional amount of $17,553,675 and $19,374,375 as of June 30, 2017 and 2016, respectively. The KeyBank Agreement provides for CT Solar Lease 2 LLC to receive payments based on the 1 month USD-LIBOR-BBA (1.15889% and 0.44205% at June 15, 2017 and 2016, respectively, the dates of the last reset) and to make payments based on fixed interest rates ranging from 1.96% to 2.78%. The KeyBank Agreement matures on December 15, 2025. The fair value of the KeyBank Agreement as of June 30, 2017 and 2016 was reported as a liability of $520,880 and $1,627,864, respectively, which is represented as the fair value of the interest rate swap on the accompanying 2017 and 2016 statement of net position.

CT Solar Lease 2 LLC entered into an interest rate swap agreement with Webster Bank (the Webster Agreement) in June of 2017 to meet certain requirements under its credit agreement with KeyBank in which Webster Bank also participates. Payments made and received were based on a notional amount of $2,000,000 as of June 30, 2017. The Webster Agreement provides for CT Solar Lease 2 LLC to receive payments based on the 1 month USD-LIBOR-BBA (1.21556% at June 22, 2017, the date the Webster Agreement became effective). Subsequent reset dates will be adjusted to coincide with the KeyBank reset date of the 15th of each month and to make payments based on a fixed rate of 2.10%. The Webster Agreement matures on June 15, 2027. The fair value of the Webster Agreement as of June 30, 2017 was reported as a liability of $19,997 which is a component of the fair value of interest rate swap on the accompanying 2017 statement of net position.

CT Solar Lease 2 LLC uses the dollar-offset method for evaluating effectiveness of the interest rate swap agreements.

10. RELATED PARTY TRANSACTIONS AND OPERATING LEASES

Due to outside agency

The Green Bank utilizes the services of CI when needed for certain operating expenses. CI provides these services at cost. Such services include, but are not limited to, staff for human resources, office space, equipment leases and office expenses. Expenses billed to the Green Bank by CI totaled $77,807 and $58,401 for the years ended June 30, 2017 and 2016, respectively. As of June 30, 2017, no amount was due to CI. The amount due CI as of June 30, 2016 was $30,127.

Unused Commitment Fee

The Investor Member of CT Solar Lease 2 LLC is entitled to an annual fee due within 30 days of the end of each calendar year, calculated on a monthly basis, based on the amount of the Investor Member's unfunded capital contributions. The fee for each month is equal to 1.25% times the amount by which the Investor Member's contribution cap exceeds the total capital contributions funded as of the last day of the month in question divided by twelve. Amounts not paid timely accrue interest at the US Bank Prime Rate in effect on the due date plus 2%. The unused commitment fee totaled $33,896 and $99,486 for the years ended June 30, 2017 and 2016, respectively, and is included in accounts payable and accrued expenses on the accompanying statement of net position.

Priority Return

The Investor Member is the Tax-Equity Investor and is entitled to substantially all of the tax benefits of CT Solar Lease 2 LLC until January 1 of the year which is five years after the date the last project is installed, which is anticipated to be January 1, 2021, the Flip Date.

The investor Member of CT Solar Lease 2 LLC shall be due a cumulative, quarterly distribution equal to 0.5% of its paid-in capital contributions in respect of projects beginning at the end of the first quarter after the first project acquisition capital contribution is made and continuing until the Flip Date. To the extent the priority return is not paid in a quarter until the Flip Date, unpaid amounts will accrue interest at the lower of 24% per annum or the highest rate permitted by law.

In accordance with the Operating Agreement, all amounts and accrued interest due on the priority return are to be paid from net cash flow prior to certain required payments due under the Credit Agreement. The Investor Member was paid priority returns of $436,452 and $299,831 for the years ended June 30, 2017 and 2016, respectively.

Administrative Services Fee

The Managing Member of CT Solar Lease 2 LLC, CEFIA Solar Services, Inc., provides administrative and management services to the Company and earns a quarterly fee initially equal to $30,000 per quarter beginning July 1, 2013. The amount of the fee increased 2.5% each July 1st beginning July 1, 2014. The administrative services fee totaled $129,227 and $130,075 for the years ended June 30, 2017 and 2016, respectively, and is included in accounts payable and accrued expenses on the accompanying statement of net position.

10. RELATED PARTY TRANSACTIONS AND OPERATING LEASES (CONTINUED)

Prepaid Priority Return

The investor member of CT Solar Lease 2 LLC will be paid a prepaid priority return with respect to each residential energy system project where the customer has made a prepayment to CT Solar Lease 2 LLC. The prepaid priority return is a one-time distribution to the investor member equal to 4.2055% of each prepaid project's purchase price. The prepaid priority return will be paid to the investor member on the date it makes its initial acquisition capital contribution with respect to the purchase of the prepaid project. During the years ended June 30, 2017, there was nothing paid to the investor member related to the prepaid priority return. During the year ended June 30, 2016, the investor member was paid $1,717 related to the prepaid priority return.

Payroll Taxes and Fringe Benefit Charges

Pursuant to state statute, the Green Bank is subject to fringe benefit charges for pension plan and medical plan contributions which are paid at the state level. The Green Bank's employer payroll taxes are also paid at the state level. The Green Bank reimburses the state for these payments. The reimbursement for 2017 and 2016 was $3,757,008 and $3,691,048, respectively, comprising 74.33% and 74.30% respectively, of gross salaries.

Operating Leases

During 2014, the Green Bank entered into a noncancelable operating lease with an unrelated entity for its main office space. The lease calls for monthly escalating payments beginning at $12,567 through December 31, 2020. Rent expense related to this lease for the years ended June 30, 2017 and 2016 was $164,614 and $159,498, respectively.

In addition, the Green Bank has a noncancelable operating lease for an additional office space from an unaffiliated entity which calls for initial monthly payments of $7,333, with escalating payments through December 2020. Rent expense related to this lease for the years ended June 30, 2017 and 2016, amounted to $95,000 and $105,422, respectively. The Green Bank also began subleasing additional office space from CI in March 2016. Initial monthly payments are $5,665.50 with escalating payments through December 2020. Rent expense related to this sublease were $68,894 and $22,662 for the years ended June 30, 2017 and 2016, respectively.

In addition, the Green Bank leases office equipment on a month-to-month basis. Rent expense related to the office equipment for the years ended June 30, 2017 and 2016, was $11,005 and $13,465, respectively.

Future minimum lease payments for office rentals are as follows:

Years Ending June 30,		
2018	$	333,379
2019		341,440
2020		349,501
2021		176,766
	$	1,201,086

11. CAPITAL ASSETS

Capital asset activity for reporting entity for the years ended June 30, 2017 and 2016, are as follows:

Primary Government:

2017	Balance, July 1, 2016	Additions	Deletions	Adjustments	Balance, June 30, 2017
Capital assets being depreciated:					
Furniture and equipment	$ 169,423	$ 532	$	$	$ 169,955
Computer hardware and software	212,831	45,151	(23,845)		234,137
Leasehold improvements	225,844	25,137			250,981
Capital assets not being depreciated:					
Construction in progress	4,502	9,517	(14,019)		-
	612,600	80,337	(37,864)	-	655,073
Less accumulated depreciation and amortization:					
Furniture and equipment	103,079	33,300			136,379
Computer hardware and software	151,573	37,244	(23,845)		164,972
Leasehold improvements	109,196	46,040			155,236
	363,848	116,584	(23,845)	-	456,587
Capital assets, net	$ 248,752	$ (36,247)	$ (14,019)	$ -	$ 198,486

2016	Balance, July 1, 2015	Additions	Deletions	Adjustments	Balance, June 30, 2016
Capital assets being depreciated:					
Furniture and equipment	$ 222,701	$ 11,417	$ (7,054)	$ (57,641)	$ 169,423
Computer hardware and software	128,627	35,963	(9,400)	57,641	212,831
Leasehold improvements	153,657	72,187			225,844
Capital assets not being depreciated:					
Construction in progress	7,141	23,090	(25,729)		4,502
	512,126	142,657	(42,183)	-	612,600
Less accumulated depreciation and amortization:					
Furniture and equipment	122,149	60,653	(4,125)	(75,598)	103,079
Computer hardware and software	50,906	26,124	(1,055)	75,598	151,573
Leasehold improvements	75,232	33,964			109,196
	248,287	120,741	(5,180)	-	363,848
Capital assets, net	$ 263,839	$ 21,916	$ (37,003)	$ -	$ 248,752

11. CAPITAL ASSETS (CONTINUED)

Discretely presented component units:

2017	Balance, July 1, 2016	Additions	Deletions	Adjustments	Balance, June 30, 2017
Capital assets being depreciated:					
Solar lease equipment	$ 47,534,491	$ 21,042,372	$	$ (3,646,021)	$ 64,930,842
Capital assets not being depreciated:					
WIP solar lease equipment	11,931,741	6,685,666	(20,906,922)	2,289,515	-
	59,466,232	27,728,038	(20,906,922)	(1,356,506)	64,930,842
Less accumulated depreciation and amortization:					
Solar lease equipment	1,600,070	2,307,547		(288,496)	3,619,121
	1,600,070	2,307,547	-	(288,496)	3,619,121
Capital assets, net	$ 57,866,162	$ 25,420,491	$ (20,906,922)	$ (1,068,010)	$ 61,311,721

2016	Balance, July 1, 2015	Additions	Deletions	Adjustments	Balance, June 30, 2016
Capital assets being depreciated:					
Solar lease equipment	$ 21,011,832	$ 29,240,167	$	$ (2,717,508)	$ 47,534,491
Capital assets not being depreciated:					
WIP solar lease equipment	6,014,560	18,206,741	(11,067,035)	(1,222,525)	11,931,741
	27,026,392	47,446,908	(11,067,035)	(3,940,033)	59,466,232
Less accumulated depreciation and amortization:					
Solar lease equipment	319,144	1,532,051		(251,125)	1,600,070
	319,144	1,532,051	-	(251,125)	1,600,070
Capital assets, net	$ 26,707,248	$ 45,914,857	$ (11,067,035)	$ (3,688,908)	$ 57,866,162

11. CAPITAL ASSETS (CONTINUED)

Total Reporting Entity:

2017	Balance, July 1, 2016	Additions	Deletions	Adjustments	Balance, June 30, 2017
Capital assets being depreciated:					
Solar lease equipment	$ 47,534,491	$ 21,042,372	$	$ (3,646,021)	$ 64,930,842
Furniture and equipment	169,423	532			169,955
Computer hardware and software	212,831	45,151	(23,845)		234,137
Leasehold improvements	225,844	25,137			250,981
Capital assets not being depreciated:					
WIP solar lease equipment	11,931,741	6,685,666	(20,906,922)	2,289,515	-
Construction in progress	4,502	9,517	(14,019)		-
	60,078,832	27,808,375	(20,944,786)	(1,356,506)	65,585,915
Less accumulated depreciation and amortization:					
Solar lease equipment	1,600,070	2,307,547		(288,496)	3,619,121
Furniture and equipment	103,079	33,300			136,379
Computer hardware and software	151,573	37,244	(23,845)		164,972
Leasehold improvements	109,196	46,040			155,236
	1,963,918	2,424,131	(23,845)	(288,496)	4,075,708
Capital assets, net	$ 58,114,914	$ 25,384,244	$ (20,920,941)	$ (1,068,010)	$ 61,510,207

2016	Balance, July 1, 2015	Additions	Deletions	Adjustments	Balance, June 30, 2016
Capital assets being depreciated:					
Solar lease equipment	$ 21,011,832	$ 29,240,167	$	$ (2,717,508)	$ 47,534,491
Furniture and equipment	222,701	11,417	(7,054)	(57,641)	169,423
Computer hardware and software	128,627	35,963	(9,400)	57,641	212,831
Leasehold improvements	153,657	72,187			225,844
Capital assets not being depreciated:					
WIP solar lease equipment	6,014,560	18,206,741	(11,067,035)	(1,222,525)	11,931,741
Construction in progress	7,141	23,090	(25,729)		4,502
	27,538,518	47,589,565	(11,109,218)	(3,940,033)	60,078,832
Less accumulated depreciation and amortization:					
Solar lease equipment	319,144	1,532,051		(251,125)	1,600,070
Furniture and equipment	122,149	60,653	(4,125)	(75,598)	103,079
Computer hardware and software	50,906	26,124	(1,055)	75,598	151,573
Leasehold improvements	75,232	33,964			109,196
	567,431	1,652,792	(5,180)	(251,125)	1,963,918
Capital assets, net	$ 26,971,087	$ 45,936,773	$ (11,104,038)	$ (3,688,908)	$ 58,114,914

12. GRANT PROGRAMS

The Green Bank, the primary government, recognizes grant revenue based on expenditures or fulfillment of program requirements. For the year ended June 30, 2017 and 2016, the Green Bank recognized related grant revenue of $73,486 and $589,917, respectively under Department of Energy programs.

13. COMMITMENTS AND LOAN GUARANTEES

Commitments

As of June 30, 2017 and 2016, the Board of Directors designated a portion of the Green Bank's unrestricted net position to fund financial incentives for specific commercial and residential projects in the following areas:

Primary Government	Type	June 30, 2017	Type	June 30, 2016
Connecticut Green Bank				
Solar PV	Incentive	$ 52,403,654	Incentive	$ 56,457,195
AD/CHP Programs	Loan	18,464,844	Loan	15,462,247
Fuel Cells	Loan	5,000,000	Loan	-
CPACE	Loan	2,089,057	Loan	7,022,004
Multifamily/LMI Solar PV & Energy Eff.	Loan	3,179,452	Grant/Loan	9,510,841
Energy Efficiency Programs	Grant/Loan	-	Grant	1,130,000
Education and Outreach	Grant	58,704	Loan	706,900
Other Technologies	Loan	271,795	Loan	271,795
Alpha and Operational Demonstration	Loan	-	Loan	165,000
		81,467,506		90,725,982
Solar PV commitments payable to CT Solar Lease 2 LLC:		(4,593,338)		(6,223,664)
Total Reporting Entity		$ 76,874,168		$ 84,502,318

These commitments are expected to be funded over the next one to six fiscal years and are contingent upon the completion of performance milestones by the recipient. All commitments are those of the primary government.

13. COMMITMENTS AND LOAN GUARANTEES (CONTINUED)

Loan Guarantees

As of June 30, 2017 and 2016, the following financial guarantees, approved by the Board of Directors, were outstanding. As of June 30, 2017, CGB has not recognized a liability or made any payments pursuant to these guarantees. Should payments be made in the future, the Green Bank will utilize standard collection efforts to recover payments made on behalf of issuers to those entitled to receive payments pursuant to the obligation guaranteed. All guarantees are those of the primary government.

Guarantor	Issuer	Relationship of Guarantor to Issuer	Type of Obligation Guaranteed	Maximum Amount of Guaranty	Obligations Guaranteed as of 6/30/2017	Obligations Guaranteed as of 6/30/2016
CGB	Owners of multifamily dwellings in Connecticut	Issuers participate in program administered by CGB and the Housing Development Fund to install energy upgrades in multifamily dwellings.	Commercial and consumer loan products with various terms	$ 5,000,000	$ 1,323,325	$ -
CGB	Developers of clean energy projects in Connecticut	Issuers participate in programs administered by CGB to install energy equipment at residential and commercial sites.	Commercial loans with various terms	5,000,000	-	-
CGB	CT Solar Loan I LLC	Blended unit of primary government	Nonrevolving term note	2,510,837	1,969,173	2,502,218
CGB	CT Energy Efficiency Finance Company	Issuer provides loans for the installation of energy efficiency measures in single family homes to credit challenged households to meet the goals outlined in CGB's Comprehensive Plan.	Guarantee limited to $600,000 on revolving credit note of $6,000,000	600,000	6,000,000	6,000,000
CGB	New England Hydropower Company	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Line of credit	3,900,000	3,896,773	-
CGB	New England Hydropower Company	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Line of credit	300,000	300,000	345,660
CEFIA Holdings LLC	CEFIA Solar Services Inc.	Holdings is the sole shareholder of Services and an affiliate of CGB	Promissory note for funds received from CHFA upon their issuance of Qualified Energy Conservation Bonds (QECBs) for State Sponsored Housing Projects (SSHP)	1,895,807	1,840,513	-
				$ 19,206,644	$ 15,329,784	$ 8,847,878

These commitments will be funded from current and future unrestricted cash balances.

14. PENSION PLAN

All employees of the Green Bank participate in the State Employees' Retirement System (SERS), which is administered by the State Employees' Retirement Commission. The latest actuarial study was performed on the plan as a whole, as of June 30, 2012, and does not separate information for employees of the Green Bank. Therefore, certain pension disclosures pertinent to the Green Bank otherwise required pursuant to accounting principles generally accepted in the United States of America are omitted. Based upon the 2012 valuation, the Plan, as a whole, utilized the project unit credit cost method to develop employer contributions, and included the following actuarial assumptions: 1) investment return of 6.9% (previously 8%); 2) price inflation of 2.5% (previously 2.75%) for cost of living adjustments; 3) projected salary increases of 3.5% to 19.5% (previously 4% to 20%), Social Security wage base increases of 3.50% per annum; 4) payroll growth of 3.5% (previously 3.75%) per annum; and 5) the RP-2014 White Collar Mortality Table (previously RP-2000 Mortality Table). Information on the total plan funding status and progress, contribution required and trend information can be found in the State of Connecticut's Comprehensive Annual Financial Report available from the Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106.

Plan Description

SERS is a single-employer defined benefit public employee retirement system (PERS) established in 1939 and governed by Sections 5-152 and 5-192 of the Connecticut General Statutes. Employees are covered under one of four tiers. Tier I, Tier IIA and Tier III are contributory plans, and Tier II is a noncontributory plan.

Members who joined the retirement system prior to July 1, 1984 are enrolled in Tier I. Tier I employees who retire at or after age 65 with 10 years of credited service, at or after age 55 with 25 years of service, or at age 55 with 10 years of credited service with reduced benefits are entitled to an annual retirement benefit payable monthly for life, in an amount of 2 percent of the annual average earnings (which are based on the three highest earning years of service) over $4,800 plus 1 percent of $4,800 for each year of credited service. Tier II employees who retire at or after age 60 with 25 years of service, or at age 62 with 10 years of service, or at age 65 with 5 years of service, are entitled to one and one-third percent of the average annual earnings plus one-half of one percent of the average annual earnings in excess of the salary breakpoint in the year of retirement for each year of credited service. Tier II employees between the ages of 55 and 62 with 10 years but less than 25 years of service may retire with reduced benefits. In addition, Tier II and Tier IIA members with at least five but less than ten years of actual state service who terminate their state employment July 2, 1997 or later and prior to attaining age 62 will be in deferred vested status and may commence receipt of normal retirement benefits on the first of the month on or following their sixty-fifth (65) birthday.

Employees hired on and after July 1, 1997, will become members of Tier IIA. Tier IIA plan is essentially the existing Tier II plan with the exception that employee contributions of 2 percent of salary are required. Tier I members are vested after ten years of service, while Tier II and Tier IIA members may be vested after five years of service under certain conditions, and all three plans provide for death and disability benefits.

14. PENSION PLAN (CONTINUED)

Employees hired on or after July 1, 2011 are covered under the Tier III plan. Tier III requires employee contributions of two percent of salary up to a $250,000 limit after which no additional contributions will be taken on earnings above this limit. The normal retirement date will be the first of any month on or after age 63 if the employee has at least 25 years of vested service or age 65 if the employee has at least 10 but less than 25 years of vested service. Tier III members who have at least 10 years of vested service can receive early reduced retirement benefits if they retire on the first of any month on or following their 58th birthday. Tier III normal retirement benefits include annual retirement benefits for life, in the amount of one and one-third percent of the five-year average annual earnings plus one-half of one percent of the five-year average annual earnings in excess of the salary breakpoint in the year of retirement for each year of credited service plus one and five-eighths of the five-year annual average salary times years of credited service over 35 years.

The total payroll for employees of the Green Bank covered by SERS for the years ended June 30, 2017 and 2016, was $5,061,287 and $4,695,647, respectively.

Contributions Made

Green Bank's contribution is determined by applying a State mandated percentage to eligible salaries and wages as follows for the years ended June 30:

	2017	2016	2015
Contributions made:			
By employees	$ 144,286	$ 208,516	$ 171,260
Percent of current year covered payroll	2.9%	4.4%	4.3%
Percent of required contributions	100.0%	100.0%	100.0%
By Green Bank	$ 1,803,349	$ 2,474,182	$ 1,974,507
Percent of current year covered payroll	35.6%	52.7%	49.2%
Percent of required contributions	100.0%	100.0%	100.0%

The Green Bank has contributed the required amount for each of the past three years.

15. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES

The implementation of GASB 68 resulted in the Green Bank's reporting an initial net pension liability for fiscal year 2015. The Statement required the Green Bank to recognize a net pension liability for the difference between the present value of the projected benefits for the past service known as the Total Pension Liability (TPL) and the restricted resources held in trust for the payment of pension benefits, known as the Fiduciary Net Pension (FNP). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the FNP of SERS and additions to/deductions from SERS FNP have been determined on the same basis as they are reported by SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term. Investments are recorded at fair value.

15. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

At June 30, 2017 and 2016, the Green Bank reported a liability of $25,245,439 and $16,096,113, respectively, for its proportionate share of the net pension liability. The net pension liability as of June 30, 2017 was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date based on actuarial experience studies. The Green Bank's allocation of the net pension liability was based on the 2016 covered payroll multiplied by the SERS 2016 contribution rate of 40.36%. As of June 30, 2017 and 2016, the Green Bank's proportion was 0.10994% and 0.09741%, respectively.

For the years ended June 30, 2017 and 2016, the Green Bank recognized pension expense of $3,226,512 and $1,399,477, respectively. Pension expense is reported in the Green Bank's financial statements as part of general and administration expense. At June 30, 2017 and 2016, the Green Bank reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

As of June 30, 2017:	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 701,307	$
Net difference between projected and actual earnings on pension plan investments	791,666	
Change of assumptions	4,501,094	
Change in proportion and differences between employer contributions and proportionate share of contributions	2,180,691	
Green Bank contributions subsequent to the measurement date	1,803,349	
	$ 9,978,107	$ -

As of June 30, 2016:	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 2,535	$
Change in proportion and differences between employer contributions and proportionate share of contributions	598,326	
Green Bank contributions subsequent to the measurement date	1,974,507	
	$ 2,575,368	$ -

15. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

The amount recognized as deferred inflows of resources, representing the net difference between projected and actual earnings, is amortized over a five-year closed period beginning in the year in which the difference occurs and will be recognized in expense as follows:

Year 1 (2018)	$ 1,736,622
Year 2 (2019)	1,736,622
Year 3 (2020)	1,893,818
Year 4 (2021)	1,741,051
Year 5 (2022)	1,066,648
	$ 8,174,761

Actuarial Methods and Assumption

The total pension liability in the June 30, 2016 actuarial valuation was determined based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2015. The key actuarial assumptions are summarized below:

Inflation	2.50%
Salary increase	3.50% -19.50% including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Cost of living adjustment	2.25%-3.25% for certain tiers

Mortality rates were based on the RP-2014 White Collar Mortality Table projected to 2020 by scale BB at 100% for males and 95% for females is used for the period after service retirement and for dependent beneficiaries. The RP-2014 Disabled Retiree Mortality Table at 65% for males and 85% for females is used for the period after disability.

Discount Rate

The discount rate used to measure the total pension liability at June 30, 2016 was the long term expected rate of return, 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that employer contributions will be made equal to the difference between the projected actuarially determined contribution and member contributions. Projected future benefit payments for all current plan members were projected through the year 2016.

Expected Rate of Return on Investments

The long term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rate of return by the target asset allocation percentage and by adding expected inflation.

15. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large Cap U.S. Equities	21.0%	5.8%
Developed Non-U.S. Equities	18.0%	6.6%
Emerging Market (non-U.S.)	9.0%	8.3%
Real Estate	7.0%	5.1%
Private Equity	11.0%	7.6%
Alternative Investments	8.0%	4.1%
Fixed Income (Core)	8.0%	1.3%
High Yield Bonds	5.0%	3.9%
Emerging Market Bond	4.0%	3.7%
TIPS	5.0%	1.0%
Cash	4.0%	0.4%

Sensitivity of Green Bank Proportionate Share of the Net Pension Liability to Changes in the Discount Rates

The following presents the Green Bank's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as the proportionate share of the net pension liability using a 1.00% increase or decrease from the current discount rate.

	1% Decrease	Discount Rate	1% Increase
	5.9%	6.9%	7.9%
Green Bank's proportionate share of the net pension liability	$ 29,958,758	$ 25,245,439	$ 21,322,878

16. POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 15, the State provides post-employment health care and life insurance benefits in accordance with State statutes, Sections 5-257(d) and 5 259(a), to all eligible employees who retire from the State, including employees of Connecticut Green Bank.

Currently, 6 retirees meet those eligibility requirements. When employees retire, the State pays up to 100% of their health care insurance premium cost (including dependent's coverage) depending upon the plan. The State currently pays up to 20% of the cost for retiree dental insurance (including dependent's coverage) depending upon the plan. In addition, the State pays 100% of the premium cost for a portion of the employees' life insurance continued after retirement. The amount of life insurance, continued at no cost to the retiree, is determined based on the number of years of service that the retiree had with the State at time of retirement as follows: (a) if the retiree had 25 years or more of service, the amount of insurance will be one-half of the amount of insurance for which the retiree was insured immediately prior to retirement, but the reduced amount cannot be less than $10,000; (b) if the retiree had less than 25 years of service, the amount of insurance will be the proportionate amount that such years of service is to 25, rounded to the nearest $100. The State finances the cost of post-employment health care and life insurance benefits on a pay-as you-go basis through an appropriation in the General Fund.

In accordance with the Revised State Employees Bargaining Agent Coalition (SEBAC) 2011 Agreement between the State of Connecticut and the SEBAC, all employees shall pay the three percent (3%) retiree health care insurance contribution for a period of ten (10) years or retirement, whichever is sooner. In addition, participants of Tier III shall be required to have fifteen (15) years of actual State service to be eligible for retirement health insurance. Deferred vested retirees who are eligible for retiree health insurance shall be required to meet the rule of seventy-five (75), which is the combination of age and actual State service equaling seventy-five (75) in order to begin receiving retiree health insurance based on applicable SEBAC agreement.

17. RESTRICTED NET POSITION

Restricted net position at June 30, 2017 and 2016, consisted of the following:

	2017	2016
Primary Government		
Nonexpendable:		
Connecticut Innovations, Inc. equity interest	$ 91,121	$ 79,179
Energy Programs:		
Connecticut Green Bank:		
Assets restricted for maintaining loan loss and interest rate buydown reserves	8,121,816	3,748,793
Assets restricted by contractual obligations under Clean Renewable Energy Bond	3,275,978	
Assets restricted by contractual obligations for maintaining pledge accounts for loan guarantees	5,099,517	1,200,346
CT Solar Loan I LLC:		
Assets restricted by contractual obligations for maintaining loan loss reserve	300,932	300,844
	16,798,243	5,249,983
Discretely Presented Component Units		
CT Solar Lease 2 LLC:		
Nonexpendable:		
Firstar Development Corporation equity interest	19,636,147	13,883,622
Firstar Development Corporation invested in capital assets net of related debt	35,841,973	40,291,502
Firstar Development Corporation assets restricted for maintaining loan loss reserve	3,467,755	3,465,000
Firstar Development Corporation assets restricted for operating and maintenance reserve	990,000	990,000
	59,935,875	58,630,124
Energy Programs:		
Assets restricted for maintaining loan loss reserve	35,028	35,000
Assets restricted for operating and maintenance reserve	10,000	10,000
	45,028	45,000
	$ 76,870,267	$ 64,004,286

18. RISK MANAGEMENT

The Green Bank is subject to normal risks associated with its operations including property damage, personal injury and employee dishonesty. All risks are managed through the purchase of commercial insurance. There have been no losses exceeding insurance coverage, and there have been no decreases in insurance coverage over the last three years.

19. RENEWABLE ENERGY CREDITS (PRIMARY GOVERNMENT)

The Green Bank owns Class 1 Renewable Energy Credits (RECs) that are generated by certain commercial renewable energy facilities for which the Green Bank provided the initial funding. Through its Residential Solar Incentive Program (RSIP), the Green Bank owns the rights to future RECs generated by facilities installed on residential properties. On March 23, 2015 the Green Bank entered into a contract to sell a total of 98,553 RECs generated during the calendar years of 2014 to 2016. For the years ended June 30, 2017 and 2016 the Green Bank generated and sold its contractual obligations of 45,000 and 30,000 RECs, respectively. As of June 30, 2017, the Green Bank has met its contractual obligations under this contract.

RECs trade on the New England Power Pool (NEPOOL) market. The market price of Connecticut Class 1 RECs as of June 30, 2017 ranged from $17.00 to $19.00. The Green Bank's inventory of RECs generated by commercial facilities as of June 30, 2017 and 2016, was $44,682 and $58,436, respectively. The Green Bank recorded its inventory as of June 30, 2017 at cost, which is below market price.

Public Act No.15-194 (the Act) enacted on October 1, 2015 and as amended by Public Act 16-212 created a Solar Home Energy Credit (SHREC) associated with energy generated from qualifying residential solar PV systems that have received incentives under the Green Bank's RSIP. Each SHREC represents 1 megawatt hour of electrical generation. Under the Act the Green Bank will own these SHRECs. The Act requires these SHRECs to be purchased by the State's two investor owned public utilities from the Green Bank through 15-year master purchase agreements (MPA) for each vintage year that these systems are placed into service beginning with the vintage year commencing January 1, 2015 and terminating the earlier of the vintage year ending December 31, 2022 or the deployment of solar PV systems that in the aggregate can generate 300 megawatts of electricity. The Act requires all MPAs to be approved by the State's Public Utility Regulatory Authority (PURA) prior to execution and sets the initial price for the purchase of a SHREC at $50. Thereafter pricing will be determined by the Green Bank and incorporated into PURA approved MPAs for subsequent vintage years. The initial MPA for vintage years 2015, 2016 and 2017 was approved by PURA and executed on February 7, 2017. SHRECs created and certificated in the New England Power Pool Generation System (NEPOOL GIS) from electricity generated for the period January 1, 2017 through December 31, 2017 for vintage 2015-2017 PV systems will be sold to the two utilities at the initial price of $50 per SHREC on a quarterly basis. SHRECs are certificated by NEPOOL during the fifth month subsequent to the end of the quarter in which the electricity was generated. Once certificated ownership of the SHRECs are transferred to each public utility, payment is received by the Green Bank 30 days later. For electricity generated for the quarter ended March 31, 2017, SHREC certificates were created and transferred to the two utilities in July 2017 at an aggregate sale price of $400,700.

20. SUBSEQUENT EVENTS

On October 26, 2017, the State of Connecticut General Assembly approved the State of Connecticut two-year budget plan which is now pending approval by the Governor. The budget would reduce revenue from ratepayer funds and Regional Greenhouse Gas Initiative (RGGI) auction proceeds historically earned by the Green Bank. The reduction in revenue each year over the next two years from ratepayer funds is $14 million, and management of the Green Bank estimates the reduction attributable to RGGI auction proceeds is approximately $2.3 million in each year as it receives 23% of the RGGI allowance proceeds. Management is proactively addressing the new funding levels based on this revised information.

REQUIRED SUPPLEMENTARY INFORMATION

CONNECTICUT GREEN BANK
SCHEDULE OF GREEN BANK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST THREE FISCAL YEARS*

As of June 30,

	2017	2016	2015
Green Bank's portion of the net pension liability	0.10994%	0.09741%	0.09304%
Green Bank's proportionate share of the net pension liability	$ 25,245,439	$ 16,096,113	$ 14,899,766
Green Bank's covered employee payroll	$ 5,061,287	$ 4,695,647	$ 4,013,411
Green Bank's proportionate share of the net pension liability as a percentage of its covered-employee payroll	498.79%	342.79%	371.25%
Plan fiduciary net position as a percentage of the total pension liability	31.69%	39.23%	39.54%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CONNECTICUT GREEN BANK
SCHEDULE OF GREEN BANK'S PROPORTIONATE CONTRIBUTIONS TO THE STATE EMPLOYEES' RETIREMENT SYSTEM (SERS)
LAST SIX FISCAL YEARS*

	2017	2016	2015	2014	2013	2012*
Contractually required contribution	$ 1,803,349	$ 2,474,182	$ 1,974,507	$ 1,669,961	$ 1,125,649	$ 601,014
Contributions in relation to the contractually required contribution	1,803,349	2,474,182	1,974,507	1,669,961	1,125,649	601,014
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Green Bank's covered employee payroll	$ 5,061,287	$ 4,695,647	$ 4,013,411	$ 3,121,583	$ 2,517,190	$ 1,541,308
Contributions as a percentage of covered-employee payroll	35.63%	52.69%	49.20%	53.50%	44.72%	38.99%

* The Green Bank had no employees prior to 2012 and accordingly there is no activity for 2011 and 2010.

STATISTICAL SECTION
(unaudited)

FINANCIAL STATISTICS

CONNECTICUT GREEN BANK
STATISTICAL SECTION INTRODUCTION

This part of the Connecticut Green Bank's (CGB's) comprehensive annual financial report presents detailed information as a context for understanding what the information about the primary government and the discretely presented component units in the financial statements, note disclosures, and required supplementary information says about the benefits of CGB's investments.

FINANCIAL STATISTICS

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CONNECTICUT GREEN BANK
NET POSITION BY COMPONENT
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
Primary Government						
Invested in capital assets, net of related debt	$ 198,486	$ 248,752	$ 263,839	$ 289,932	$ 362,505	$ 91,329
Restricted Net Position:						
Nonexpendable	91,121	79,179	41,845	8,379	1,000	
Restricted - energy programs	16,798,243	5,249,983	4,299,005	4,595,715	5,036,656	176,974
Unrestricted	101,778,631	116,273,628	104,840,938	97,747,386	93,717,230	80,920,002
	118,866,481	121,851,542	109,445,627	102,641,412	99,117,391	81,188,305
CT Solar Lease 2 LLC						
Invested in capital assets, net of related debt	450,844	485,108	278,307	35,390		
Restricted Net Position:						
Nonexpendable	68,727,413	66,364,332	36,508,164	7,617,084	4,691,594	
Restricted - energy programs	45,028	45,000	45,000	45,000	45,000	
Unrestricted (deficit)	(28,350,047)	(32,934,704)	(21,703,932)	(4,105,401)	(1,853,380)	
	40,873,238	33,959,736	15,127,539	3,592,073	2,883,214	-
CEFIA Solar Services, Inc.						
Restricted Net Position:						
Nonexpendable						
Restricted - energy programs						
Unrestricted (deficit)	486,565	346,379	224,754	109,223	100	
	486,565	346,379	224,754	109,223	100	-
CT Solar Lease 3 LLC						
Restricted Net Position:						
Nonexpendable						
Restricted - energy programs						
Unrestricted (deficit)						
	-	-	-	-	-	-
Eliminations	(31,562,901)	(28,795,323)	(15,630,676)	(5,549,471)	(3,500,100)	
Total Net Position	$ 128,663,383	$ 127,362,334	$ 109,167,244	$ 100,793,237	$ 98,500,605	$ 81,188,305

CONNECTICUT GREEN BANK
CHANGES IN NET POSITION
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
Primary Government						
Operating Revenues	$ 44,040,016	$ 69,250,883	$ 72,038,472	$ 52,301,283	$ 43,343,093	$ 39,753,684
Operating Expenses						
Cost of good sold - energy systems	11,333,034	28,826,974	22,526,874	2,794,270		
Grants and program expenditures	18,128,022	11,539,070	10,686,366	13,798,012	17,767,885	27,977,688
Program administration expenditures	13,228,749	13,964,097	10,833,325	9,150,664	5,866,580	3,144,667
General and administrative expenses	5,228,711	4,445,648	2,984,178	2,408,715	1,811,227	1,387,854
Total Operating Expenses	47,918,516	58,775,789	47,030,743	28,151,661	25,445,692	32,510,209
Operating Income (Loss)	(3,878,500)	10,475,094	25,007,729	24,149,622	17,897,401	7,243,475
Nonoperating Revenue (Expenses)						
Interest income - promissory notes	2,921,710	2,895,504	2,625,308	1,034,953	583,575	589,007
Interest income - short-term investments	189,237	92,536	83,761	98,383	103,928	140,786
Interest income	61,455	60,127	58,511	57,407		
Interest expense - long-term debt	(228,502)	(61,796)	(26,985)			
Realized gain (loss) on investments	(93,974)	(33,723)	(1,180,285)	(350,000)	(1,034,605)	
Unrealized gain (loss) on investments	(999,998)			349,999	378,059	434,702
Provision for loan losses	(956,489)	(1,021,826)	(563,825)	(1,310,933)		
Net Nonoperating Revenues (Expenses)	893,439	1,930,822	996,485	(120,191)	30,957	1,164,495
Income (Loss) Before Transfers, Capital Contributions and Member (Distributions)	(2,985,061)	12,405,916	26,004,214	24,029,431	17,928,358	8,407,970
Capital Contributions					1,000	
Transfers to State of Connecticut			(19,200,000)	(6,200,000)		
Change in Net Position	$ (2,985,061)	$ 12,405,916	$ 6,804,214	$ 17,829,431	$ 17,929,358	$ 8,407,970

CONNECTICUT GREEN BANK
CHANGES IN NET POSITION (CONTINUED)
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
CT Solar Lease 2 LLC						
Operating Revenues	$ 3,659,883	$ 2,416,597	$ 210,869	$ 1,770	$	$
Operating Expenses						
Program administration expenditures	3,884,129	3,078,633	1,201,123	600,186		
General and administrative expenses	620,912	305,217	124,748	127,511	853,480	
Total Operating Expenses	4,505,041	3,383,850	1,325,871	727,697	853,480	
Operating Income (Loss)	(845,158)	(967,253)	(1,115,002)	(725,927)	(853,480)	-
Nonoperating Revenue (Expenses)						
Interest on short-term investments	17,615	27,777	9,207	8,642		
Interest expense	(1,054,848)	(729,170)	(150,871)	(57,407)		
Unrealized gain (loss) on investments	1,086,987	(967,791)	(660,073)			
Net Nonoperating Revenues (Expenses)	49,754	(1,669,184)	(801,737)	(48,765)	-	-
Income (Loss) Before Transfers, Capital Contributions and Member (Distributions)	(795,404)	(2,636,437)	(1,916,739)	(774,692)	(853,480)	
Capital Contributions	8,145,358	21,770,182	13,556,783	1,496,135	3,736,694	
Distributions to Members	(436,452)	(301,548)	(104,579)	(12,584)		
Change in Net Position	$ 6,913,502	$ 18,832,197	$ 11,535,465	$ 708,859	$ 2,883,214	$ -

CONNECTICUT GREEN BANK
CHANGES IN NET POSITION (CONTINUED)
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
CEFIA Solar Services, Inc.						
Operating Revenues	$ 129,227	$ 126,075	$ 123,000	$ 120,000	$	$
Operating Expenses						
Grants and program expenditures						
General and administrative expenses	4,998	4,750	8,450	10,877		
Total Operating Expenses	4,998	4,750	8,450	10,877	-	-
Operating Income (Loss)	124,229	121,325	114,550	109,123	-	-
Nonoperating Revenue (Expenses)						
Interest on short-term investments	16,446	300	981			
Interest income	31,437					
Interest expense long-term debt	(31,926)					
Net Nonoperating Revenues (Expenses)	15,957	300	981	-	-	-
Income (Loss) Before Transfers, Capital Contributions and Member (Distributions)	140,186	121,625	115,531	109,123	-	-
Capital Contributions					100	
Change in Net Position	$ 140,186	$ 121,625	$ 115,531	$ 109,123	$ 100	$ -

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
CT Solar Lease 3 LLC						
Operating Revenues	$	$	$	$	$	$
Operating Expenses						
General and administrative expenses						
Total Operating Expenses	-	-	-	-	-	-
Operating Income (Loss)	-	-	-	-	-	-
Nonoperating Revenue (Expenses)						
Interest on short-term investments						
Net Nonoperating Revenues	-	-	-	-	-	-
Income (Loss) Before Transfers, Capital Contributions and Member (Distributions)	-	-	-	-	-	-
Capital Contributions						
Change in Net Position	$ -	-	-	-	-	-

CONNECTICUT GREEN BANK
OPERATING REVENUE BY SOURCE
Last Six Fiscal Years Ending June 30,

	Total Operating Revenues	Utility Remittances		RGGI Auction Proceeds		Grant Revenue		Sales of Energy Equipment		Sales of Renewable Energy Certificates		Other Revenues	
		Revenue	% of Annual	Revenue	% of Annual	Revenue	% of Annual	Revenue	% of Annual	Revenue	% of Annual	Revenue	% of Annual
Primary Government													
2017	$ 44,040,016	$ 26,404,349	60.0 %	$ 2,392,647	5.4 %	$ 98,486	0.2 %	$ 12,689,540	28.8 %	$ 2,214,000	5.0 %	$ 240,994	0.5 %
2016	69,250,883	26,605,084	38.4 %	6,481,562	9.4 %	589,917	0.9 %	32,767,009	47.3 %	2,419,990	3.5 %	387,321	0.6 %
2015	72,038,471	27,233,987	37.8 %	16,583,545	23.0 %	192,274	0.3 %	25,912,414	36.0 %	1,474,488	2.0 %	641,763	0.9 %
2014	52,301,283	27,779,345	53.1 %	20,074,668	38.4 %	321,642	0.6 %	3,548,840	6.8 %	376,559	0.7 %	200,229	0.4 %
2013	43,343,093	27,621,409	63.7 %	4,744,657	10.9 %	10,035,250	23.2 %		- %	147,000	0.3 %	794,777	1.8 %
2012	39,753,684	27,025,088	68.0 %	2,052,748	5.2 %	10,435,251	26.2 %		- %	142,738	0.4 %	97,860	0.2 %
CT Solar Lease 2 LLC													
2017	$ 3,659,883	$	- %	$	- %	$	- %	$	- %	$ 356,647	9.7 %	$ 3,303,236	90.3 %
2016	2,416,597		- %		- %		- %		- %	233,793	9.7 %	2,182,804	90.3 %
2015	210,869		- %		- %		- %		- %		- %	210,869	100.0 %
2014	1,770		- %		- %		- %		- %		- %	1,770	100.0 %
2013	-		- %		- %		- %		- %		- %		- %
2012	-		- %		- %		- %		- %		- %		- %
CEFIA Solar Services Inc.													
2017	$ 129,227	$	- %	$	- %	$	- %	$	- %	$	- %	$ 129,227	100.0 %
2016	126,075		- %		- %		- %		- %		- %	126,075	100.0 %
2015	123,000		- %		- %		- %		- %		- %	123,000	100.0 %
2014	120,000		- %		- %		- %		- %		- %	120,000	100.0 %
2013	-		- %		- %		- %		- %		- %		- %
2012	-		- %		- %		- %		- %		- %		- %
CT Solar Lease 3 LLC													
2017	$ -	$	- %	$	- %	$	- %	$	- %	$	-- %	$	-- %
2016	-		- %		- %		- %		- %		-- %		-- %
2015	-		- %		- %		- %		- %		- %		-- %
2014	-		- %		- %		- %		- %		- %		-- %
2013	-		- %		- %		- %		- %		- %		- %
2012	-		- %		- %		- %		- %		- %		- %
Eliminations													
2017	$ (13,862,578)	$	- %	$	- %	$	-- %	$ (12,689,540)	91.5 %	$	- %	$ (1,173,038)	8.5 %
2016	(34,005,320)	$	- %		- %		-- %	(32,767,009)	96.4 %	$		$ (1,238,311)	3.6 %
2015	(26,077,923)		- %		- %		- %	(25,895,727)	99.3 %		- %	(182,196)	0.7 %
2014	(3,668,840)		- %		- %		- %	(3,548,840)	96.7 %		- %	(120,000)	3.3 %
2013	-		- %		- %		- %		- %		- %		- %
2012	-		- %		- %		- %		- %		- %		- %
Total Reporting Entity													
2017	$ 33,966,548	$ 26,404,349	77.7 %	$ 2,392,647	7.0 %	$ 98,486	0.3 %	$	- %	$ 2,570,647	7.6 %	$ 2,500,419	7.4 %
2016	37,788,235	$ 26,605,084	70.4 %	6,481,562	17.2 %	589,917	1.6 %		- %	2,653,783	7.0 %	1,457,889	3.9 %
2015	46,294,417	27,233,987	58.8 %	16,583,545	35.8 %	192,274	0.4 %	16,687	0.0 %	1,474,488	3.2 %	793,436	1.7 %
2014	48,754,213	27,779,345	57.0 %	20,074,668	41.2 %	321,642	0.7 %		- %	376,559	0.8 %	201,999	0.4 %
2013	43,343,093	27,621,409	63.7 %	4,744,657	10.9 %	10,035,250	23.2 %		- %	147,000	0.3 %	794,777	1.8 %
2012	39,753,684	27,025,088	68.0 %	2,052,748	5.2 %	10,435,251	26.2 %		- %	142,738	0.4 %	97,860	0.2 %

CONNECTICUT GREEN BANK
SIGNIFICANT SOURCES OF OPERATING REVENUE
Last Six Fiscal Years

	Year Ended June 30,											
	2017		2016		2015		2014		2013		2012	
	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total
Utility Remittances [1]												
Eversource	$ 21,135,147	80.0 %	$ 21,223,577	79.8 %	$ 21,899,541	80.4 %	$ 22,322,100	80.4 %	$ 22,144,093	80.2 %	$ 22,037,771	81.5 %
United Illuminating	5,269,202	20.0 %	5,381,507	20.2 %	5,334,446	19.6 %	5,457,245	19.6 %	5,477,316	19.8 %	4,987,317	18.5 %
Total	$ 26,404,349	100.0 %	$ 26,605,084	100.0 %	$ 27,233,987	100.0 %	$ 27,779,345	100.0 %	$ 27,621,409	100.0 %	$ 27,025,088	100.0 %
RGGI Auction Proceeds [2]												
Renewables	$ 2,392,647	100.0 %	$ 6,481,562	100.0 %	$ 5,631,156	34.0 %	$ 7,476,158	37.2 %	$ 4,744,657	100.0 %	$ 2,052,748	100.0 %
Energy Efficiency		-- %		-- %	10,952,389	66.0 %	12,598,510	62.8 %		-- %		-- %
Total	$ 2,392,647	100.0 %	$ 6,481,562	100.0 %	$ 16,583,545	100.0 %	$ 20,074,668	100.0 %	$ 4,744,657	100.0 %	$ 2,052,748	100.0 %
Grant Revenue												
Federal ARRA Grants	$	-- %	$	-- %	$	-- %	$	-- %	$ 8,376,681	83.5 %	$ 8,738,726	83.8 %
DOE Grants	73,486	74.6 %	589,917	100.0 %	143,614	74.7 %	321,642	100.0 %	1,622,569	16.2 %	1,645,525	15.8 %
Private Foundation	25,000	25.4 %		-- %	48,660	25.3 %		-- %	36,000	0.4 %	50,000	0.5 %
Total	$ 98,486	100.0 %	$ 589,917	100.0 %	$ 192,274	100.0 %	$ 321,642	100.0 %	$ 10,035,250	100.0 %	$ 10,434,251	100.0 %
Sales of Renewable Energy Certificates [3]												
Gross Proceeds	$ 2,584,147	100.5 %	$ 2,677,317	100.9 %	$ 1,474,488	100.0 %	$ 381,444	101.3 %	$ 150,000	102.0 %	$ 146,038	102.3 %
Commissions	(13,500)	(0.5 %)	(23,534)	(0.9 %)		-- %	(4,885)	(1.3 %)	(3,000)	(2.0 %)	(3,300)	(2.3 %)
Total	$ 2,570,647	100.0 %	$ 2,653,783	100.0 %	$ 1,474,488	100.0 %	$ 376,559	100.0 %	$ 147,000	100.0 %	$ 142,738	100.0 %

(1) Revenue based on Statutory rate of 1 mil per kWh generated by the utility.

(2) The Regional Greenhouse Gas Initiative (RGGI) is a cooperative effort among nine Northeastern and Mid-Atlantic states to reduce greenhouse gas emissions. RGGI holds quarterly auctions of the member state's CO2 allowances. At auction, a market-based clearing price is determined from prices submitted in the winning bids and is used to value proceeds returned to the states. The Connecticut Green Bank receives a portion of Connecticut's auction proceeds which is recognized as revenue and invested in clean energy programs.

(3) CGB owns Class 1 Renewable Energy Credits (RECs) generated by certain commercial renewable energy facilities for which CGB provided the initial funding. Through its RSIP program, CGB owns the rights to future RECs generated by facilities installed on residential properties. CGB enters into contracts to sell RECs generated during specified time periods. RECs trade on the New England Power Pool (NEPOOL) market.

CONNECTICUT GREEN BANK
OUTSTANDING DEBT BY TYPE
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
Primary Government						
Line of Credit (including adjustments)	$ 1,100,000	$ 1,100,000	$ 1,100,000	$ 4,000,000	$ -	$ -
Cumulative Advances	1,085,956	1,085,956	1,085,956	126,088	-	-
Cumulative Repayments	(577,162)	(394,249)	(232,431)	-	-	-
Cumulative Outstanding Debt	508,794	691,707	853,525	126,088	-	-
Available LOC	-	-	-	3,873,912	-	-
Primary Government						
Original Term Note	2,510,837	2,510,837	-	-	-	-
Repayments	(541,664)	(8,619)	-	-	-	-
Cumulative Outstanding Debt	1,969,173	2,502,218	-	-	-	-
Primary Government						
Clean Renewable Energy Bond	2,957,971	-	-	-	-	-
Repayments	-	-	-	-	-	-
Cumulative Outstanding Debt	2,957,971	-	-	-	-	-
CT Solar Lease 2 LLC						
Line of Credit (including adjustments)	27,600,000	24,000,000	26,700,000	26,700,000	26,700,000	-
Cumulative Advances	27,500,633	18,000,000	3,000,000	-	-	-
Cumulative Repayments	(2,392,925)	(832,325)	-	-	-	-
Cumulative Outstanding Debt	25,107,708	17,167,675	3,000,000	-	-	-
Available LOC	-	6,000,000	23,700,000	26,700,000	26,700,000	-
CEFIA Solar Services Inc.						
Original Term Note	1,895,807	-	-	-	-	-
Repayments	(55,295)	-	-	-	-	-
Cumulative Outstanding Debt	1,840,512	-	-	-	-	-
Total Reporting Entity						
Cumulative Outstanding Debt	$ 32,384,158	$ 20,361,600	$ 3,853,525	$ 126,088	$ -	$ -

CONNECTICUT GREEN BANK
DEMOGRAPHIC AND ECONOMIC STATISTICS - FOR THE STATE OF CONNECTICUT
Last Six Fiscal Years

Fiscal Year	Population [1]	Median Age [2]	Per Capita Income [3]	Median Household Income [3]	Population 3 Years and Over Enrolled in Public School [4]	Unemployment Rate [5]
2017	n/a	n/a	n/a	n/a	n/a	5.0%
2016	3,576,452	40.7	n/a	n/a	n/a	5.2%
2015	3,590,886	40.6	$ 38,803	$ 70,331	747,709	5.5%
2014	3,592,053	40.3	$ 38,480	$ 69,899	752,070	6.5%
2013	3,583,561	40.2	$ 37,892	$ 69,461	754,442	7.8%
2012	3,572,213	40.0	$ 37,807	$ 69,519	751,096	8.5%

Sources: (1) US Census Bureau - Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2016
(2) US Census Bureau - Annual Population Estimates for Selected Age Groups by Sex
(3) US Census Bureau - SELECTED ECONOMIC CHARACTERISTICS
2011-2015 American Community Survey 5-Year Estimates
(4) US Census Bureau - SCHOOL ENROLLMENT
2011-2015 American Community Survey 5-Year Estimates
(5) US Department of Labor - Databases, Tables & Calculators by Subject
Local Area Unemployment Statistics

CONNECTICUT GREEN BANK
PRINCIPAL EMPLOYERS - FOR THE STATE OF CONNECTICUT
Last Four Calendar Years

	2016			2015			2014			2013		
Employer	**Employees [1]**	**Rank**	**Percentage of Total State Employment [2]**	**Employees [1]**	**Rank**	**Percentage of Total State Employment [2]**	**Employees [1]**	**Rank**	**Percentage of Total State Employment [2]**	**Employees [1]**	**Rank**	**Percentage of Total State Employment [2]**
State of Connecticut	48,912	1	2.71%	51,646	1	2.89%	54,230	1	3.05%	53,951	1	3.10%
Yale New Haven Health System	19,920	2	1.10	20,071	3	1.12	18,869	3	1.06	18,639	3	1.07
Hartford Healthcare	18,135	3	1.01	18,107	4	1.01	18,597	4	1.05	16,951	4	0.98
Yale University	15,018	4	0.83	14,787	5	0.83	14,787	5	0.83	14,750	5	0.85
United Technologies	15,000	5	0.83	24,000	2	1.34	25,000	2	1.40	27,000	2	1.55
General Dynamics Electric Boat	10,230	6	0.57	9,583	6	0.54	8,896	7	0.50	8,817	6	0.51
Wal-Mart Stores Inc.	8,800	7	0.49	8,800	7	0.49	9,289	6	0.52	8,761	7	0.50
Sikosrsky, A Lockheed Martin Company	8,000	8	0.44	N/A	---	--	N/A	---	--	N/A	---	--
The Travelers Cos. Inc.	7,400	9	0.41	7,300	8	0.41	7,400	9	0.42	7,400	9	0.43
The Hartford Financial Services Group	7,000	10	0.39	7,000	9	0.39	7,000	11	0.39	7,700	11	0.44
Mohegan Sun	6,735	11	0.37	6,900	10	0.39	7,300	10	0.41	7,300	10	0.42
Foxwoods Resort Casino	6,500	12	0.36	5,301	14	0.30	7,600	8	0.43	7,667	8	0.44

Sources: (1) Hartford Business Journal, Book of Lists: Connecticut's largest employers
(For 2016, removed #7 University of Connecticut per HBJ footnote (2) employee count is already included in State of Connecticut employee count.)
(2) Total State Employment from US Department of Labor - Databases, Tables & Calculators by Subject - Local Area Unemployment Statistics

CONNECTICUT GREEN BANK
FTEs BY FUNCTION
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
Program Services						
Statutory & Infrastructure	9.00	9.00	8.00	7.00	7.00	9.00
Residential	6.00	6.00	6.00	5.00	3.00	1.00
Commercial & Industrial	4.00	4.00	2.00	4.00	2.00	
Institutional			1.00	1.00	1.00	1.00
Subtotal Program Services	19.00	19.00	17.00	17.00	13.00	11.00
Administrative & Support						
Executive	4.00	4.00	4.00	4.00	4.00	4.00
Finance	5.00	6.00	5.00	4.00	3.00	1.00
Accounting	5.75	5.75	5.30	3.50	2.75	2.20
Legal & Policy	3.00	3.00	3.00	2.00	2.00	2.00
Marketing	6.00	6.00	6.00	5.00	5.00	5.00
Operations	3.50	3.90	3.50	3.80	4.00	3.85
Subtotal Administrative & Support	27.25	28.65	26.80	22.30	20.75	18.05
Total FTEs by Function	46.25	47.65	43.80	39.30	33.75	29.05

Source: Connecticut Green Bank internal payroll records

CONNECTICUT GREEN BANK
OPERATING INDICATORS BY FUNCTION
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
Clean Energy Investment *($s in Millions)*						
CGB Dollars Invested	$ 24.5	$ 37.0	$ 57.0	$ 32.6	$ 18.7	$ 4.8
Private Dollars Invested	190.8	278.1	267.9	74.9	92.8	10.2
Total Project Investment	215.3	315.1	324.9	107.5	111.5	15.0
Number of Clean Energy Projects	5,459	7,606	6,527	2,456	1,119	417
Annual Energy Savings of Clean Energy *(MMBtu)*	532,685	346,135	709,965	246,195	463,328	11,183
Installed Capacity of Clean Energy *(MW)*						
Anaerobic Digesters		1.0				
Biomass			0.6			
CHP			0.3	3.0	0.7	
CHP/Microgrid	0.8					
Fuel Cell					14.8	
Energy Efficiency						
Geothermal						
Hydro	0.2		0.9			
Solar PV	52.2	67.7	55.9	20.4	8.0	2.9
Wind			5.0			
Total	53.2	68.7	62.7	23.4	23.5	2.9
Lifetime Production of Clean Energy *(MWh)*						
Anaerobic Digesters		106,171				
Biomass			17,082			
CHP			31,930	354,780	81,008	
CHP/Microgrid	94,017					
Energy Efficiency	69,315	103,710	43,128	56,929	4,846	
Fuel Cell					1,166,832	
Geothermal	329	295	38	84		
Hydro	20,626		96,185			
Solar PV	1,485,568	1,927,692	1,592,258	581,702	227,323	81,939
Wind			118,260			
Total	1,669,855	2,137,868	1,898,881	993,495	1,480,009	81,939
Jobs Created by Year						
Direct Jobs *(# of Jobs)*	722	1,654	1,465	594	580	88
Indirect and Induced Jobs *(# of Jobs)*	957	2,660	2,357	954	1,165	142
Lifetime CO2 Emission Reductions *(Tons)*						
Avoided Emissions	883,582	1,145,841	1,055,021	357,139	210,616	45,820
Homes' Energy Use for One Year	84,644	109,767	101,067	34,213	20,176	4,389
Passenger Vehicles Driven for One Year	169,319	219,575	202,172	68,438	40,360	8,780
Acres of U.S. Forests in One Year	758,771	983,985	905,994	306,692	180,865	39,347

Source: Internal Connecticut Green Bank Reporting: Key Performance Indicators Data File

CONNECTICUT GREEN BANK
CAPITAL ASSETS STATISTICS BY FUNCTION
Last Six Fiscal Years

	Year Ended June 30,					
	2017	**2016**	**2015**	**2014**	**2013**	**2012**
Capital assets being depreciated:						
Solar lease equipment	$ 64,930,842	$ 47,534,491	$ 21,011,832	$ 1,035,159	$	$
Furniture and equipment	169,955	169,423	222,701	338,938	335,744	13,049
Computer hardware and software	234,137	212,832	128,628	88,337	136,659	28,460
Leasehold improvements	250,981	225,844	153,657	139,682	71,470	56,224
Capital assets not being depreciated:						
WIP solar lease equipment		11,931,740	6,014,560	1,759,111		
Construction in progress		4,502	7,141	7,141		
	65,585,915	60,078,832	27,538,519	3,368,368	543,873	97,733
Less accumulated depreciation and amortization:						
Solar lease equipment	3,619,121	1,600,070	319,144	9,865		
Furniture and equipment	136,379	103,079	122,149	205,820	146,560	626
Computer hardware and software	164,972	151,573	50,906	33,845	18,093	3,807
Leasehold improvements	155,236	109,196	75,232	44,501	16,715	1,971
	4,075,708	1,963,918	567,431	294,031	181,368	6,404
Capital assets, net	$ 61,510,207	$ 58,114,914	$ 26,971,088	$ 3,074,337	$ 362,505	$ 91,329

NON-FINANCIAL STATISTICS

Contents

This part of the Connecticut Green Bank's comprehensive annual financial report presents detailed non-financial information as a context for understanding the methods management uses to measure the Connecticut Green Bank's success and efforts to transform the clean energy market in using its financial resources.

1. Statement of the Connecticut Green Bank

August 25, 2017

Re: Statement of the Connecticut Green Bank on the Non-Financial Statistics Contents of the Comprehensive Annual Financial Report for FY 2017 - Background and Market, Measures of Success, and Market Transformation

Dear Reader:

This is the "Non-Financial Statistics" section of the Comprehensive Annual Financial Report for FY 2017.

In FY 2017, our sixth year of operation, we continued building public private partnerships that leverage limited public funds by attracting private capital to spark the growth of green energy. It was a year filled with milestones for our organization:

- Our first "green bond" – Clean Renewable Energy Bonds – was issued to finance a first-in-the-nation deployment of an Archimedes Screw Generator hydroelectric technology for a run-of-river project on the Hanover Pond in Meriden, CT.
- We received our first Program Related Investment (PRI) from the Kresge Foundation to develop community based energy storage projects that provide resiliency.
- As an organization, we passed the mark of $1 billion in cumulative capital deployed to clean energy projects.
- Commercial Property Assessed Clean Energy passed $100 million in capital deployed in its lifetime.
- Residential programs passed $100 million in capital deployed since we started addressing the sector.

In recognition not just of these milestone but for our innovative approach to "Sparking the Green Bank Movement" and building inclusive prosperity through the green economy, the Ash Center for Democratic Governance and Innovation at Harvard University's Kennedy School of Government awarded the Green Bank the winner of the 2017 Innovations in American Government Award[1]. We are making steady progress ensuring that the green economy is accessible to everyone – and throughout this report, the reader will see the progress we are making in underserved markets.

The assembly of the "Non-Financial Statistics" section of the Comprehensive Annual Financial Report is a process of continuous improvement, at the forefront of such is having established methodologies. During the course of FY2017, we made great strides in terms of our Evaluation, Measurement, and

[1] Innovations in American Government Award: http://www.ash.harvard.edu/innovations-american-government-awards

Verification agenda as well. Our board of directors approved the Evaluation Framework as a structure by which we will measure our programs and their impact. We started focusing on specific methodologies and processes within the framework by which we gauge different societal benefits supported by our investments. We, in conjunction with Navigant Consulting and the Department of Economic and Community Development, updated our Jobs study and formalized calculations for determining the job years stimulated by clean energy in Connecticut. Working with the Connecticut Department of Energy and Environment Protection and the U.S. Environmental Protection Agency, we adopted a new model for assessing the environmental benefits created by the support of our projects. We intend to build on this progress in FY2018 focusing on Public Health and energy measurement with a focus on renewable energy.

To bolster our work on methodology and transparency, we engaged SustainAbility to assess the organization's methods for representing impact using our indicators. The team from SustainAbility had no findings and has endorsed the Green Bank's methodologies. Further, SustainAbility benchmarked the Green Bank's reporting against other green banks, utilities, and financial institutions. They found the Connecticut Green Bank's reporting to provide a high degree of transparency both in terms of activity and in terms of the underlying methods used to calculate this activity. SustainAbility also reviewed the organization's manners of presentation and the Connecticut Green Bank will be using SustainAbility's report as a guide to improve its impact reporting across the board.

The result is a more transparent Non-Financial Statistics section. In this document, you will find:

Organizational Background – an overview of the organization's governance, including engagement of its members at the board and committee levels, along with ethics compliance and financial interest disclosure requirements as well as the organization's dedication to transparency. You will see how the organization has made steady progress in terms of voluntarily ensuring that Connecticut's small businesses and minority-owned enterprises have opportunities to bid on a portion of the purchases of goods and services that the organization procures. You will also find measures of our efficiency, showing that as we have grown we have remained nimble as an organization.

- **Measures of Success** –as outlined in the organization's Comprehensive Plan[2], we are reporting on the following measures of success:
  - **Attract & Deploy Capital** – how we are sourcing projects (as illustrated by projects in statuses from approved to completed), level of investment by both the Connecticut Green Bank and the end-use consumer or private investor, and the private to public leverage ratio being achieved by sector.
  - **Energy Saved and Generated** – how we are quantifying the energy generated and/or saved by each project. - This includes the amount of clean energy deployed (i.e., kW), estimate of clean energy produced over the life of the projects (i.e., MWh), estimate of the annual amount of energy savings (i.e., MMBtu), and the variety of clean energy technologies we have invested in by sector.

[2] Comprehensive Plan: http://www.ctgreenbank.com/wp-content/uploads/2016/11/CTGreenBank-Comprehensive-Plan-Fiscal-Years-2017-2018-11232016.pdf

- **Green Bank** – how we are building a balance sheet because of our financing focus in terms of asset management (i.e., current vs. non-current assets), ratio of public funds invested in grants and subsidies versus credit enhancements, loans, and leases, and the general credit quality of residential borrowers in our financing programs.

- **Societal Benefits** – how our investment activities are supporting economic development (i.e., jobs) and environmental protection (i.e., GHG emission reductions and equivalencies) benefits.

- **Community Impacts –** how we are attracting investment to and deploying clean energy in our local communities, including distressed communities and low income census tracts.

- **Programs** – an overview of the programs of the Green Bank and of the program logic model for the organization in terms of its goals:

  - **Attract and Deploy** – to attract and deploy private capital to finance the clean energy policy goals for Connecticut;

  - **Leverage and Reinvestment** – to leverage limited public funds to attract multiples of private capital investment while returning and reinvesting public funds in clean energy deployment over time;

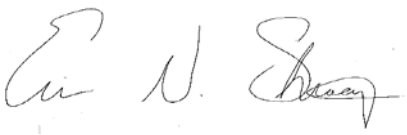
  - **Affordable and Accessible** – to develop and implement strategies that bring down the cost of clean energy to make it more accessible and affordable to customers; and

  - **Underserved Markets** – to support affordable and healthy buildings in low-to-moderate income and distressed communities by reducing the energy burden and addressing health and safety issues in their homes, businesses, and institutions.

- **Appendix** – the appendix contains tables showing data contained in the bodies of prior years' Non-Financial Statistics showing Green Bank activity by Community and by Contractor and includes factors used in our calculations.

As always, we continue to strive to provide a transparent view of our organization and our programs with the hope that where we find both success and challenges, others will be able to learn from our example.

Regards,



Bryan Garcia
President and CEO

Eric Shrago
Director of Operations

2. Statement of Non-Financial Statistics Auditor

SustainAbility

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Brooklyn, NY 11201
+1 718 210 3630 main
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www.sustainability.com

Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

31st August 2017

To the Board of Directors
Connecticut Green Bank

Report on Non-Financial Metrics

In July 2017, the Connecticut Green Bank (the company) asked SustainAbility, Inc., to conduct an independent, external review of the metrics, and underlying data collection and calculation methods, outlined in the non-financial statistics section of the company's Comprehensive Annual Financial Report.

SustainAbility evaluated the company's data collection methods and performance calculation methodologies as well as the degree of transparency exhibited by the company in reporting on the following metrics: Capital Deployed, Projects Completed, Clean Energy Generated, Job Years, CO_2 savings, NO_x, SO_x and Particulate Matter avoided. SustainAbility also benchmarked Connecticut Green Bank's procedures against those of three other banks to identify possible gaps in metrics coverage and/or performance that the company's future reporting might consider encompassing.

Based on the information provided to SustainAbility by the company and our understanding of best practice in goal setting, measurement and disclosure, it is our opinion that the company's metrics, data collection and calculation methodologies are sound and represent best practice. It is our opinion that Connecticut Green Bank adequately reports on these metrics and performance against them, demonstrates a high level of transparency as relative to the peer financial institutions benchmarked.

Yours,

Christina Wong
Senior Manager
SustainAbility

3. Organizational Background

The Connecticut Green Bank is the nation's first green bank. The organization is creating a thriving marketplace to accelerate clean energy adoption in Connecticut by making clean energy financing accessible and affordable for homeowners, businesses and institutions.

Governance

Board of Directors

Pursuant to Section 16-245n of the General Statutes of Connecticut, the powers of the Connecticut Green Bank are vested in and exercised by the Board of Directors that is comprised by eleven voting and one non-voting member each with knowledge and expertise in matters related to the purpose of the organization – see Table 1.

Table 1. Composition of the Board of Directors of the Connecticut Green Bank for FY 2017

Position	Name	Status	Voting
Commissioner of DECD (or designee)	Catherine Smith	Ex Officio	Yes
Commissioner of DEEP (or designee)	Rob Klee	Ex Officio	Yes
State Treasurer (or designee)	Bettina Bronisz	Ex Officio	Yes
Finance of Renewable Energy	Reed Hundt	Appointed	Yes
Finance of Renewable Energy	Kevin Walsh	Appointed	Yes
Labor Organization	John Harrity	Appointed	Yes
R&D or Manufacturing	Mun Choi[3]	Resigned	
	Gina McCarthy[4]	Appointed	Yes
Investment Fund Management	Norma Glover[5]	Appointed	Yes
Environmental Organization	Matthew Ranelli	Appointed	Yes
Finance or Deployment	Tom Flynn	Appointed	Yes
Residential or Low Income	Pat Wrice[6]	Resigned	
	Betsy Crum[7]	Appointed	Yes
President of the Green Bank	Bryan Garcia	Ex Officio	No
Board of Connecticut Innovations[8]	Unfilled	Ex Officio	No

[3] The last official board meeting of Mun Choi was January 20, 2017.
[4] The first official board meeting of Gina McCarthy was April 28, 2017.
[5] The last official board meeting of Norma Glover was June 23, 2017.
[6] The last official board meeting of Pat Wrice was January 20, 2017.
[7] The first official board meeting of Betsy Crum was April 28, 2017.
[8] Catherine Smith is also on the board of Connecticut Innovations.

The Board of Directors of the Connecticut Green Bank is governed through statute, as well as an Ethics Statement[9] and Ethical Conduct Policy[10], Resolutions of Purposes[11], Bylaws[12], Joint Committee Bylaws[13], and Comprehensive Plan[14]. The Comprehensive Plan for the Connecticut Green Bank provides a multiyear strategy to support the vision and mission of the organization and the public policy objective of delivering consumers cheaper, cleaner, and more reliable sources of energy while creating jobs and supporting local economic development. An Employee Handbook and Operating Procedures[15] have also been approved by the Board of Directors and serve to guide the staff to ensure that it is following proper contracting, financial assistance, and other requirements.

As noted above, the Board of Directors of the Connecticut Green Bank is comprised of eleven (11) ex officio and appointed voting members, and two (2) ex officio non-voting members. The leadership of the Board of Directors, includes:

- **Chair** - Catherine Smith, Commissioner of DECD (designated as the Chair of the Connecticut Green Bank by Governor Malloy)
- **Vice Chair** - Rob Klee, Commissioner of DEEP (voted in by his peers of the Connecticut Green Bank Board of Directors)
- **Secretary** - Matthew Ranelli, Partner at Shipman and Goodwin (voted in by his peers of the Connecticut Green Bank Board of Directors)
- **Staff Lead** – Bryan Garcia, President and CEO

During FY 2017, the Board of Directors of the Connecticut Green Bank met ten (10) times, including six (6) regularly scheduled meetings and four (4) special meetings. There was an attendance rate of 70% by the Board of Directors and 49 approved resolutions. For a link to the materials from the Board of Directors meetings that are publicly accessible – click here[16].

Committees of the Board of Directors

There are four (4) committees of the Board of Directors of the Connecticut Green Bank, including:

- Audit, Compliance, and Governance
- Budget and Operations
- Deployment
- Joint Committee of the Energy Efficiency Board and the Connecticut Green Bank

[9]Ethics Statement: http://www.ctgreenbank.com/wp-content/uploads/2017/02/Green-Bank_Ethics-Statement-CLEAN-REVISED-102214.pdf
[10] Ethical Conduct Policy: http://www.ctgreenbank.com/wp-content/uploads/2017/08/Green-Bank_Ethical-Conduct-Policy_BOD_CLEAN_REVISED-101714.pdf
[11] Resolutions of Purposes: http://www.ctgreenbank.com/wp-content/uploads/2016/01/Financial-and-Gov._-CT-Green-Bank-Resolution-of-Purpose.pdf
[12] Bylaws: http://www.ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Bylaws-sec16-245n-CTGS-r12162016.pdf
[13] Joint Committee Bylaws: http://www.ctgreenbank.com/wp-content/uploads/2015/12/ECMB_CGB_Joint_Committee_Bylaws_October_2014FINAL.pdf
[14] Comprehensive Plan: http://www.ctgreenbank.com/wp-content/uploads/2016/11/CTGreenBank-Comprehensive-Plan-Fiscal-Years-2017-2018-11232016.pdf
[15] Operating Procedures: http://www.ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Operating-Procedures-sec16-245n-CTGS-r12162016.pdf
[16] Board of Directors meetings: http://www.ctgreenbank.com/about-us/governance/connecticut-grboard-meetings/

Audit, Compliance and Governance Committee

The Audit, Compliance and Governance Committee (ACG Committee) of the Connecticut Green Bank is comprised of three (3) ex officio and appointed voting members. The leadership of the ACG Committee, includes:

- **Chair** – Matthew Ranelli, Partner and Shipman and Goodwin (designated as the Chair by Catherine Smith)
- **Members**[17] – John Harrity and Pat Wrice/Tom Flynn[18] (designated as a member of the Committee by Catherine Smith)

During FY 2017, the ACG Committee of the Connecticut Green Bank met two (2) times, including two (2) special meetings and no regular meetings. There was an attendance rate of 83% by the Committee members and 6 approved resolutions. For a link to the materials from the ACG Committee meetings that are publicly accessible – click here[19].

Budget and Operations Committee

The Budget & Operations Committee (B&O Committee) of the Connecticut Green Bank is comprised of three (3) ex officio and appointed voting members. The leadership of the B&O Committee, includes:

- **Chair** - Rob Klee, Commissioner of DEEP (designated as the Chair by Catherine Smith)
- **Members**[20] - Mun Choi[21] and Norma Glover (designated as a member of the Committee by Catherine Smith)

During FY 2017, the B&O Committee of the Connecticut Green Bank met three (3) times, including two (2) regularly scheduled meetings and one (1) special meeting. There was an attendance rate of 100% by the Committee members and 1 approved resolution. For a link to the materials from the B&O Committee meetings that are publicly accessible – click here[22].

Deployment Committee

The Deployment Committee of the Connecticut Green Bank is comprised of four (4) ex officio and appointed voting members. The leadership of the Deployment Committee, includes:

- **Chair** - Reed Hundt, CEO of the Coalition for Green Capital (designated as the Chair by Catherine Smith)
- **Members** - Bettina Bronisz (ex officio per bylaws), Matthew Ranelli, and Pat Wrice / Betsy Crum[23] (designated as a member of the Committee by Catherine Smith)

During FY 2017, the Deployment Committee of the Connecticut Green Bank met four (4) times, including four (4) regularly scheduled meetings and no special meetings. There was an attendance

[17] Note – the Chair and/or Vice Chair of the Board of Directors of the Connecticut Green Bank can attend the Audit, Compliance, and Governance Committee meeting to establish a quorum.
[18] Note - as a result of the resignation of Pat Wrice and given his professional experiences, Tom Flynn was appointed to the ACG Committee.
[19] ACG, B&O, Deployment Committee meetings: http://www.ctgreenbank.com/about-us/governance/connecticut-grittee-meetings/
[20] Note – the Chair and/or Vice Chair of the Board of Directors of the Connecticut Green Bank can attend the Audit, Compliance, and Governance Committee meeting to establish a quorum.
[21] The last official B&O committee meeting of Mun Choi was January 11, 2017.
[22] ACG, B&O, Deployment Committee meetings: http://www.ctgreenbank.com/about-us/governance/connecticut-grittee-meetings/
[23] Betsy Crum was appointed by Catherine Smith to serve on the Deployment Committee to fill the position vacated by Pat Wrice.

rate of 75% by Committee members and 7 approved resolutions. For a link to the materials from the Deployment Committee meetings that are publicly accessible – click here[24].

Joint Committee

A Joint Committee of the Energy Efficiency Board and the Connecticut Green Bank was established pursuant to Section 16-245m(d)(2) of the Connecticut General Statutes. Per bylaws established and approved by the EEB and the Connecticut Green Bank, the Joint Committee is comprised of four (4) appointed and voting members, one (1) ex officio and voting member, and four (4) ex officio and non-voting members. The leadership of the Joint Committee, includes:

- **Chair** - Eric Brown, Attorney with CBIA (voted in by his peers of the EEB and the Connecticut Green Bank)
- **Vice Chair** - Diane Duva, DEEP (voted in by her peers of the EEB and the Connecticut Green Bank)
- **Secretary** - Bryan Garcia, Connecticut Green Bank, and Craig Diamond, Connecticut Energy Efficiency Fund (voted in by their peers of the EEB and the Connecticut Green Bank)
- **Members**[25] - Bryan Garcia (non-voting), Norma Glover, Bert Hunter (non-voting), and John Harrity (designated as members of the Committee by Catherine Smith)

During FY 2017, the Joint Committee of the EEB and the Connecticut Green Bank met four (4) times, including four (4) regularly scheduled meetings and no special meetings. There was an attendance rate of 78% by the Joint Committee members and 0 approved resolutions. For a link to the materials from the Joint Committee meetings that are publicly accessible – click here[26].

Ethics and Transparency

Statement of Financial Interest

It is required by state ethics laws and a determination of the Governor's standard that senior-level staff (i.e., Director level and above) and members of the Board of Directors annually file a Statement of Financial Interest (SFI). The Governor's standard is the following:

> "Governor Malloy has established a standard which requires "filing of Annual Statements of Financial Interests by all persons in the Executive Branch and Quasi-Public Agencies who exercise (i) significant policy-making, regulatory or contractual authority; (ii) significant decision-making and/or supervisory responsibility for the review and/or award of State contracts; or (iii) significant decision-making and/or supervisory responsibility over staff that monitor State contracts."

These statements include information such as names of all associated business, income over $1,000, a list of all real property, and a list of creditors. SFIs that have been filed are available to the public under the Freedom of Information Act. The SFIs serve two purposes. First, the financial disclosure provides a checklist or reminder to the official/employee to be mindful of potential conflicts of interest. Second, the statements serve as a tool to maximize public confidence in governmental decision making.

[24] ACG, B&O, Deployment Committee meetings: http://www.ctgreenbank.com/about-us/governance/connecticut-grittee-meetings/
[25] Note – these members are representatives from the Connecticut Green Bank.
[26] Joint Committee meeting: http://www.ctgreenbank.com/about-us/governance/connecticut-grittee-meetings/

With respect to the 2017 SFI filing – required by May 1, 2017 – the Connecticut Office of State Ethics received the following from the Connecticut Green Bank – see Table 2.

Table 2. Summary of State of Financial Interest Filings with the Office of State Ethics for FY 2017

	Number of SFIs Submitted	% Submitted on Time
Senior Staff	9	100%
Board of Directors	9	100%

The Connecticut Green Bank received a Certificate of Excellence Ethics Compliance from the Connecticut Office of State Ethics. The organization has received this designation in each of its first six years of operation.

Open Connecticut

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, the comptroller's office requested that quasi-public agencies voluntarily provide checkbook-level vendor payment data for display on Open Connecticut. The Connecticut Green Bank has voluntarily submitted this information since the inception of Open Connecticut. To access this information, click here[27].

Small and Minority Business Procurement

The State of Connecticut's Supplier Diversity Program was established to ensure Connecticut small businesses have an opportunity to bid on a portion of the State's purchases. Through Fiscal Year 2015, the program required agencies and political subdivisions to set aside 25% of their annual budgets for construction, housing rehabilitation, and purchasing goods and services (after approved exemptions by the Department of Administrative Services) to be awarded to certified small businesses, with 25% of this amount to be awarded to certified minority business enterprises. Although reporting is no longer required, the Connecticut Green Bank is performing the analysis to ensure we are still committed to voluntarily meeting our set aside goals.

Table 3. Small Business Procurement

Year	Goal	Actual	Percentage
2012	$59,775	$39,520	66%
2013	$62,598	$59,340	95%
2014	$135,320	$120,560	89%
2015	$221,750	$251,980	113%
2016	$238,550	$510,797	214%
2017	$ 209,725	$ 379,246	180%

[27] Open Connecticut: http://www.osc.ct.gov/openCT/quasi.html

Table 4. Minority Business Enterprise Procurement

Year	Goal	Actual	Percentage
2012	$14,944	$31,474	211%
2013	$15,649	$52,308	334%
2014	$33,830	$88,427	261%
2015	$55,438	$153,319	277%
2016	$ 9,638	$96,020	161%
2017	$52,431	$ 107,974	205%

Efficiency

Since its inception in July of 2011 (FY 2012), the Green Bank has grown in financial resources, real estate, and in human capital. As demonstrated in the following table, while staff has grown by 1.6 and office space has increased by 4 times, the organization's overall expenses have remained flat. Revenues have remained flat.

Table 5. Human and Financial Resources of the Green Bank FY 2012 vs FY 2017

	Human Resources		**Financial Resources**				
Fiscal Year	**FTE**	**Office Space (ft2)**	**Total Expenses**	**General Admin & Program Admin**	**General Admin**	**SBC Revenue**	**RGGI Revenue**
2012	29.1	3,626	$32,510,209	$4,532,520	$1,387,854	$27,025,088	$2,052,748
2017	46.25	16,122	$39,625,205	$21,497,183	$5,716,875	$26,404,349	$2,392,647

Despite a sixty percent increase in FTEs and comparable expenses between these two fiscal years, the impact of the organization has grown significantly. Private Investment and clean energy deployment have increased over 19-fold as demonstrated in Table 6.

Table 6. Green Bank Impact FY 2012 vs FY 2017

	Impact					
Fiscal Year	**Private Investment**	**Clean Energy Deployment (MW)**	**Expected Annual Generation (MWh)**	**Annual Saved / Produced (MMBtu)**	**Job Years Supported**	**Annual CO2 Savings (tons)**
2012	$10,184,827	2.9	3,278	11,183	231	1,833
2017	$197,369,415	55.0	72,305	532,685	1,680	36,975
Multiple	19.4x	19.0x	22.1x	47.6x	7.3x	20.2x

As a quasi-public organization, the Connecticut Green Bank strives to leverage its resources in attracting investment and in deploying clean energy as efficiently as possible. Reviewing the Green Bank's human capital, real estate, and expenses versus the amount of private investment and clean energy deployed shows a marked increase during the organization's first 5 years of existence.

Table 7. Green Bank Deployment Efficiency FY 2012 vs FY 2017

Impact Delivered to Human and Financial Resources Used						
Fiscal Year	**Private Investment / FTE**	**Clean Energy Deployment / FTE**	**Private Investment / Total Expenses**	**Private Investment / General Admin**	**Private Investment / Office Space**	**Clean Energy Deployment / Office Space**
	($/FTE)	**(kW/FTE)**			**($/ft2)**	**(kW/ft2)**
2012	$350,596	100	0.31	7.34	$2,809	0.8
2017	$4,267,446	1,189	4.98	34.52	$12,242	3.41
Multiple	12.2x	11.9x	15.9x	4.7x	4.4x	4.3x

4. Measures of Success

The Green Bank develops a comprehensive plan every two years, establishing targets around its Key Performance Indicators: Capital Deployed, Projects Completed, and Clean Energy Generated. In addition to these KPIs, the Green Bank reports its several program-associated societal benefits including jobs created, and environmental impacts, among others.

Table 8. Green Bank Actuals vs Targets by FY Closed[28]

FY Closed	2012	2013	2014	2015	2016	2017[29]	Total
# Closed Projects							
Target	-	-	4,396	4,485	14,252	6,856	29,989
Actual	417	1,119	2,456	6,527	7,606	5,459	23,584
% of Target			56%	146%	53%	80%	79%
Capital Deployed							
Target			$56,439,000	$291,602,500	$591,131,745	$272,358,518	$1,211,531,763
Actual	$14,989,569	$111,175,698	$101,929,030	$312,957,453	$310,569,962	$212,749,474	$1,064,371,186
% of Target			181%	107%	53%	78%	88%
Capacity Installed (MW)							
Target	-	-	31.6	55.5	119.5	68.7	275.3
Actual	2.9	23.5	23.4	62.7	68.7	53.2	234.4
% of Target			74%	113%	58%	77%	85%

As the above metrics show, the Green Bank continues to deploy capital to new projects that lead to increased deployment of clean energy. The Green Bank continues to set ambitious targets each year after consulting its biannual Comprehensive Plan, which analyzes markets and directs the programs of the organization.

In addition to these Key Performance Indicators, the Connecticut Green Bank passed some significant milestones in FY 2017. Shortly after the organization's fifth anniversary, the Green Bank passed its billionth dollar deployed. Both C-PACE and the Residential programs passed milestones marked by $100 million in capital deployed.

Activity

The Connecticut Green Bank tracks projects through three phases as they move through the pipeline from application until the implementation is complete – Approved, Closed, and Completed. "Approved" signifies that the appropriate authority within the Connecticut Green Bank, whether President & CEO, Deployment Committee, or Board of Directors, has approved the Connecticut Green Bank's investment in the project per the Comprehensive Plan and Budget. "Closed" indicates all financial and legal documents have been executed and any additional funding has been secured. "Completion" indicates the project has closed, all construction and installation is complete, and the project is operational. The full energy, economic, and environmental benefits from these projects begin to be fully accounted for and reported after they are closed. Table 9 below presents annual project activity by these three phases.

[28] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

[29] Targets for FY 2017 are the adjusted targets approved by the Board in January of 2017.

Table 9. Green Bank Project Activity by FY Closed[30]

	2012	2013	2014	2015	2016	2017	Total
Approved	417	1,133	2,476	6,486	7,750	5,672	23,934
Closed	417	1,119	2,456	6,527	7,606	5,459	23,584
Completed	152	916	1,282	3,611	7,543	6,251	19,755

Number of projects does not capture the extent of the organization's activities in a year as different projects have different sizes. Further demonstration of the organization's reach can be seen in the number of multi-family units impacted by closed projects each year.

Table 10. Green Bank Number of Multifamily Housing Units Impacted by FY Closed

	Affordable	Market Rate	Total
2014	120		120
2015	285	82	367
2016	1,578	191	1,769
2017	1,244	100	1,344
Total	**3,227**	**373**	**3,600**

Capital Deployed

Clean Energy Investment

The Connecticut Green Bank's intent, stated in the Comprehensive Plan is to use public funds to attract multiples of private investment into Connecticut's green energy economy, both to decrease the reliance on public funds over time, as well as expand the scale of clean energy investments in the state. Several of the tables below, including Tables 11-13 show activity to date on this subject.

Table 11. Green Bank Clean Energy Investment by Source - Public and Private by FY Closed[31]

	2012	2013	2014	2015	2016	2017	Total
Green Bank	$4,804,743	$18,705,488	$32,559,362	$57,048,511	$36,954,135	$24,496,404	$174,568,643
Private	$10,184,827	$92,783,682	$74,921,011	$267,898,099	$278,148,207	$190,843,805	$914,779,630
Total	**$14,989,569**	**$111,489,169**	**$107,480,373**	**$324,946,609**	**$315,102,342**	**$215,340,209**	**$1,089,348,272**

The table below shows the average total investment of public and private funds per project, by fiscal year and in total. In reviewing the results from year to year it is important to note that the mix, size, and financial requirements of projects differ from year to year across the program portfolio offered by the Green Bank.

[30] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

[31] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

Table 12. Green Bank Clean Energy Projects - Average Public and Private Investments by FY Closed[32]

2012	2013	2014	2015	2016	2017	Total
$35,946.21	$99,632.86	$43,762.37	$49,784.99	$41,428.13	$39,446.82	$46,190.14

Leverage Ratio

The Table below shows in ratio form the extent to which public monies are driving private investment into the Green Bank's programs. This leverage ratio, as it is commonly referred to, is calculated by dividing the total monies available in each period – here the Green Bank's fiscal year periods – by the amount of private investment. The table presents these ratios by fiscal year and by the Green Bank's program categories. The leverage ratios for the Connecticut Green Bank are increasing over time. In addition, as shown in Table 13, a greater percentage of the public funds being used are in the form of loans and leases rather than subsidies and grants, which results in repayments of the funds over time.

Table 13. Green Bank Sector Leverage Ratios by FY Closed

Sector	2012	2013	2014	2015	2016	2017	Total
Commercial	0.0	3.8	2.2	2.8	4.7	7.2	3.8
Infrastructure	3.1	3.2	3.9	6.5	11.1	10.6	6.9
Residential	0.0	0.8	8.3	4.3	5.3	6.8	5.4
Strategic	0.0	12.2	0.0	17.5	0.0	1.2	10.2
Total	**3.1**	**5.9**	**3.2**	**5.5**	**8.4**	**8.7**	**6.1**

Clean Energy Produced and Energy Saved

The data below present the output of the projects supported by the Green Bank: electric capacity (megawatts [MW]), electricity production (megawatt hours [MWh]), and Energy Saved or Produced (MMBtu) – see Table 14.

Table 14. Green Bank Installed Capacity, Estimated Generation and Energy Saved and/or Produced by FY Closed[33]

FY Closed	2012	2013	2014	2015	2016	2017	Total
Installed Capacity (MW)							
MW	2.9	23.5	23.4	62.7	68.7	53.2	234.4
Estimated Generation (MWh)							
Annual	3,278	131,581	51,668	210,440	92,840	72,305	562,111
Lifetime	81,939	1,480,009	993,496	1,898,881	2,137,867	1,669,855	8,262,048
Lifetime Clean Energy Produced (kWh) / Investment at Risk ($)	17.1	79.1	30.5	33.3	57.9	68.2	47.3

[32] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

[33] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

FY Closed	2012	2013	2014	2015	2016	2017	Total
Energy Saved or Produced (MMBtu)							
Annual	11,183	463,328	246,195	709,965	346,135	532,685	2,309,491
Lifetime	279,577	5,268,112	4,519,573	6,303,485	7,817,648	10,016,405	34,204,801
Investment at Risk ($) / Lifetime Combined Energy Generated & Saved (MMBtu)	17.2	3.6	7.2	9.1	4.7	2.4	5.1

Clean Energy Technology Deployment

The Connecticut Green Bank takes a technology-agnostic approach to its financing products, with any commercially available technology that meets eligibility guidelines. The tables below present the number of projects by technology and project type by FY closed.

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 greenhouse gas 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, municipal solid waste 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 section 16-1.[34]

[34] Connecticut Public Act 11-80

Table 15. Green Bank Projects by Technology[35] by FY Closed[36] [37]

	2012	2013	2014	2015	2016	2017	Total
# of Projects							
AD	0	0	0	0	1	0	1
CHP	0	2	1	4	0	0	7
CHP/Microgrid	0	0	0	0	0	1	1
EE	0	4	99	132	114	346	695
Fuel Cell	0	1	0	0	0	0	1
Geothermal	0	0	2	1	8	6	17
Hydro	0	0	0	1	0	1	2
PV	417	1,111	2,347	6,372	7,466	5,057	22,770
PV/Biomass	0	0	0	1	0	0	1
Waste Heat Recovery	0	0	0	1	0	0	1
Wind	0	0	0	1	0	0	1
Unknown	0	1	7	14	17	48	87
Total	**417**	**1,119**	**2,456**	**6,527**	**7,606**	**5,459**	**23,584**
MW							
AD	0.0	0.0	0.0	0.0	1.0	0.0	1.0
CHP	0.0	0.7	3.0	0.3	0.0	0.0	4.0
CHP/Microgrid	0.0	0.0	0.0	0.0	0.0	0.8	0.8
EE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Cell	0.0	14.8	0.0	0.0	0.0	0.0	14.8
Geothermal	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hydro	0.0	0.0	0.0	0.9	0.0	0.2	1.1
PV	2.9	8.0	20.4	55.9	67.7	52.2	207.1
PV/Biomass	0.0	0.0	0.0	0.6	0.0	0.0	0.6
Waste Heat Recovery	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wind	0.0	0.0	0.0	5.0	0.0	0.0	5.0
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**2.9**	**23.5**	**23.4**	**62.7**	**68.7**	**53.2**	**234.4**
Expected Lifetime Savings or Generation (MWh)							
AD	0	0	0	0	106,171	0	106,171
CHP	0	81,008	354,780	31,930	0	0	467,718
CHP/Microgrid	0	0	0	0	0	94,017	94,017
EE	0	4,846	56,929	43,128	103,710	69,315	277,928
Fuel Cell	0	1,166,832	0	0	0	0	1,166,832
Geothermal	0	0	84	38	295	329	746
Hydro	0	0	0	96,185	0	20,626	116,811
PV	81,939	227,323	581,702	1,592,258	1,927,692	1,485,568	5,896,482
PV/Biomass	0	0	0	17,082	0	0	17,082
Waste Heat Recovery[38]	0	0	0	0	0	0	0
Wind	0	0	0	118,260	0	0	118,260
Unknown	0	0	0	0	0	0	0
Total	**81,939**	**1,480,009**	**993,496**	**1,898,881**	**2,137,867**	**1,669,855**	**8,262,048**

[35] Commercial and Residential projects can be a combination of RE and EE measures and the data presented includes the EE generation for those projects but it is assigned to the applicable RE technology.

[36] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

[37] 1,202 of the clean energy projects in this table were accompanied with energy efficiency measures.

[38] The expected annual generation for the Bridgeport Heating Loop project is 12,611 MWh. Lifetime generation is not available.

Table 16. Green Bank Project Types by FY Closed[39]

	2012	2013	2014	2015	2016	2017	Total
# of Projects							
EE	0	4	99	132	114	346	695
RE	417	1,113	2,341	6,299	7,075	4,358	21,603
RE/EE	0	1	9	81	403	708	1,202
Other	0	0	0	1	0	0	1
Unknown	0	1	7	14	14	47	83
Total	**417**	**1,119**	**2,456**	**6,527**	**7,606**	**5,459**	**23,584**
MW							
EE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RE	2.9	23.4	22.8	60.9	65.5	48.4	223.7
RE/EE	0.0	0.1	0.6	1.8	3.3	4.8	10.6
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**2.9**	**23.5**	**23.4**	**62.7**	**68.7**	**53.2**	**234.4**
Expected Lifetime Savings or Generation (MWh)							
EE	0	4,846	56,929	43,128	103,710	69,315	277,928
RE	81,939	1,472,287	918,792	1,791,297	1,941,338	1,463,309	7,668,962
RE/EE	0	2,875	17,774	64,456	92,820	137,231	315,158
Other	0	0	0	0	0	0	0
Unknown	0	0	0	0	0	0	0
Total	**81,939**	**1,480,009**	**993,496**	**1,898,881**	**2,137,867**	**1,669,855**	**8,262,048**

The Connecticut Green Bank's efforts have led to a proportionately large amount of solar PV deployment in the state; about 97% of all clean energy projects deployed are from solar PV. When comparing deployment to clean energy production, solar PV produces the most energy (71% of all clean energy production), fuel cells also contribute a large proportion given the efficiency of the technology (14% of all clean energy production), both providing highly reliable baseload power.

[39] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

The Green Bank Model

Assets – Current and Non-Current

The Connecticut Green Bank's successful shift to a financing model from one formerly driven by grants and subsidies is evidenced by a net positive change in assets since its inception. The growth of the Green Bank's financing programs has led to a steady increase in non-current assets over time as more and more loans and leases are closed.

Table 17. Current and Non-Current Assets

	Year Ended June 30,					
	2017	2016	2015	2014	2013	2012
Current Assets						
Cash and cash equivalents	$ 37,151,067	$ 48,072,061	$ 39,893,649	$ 71,411,034	$ 68,105,014	$ 64,672,910
Receivables	3,682,469	4,531,258	2,867,233	8,253,318	4,545,661	3,305,301
Prepaid expenses and other assets	10,012,024	4,245,806	1,030,251	619,639	520,814	350,302
Contractor loans	--	2,272,906	3,112,663	--	--	--
Current portion of solar lease notes	869,831	845,479	803,573	766,086	704,032	670,645
Current portion of program loans	1,910,048	1,378,242	10,264,825	652,447	--	--
Total Current Assets	53,625,439	61,345,752	57,972,194	81,702,524	73,875,521	68,999,158
Noncurrent Assets						
Portfolio investments	1	1,000,000	1,000,000	1,000,000	1,000,000	2,155,525
Bonds receivable	3,328,530	3,492,282	1,600,000	1,600,000	--	--
Solar lease notes - less current portion	7,242,822	8,162,635	9,015,437	9,778,315	10,536,136	11,064,879
Program loans - less current portion	40,296,113	31,889,275	30,253,119	12,750,457	3,788,094	--
Renewable energy certificates	654,767	812,770	933,054	1,069,390	1,217,491	1,324,614
Capital assets, net of depreciation and amortization	62,578,217	58,114,914	26,971,087	3,074,337	362,505	91,329
Asset retirement obligation, net	2,535,104	2,261,472	1,029,196	--	--	--
Restricted assets:						
Cash and cash equivalents	22,060,622	9,749,983	8,799,005	9,513,715	9,536,656	8,540,684
Total noncurrent assets	138,696,176	115,483,331	79,600,898	38,786,214	26,440,882	23,177,031
Total Assets	$192,321,615	$176,829,083	$137,573,092	$120,488,738	$100,316,403	$ 92,176,189

Ratio of Public Funds Invested

As the first Green Bank in the country, the Connecticut Green Bank seeks to use limited public resources to attract private capital investment in clean energy. The Connecticut Green Bank does this by moving away from the subsidy-based model of supporting clean energy and towards a financing model. As highlighted below – see Figures 1 and 2, the Connecticut Green Bank has quickly moved towards this model, with fewer and fewer funds devoted to subsidies. This trend has developed even as total investment in clean energy has increased to over $1 billion in total from 2012 through 2017, enabling the Connecticut Green Bank to do more at a faster pace while managing ratepayer resources more efficiently.

Figure 1. Green Bank KPI Capital Deployment Chart by FY Closed

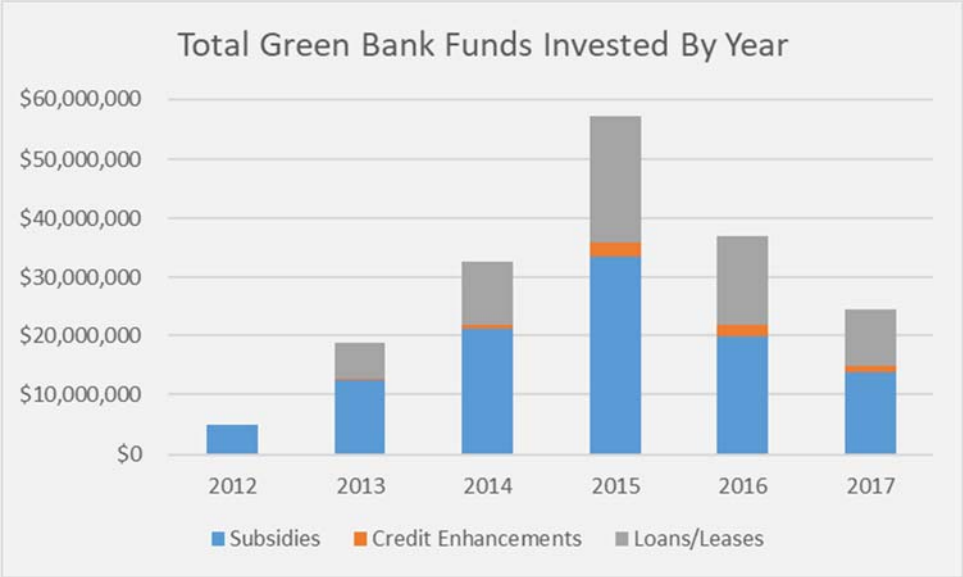


Figure 2. Green Bank Cumulative Green Bank Funds Invested by Type by FY Closed

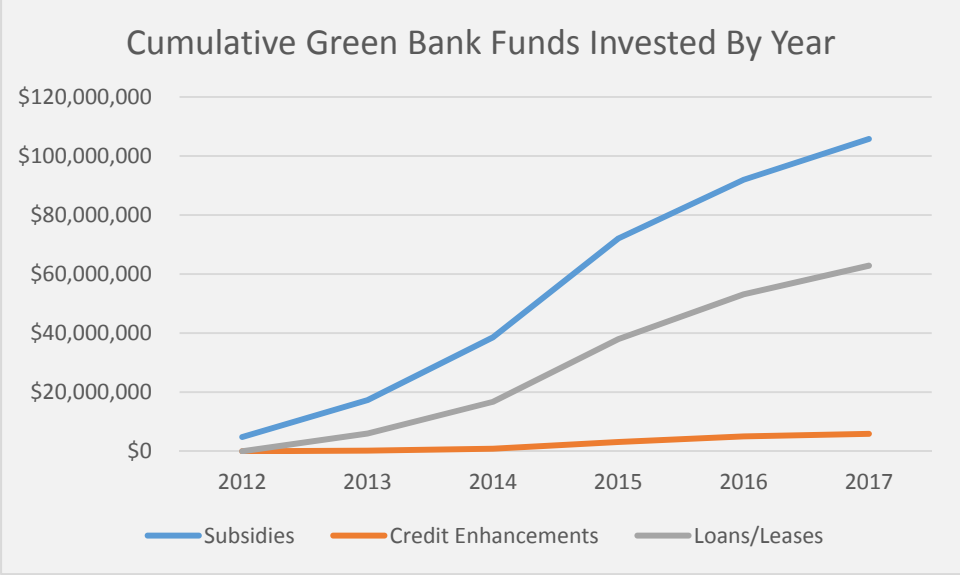


Table 18. Green Bank Ratio of Capital Invested as Subsidies, Credit Enhancements, and Loans and Leases by FY Closed[40]

CGB Funds Invested	2012	2013	2014	2015[41]	2016	2017	Total
Subsidies *(Grants & Incentives)*	$4,804,743	$12,508,064	$21,236,693	$33,525,414	$19,856,255	$13,867,584	$105,798,753
% Subsidies	100%	67%	65%	59%	54%	57%	61%
Credit Enhancements *(LLR & IRB)*	$0	$187,122	$630,610	$2,275,871	$1,911,448	$894,296	$5,899,346
% Credit Enhancements	0%	1%	2%	4%	5%	4%	3%
Loans and Leases *(includes sell downs)*	$0	$6,010,302	$10,692,059	$21,247,225	$15,186,433	$9,734,524	$62,870,543
% Loans and Leases	0%	32%	33%	37%	41%	40%	36%
Total	**$4,804,743**	**$18,705,488**	**$32,559,362**	**$57,048,511**	**$36,954,135**	**$24,496,404**	**$174,568,643**

Societal Benefits

Societal Benefits and the Evaluation Framework

One of the Connecticut Green Bank's evaluation activities is intended to understand how the increase in investment and deployment of clean energy supported by the Green Bank results in benefits to society. Working with internal and external subject matter experts, the Connecticut 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. The evaluation framework can be found here[42].

Societal Benefits: Jobs

The Connecticut Green Bank stimulates economic activity in the state through the lending and investing conducted by its programs. This economic activity can be measured by job creation. The Green Bank, in conjunction with the Connecticut Department of Economic and Community Development commissioned a study by Navigant Consulting in 2010 on to quantify those jobs. This study was updated in 2016 and is the basis for how the Green Bank measures its impact on job creation. For more information on this study and the methodology, click here[43]. An overview of our Jobs methodology can be found here[44].

[40] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.
[41] As of January 1, 2015, all RSIP subsidies are redeployed over time through the SHREC cost recovery.
[42] CGB Evaluation Framework: http://ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Evaluation-Framework-July-2016.pdf
[43] Clean Energy Jobs in Connecticut: http://ctgreenbank.com/wp-content/uploads/2017/02/CTGReenBank-Clean-Energy-Jobs-CT-August102016.pdf
[44] CGB Economic Development Factsheet: http://www.ctgreenbank.com/wp-content/uploads/2017/08/CGB_DECD_Jobs-Study_Fact-Sheet.pdf

Table 19. Green Bank Job Years Supported by FY Closed[45]

	2012	2013	2014	2015	2016	2017	Total
Direct	88	580	594	1,465	1,654	722	5,104
Indirect and Induced	142	1,165	954	2,357	2,660	957	8,236
Total	**231**	**1,745**	**1,548**	**3,822**	**4,314**	**1,680**	**13,340**

Green Bank Societal Benefits: Environmental Impacts and Equivalencies

The Green Bank assesses the impact of its projects in terms of the local environmental benefits these projects produce. These benefits are primarily in the form of cleaner air in the state and are measured in terms of tons of Carbon Dioxide (CO2) and pounds of Nitrous Oxide (NOx), Sulfur Dioxide (SOx) and particulate matter (PM 2.5) not emitted. The Green Bank has developed its methodology for these measurements in conjunction with outside experts at the Connecticut Department of Energy and Environmental Protection and at the United States Environmental Protection Agency. For more information on this methodology, click here[46]. For more information on the EPA's AvERT, click here[47].

Table 20. Green Bank Avoided Emissions by FY Closed[48]

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	1,833	13,266	15,662	44,952	48,376	36,975	161,064
Lifetime	45,820	210,616	357,139	1,055,021	1,145,841	883,582	3,698,018
Investment at Risk ($) / Lifetime Tons of CO2 Emissions (TCO2)	$104.86	$88.81	$91.17	$54.07	$32.25	$27.72	$47.21
NOx Savings (pounds)							
Annual	2,307	70,810	20,876	50,524	51,079	37,325	232,921
Lifetime	57,671	821,238	479,656	1,199,483	1,207,003	897,064	4,662,115
Investment at Risk ($) / Lifetime Pounds of NO_X Emissions	$83.31	$22.78	$67.88	$47.56	$30.62	$27.31	$37.44
SOx Savings (pounds)							
Annual	3,016	55,584	23,792	47,634	40,133	26,695	196,854
Lifetime	75,409	700,425	547,634	1,134,204	934,111	641,857	4,033,641
Investment at Risk ($) / Lifetime Pounds of SO_X Emissions	$63.72	$26.71	$59.45	$50.30	$39.56	$38.16	$43.28
PM 2.5 (pounds)							
Annual	164	475	1,380	3,688	4,203	3,182	13,092
Lifetime	4,112	11,627	31,731	87,015	100,056	76,326	310,867
Investment at Risk ($) / Lifetime Pounds of PM 2.5 Emissions	$1,168.47	$1,608.81	$1,026.11	$655.62	$369.33	$320.94	$561.55

Using the organization's methodology for environmental impact, the Green Bank calculates environmental equivalencies using factors from the EPA's environmental equivalency calculator. The lifetime numbers are based on the aggregation of projects' impact for one year multiplied by the useful

[45] See Appendix for Job Year Factors.
[46] CGB Environmental Impact Factsheet: http://www.ctgreenbank.com/wp-content/uploads/2017/05/CGB-Environmental-Impact-051617.pdf
[47] Environmental Protection Agency AvERT User Manual: http://www.ctgreenbank.com/wp-content/uploads/2017/05/AVERT_fact_sheet_user_manual_03-01-17.pdf
[48] See Appendix for Average Emission Rates.

life of the technology for each project. For more information on this methodology, click here[49]. The EPA environmental equivalency calculator can be found here[50].

Table 21. Green Bank Greenhouse Gas Equivalencies (based on reductions of CO_2 tons) by FY Closed

		2012	2013	2014	2015	2016	2017	Total
		Greenhouse gas emissions from:						
Passenger vehicles driven for one year	Annual	351	2,542	3,001	8,614	9,270	7,085	30,864
	Lifetime	8,780	40,360	68,438	202,172	219,575	169,319	708,644
Miles driven by an average passenger vehicle	Annual	3,984,866	28,843,642	34,052,135	97,736,084	105,178,625	80,390,801	350,186,153
	Lifetime	99,621,647	457,923,254	776,495,651	2,293,835,856	2,491,297,120	1,921,091,832	8,040,265,359
		CO2 emissions from:						
Gallons of gasoline consumed	Annual	187,091	1,354,220	1,598,761	4,588,747	4,938,177	3,774,379	16,441,376
	Lifetime	4,677,275	21,499,675	36,456,772	107,696,484	116,967,367	90,196,008	377,493,581
Homes' energy use for one year	Annual	176	1,271	1,500	4,306	4,634	3,542	15,429
	Lifetime	4,389	20,176	34,213	101,067	109,767	84,644	354,255
		Carbon sequestered by:						
Tree seedlings grown for 10 years	Annual	43,090	311,900	368,221	1,056,865	1,137,345	869,303	3,786,725
	Lifetime	1,077,255	4,951,736	8,396,606	24,804,306	26,939,546	20,773,653	86,943,101
Acres of U.S. forests in one year	Annual	1,574	11,392	13,450	38,603	41,542	31,752	138,313
	Lifetime	39,347	180,865	306,692	905,994	983,985	758,771	3,175,655

Other Societal Benefits

The Green Bank is presently working on methodologies to further measure additional societal impacts of its programs. During Fiscal Year 2018, the organization will finalize methodologies for measuring and quantifying public health benefits associated with improved air quality and on the refined measurement of energy generated by the organization's projects. The Green Bank is reviewing the economic relief from the energy burden felt by participating property owners and tenants.

Community Impacts

Community and Market Descriptions

Communities across Connecticut are demonstrating leadership in their support of clean energy. The Connecticut Green Bank distributes reports to communities on an annual basis to provide them with a breakdown of their performance. There are many leaders of clean energy deployment across the state, and we have assembled the "Top 5" in energy, environment, and economy for both FY 2017 as well as FY 2012 through FY 2017.

[49] http://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references
[50] EPA Greenhouse Gas Equivalencies Calculator: http://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

Table 22. The "Top 5" Energy, Environment, and Economy Metrics based on FY 2017 Closed Activity

Municipality	Watts / Capita
Thompson	263.4
Canaan	168.7
Lebanon	68.3
Chester	64.1
Bloomfield	59.6

Municipality	Investment / Capita
Thompson	$855.98
Canaan	$683.46
Manchester	$230.22
Chester	$225.53
Lebanon	$219.71

Municipality	Total Lifetime CO2 Emissions (Tons)
Manchester	50,182
Thompson	39,874
Stratford	32,703
New Britain	32,302
Bridgeport	30,430

Table 23. The "Top 5" Energy, Environment, and Economy Metrics based on FY 2012 – 2017 Closed Activity

Municipality	Watts / Capita
Colebrook	3,426.9
Canaan	348.5
Thompson	347.0
Woodbridge	221.2
Durham	220.3

Municipality	Investment / Capita
Colebrook	$15,426.21
Deep River	$1,556.41
Canaan	$1,536.75
Thompson	$1,179.52
Bridgeport	$1,014.02

Municipality	Total Lifetime CO2 Emissions (Tons)
Bridgeport	184,215
Manchester	93,039
Hartford	84,295
Waterbury	73,246
New Britain	70,181

Projects by Income Bands

In addition to looking at funding and clean energy deployment in distressed municipalities, the Green Bank works to ensure that low to moderate income (LMI) census tracts across the entire state are benefiting from its programs. The Green Bank defines low to moderate income as 100% or less of the Area Median Income (AMI) of a Metropolitan Statistical Area (MSA). Table 26 groups the Green Bank's residential projects based upon the average area median income (AMI) of their census tract from the American Community Survey (ACS) 5 Year Estimate data. Table 27 groups the Green Bank's residential projects based upon the average state median income (SMI) of their census tract from the American Community Survey (ACS) 5 Year Estimate data.

Table 24. Overview of Population and Households in 2015 American Community Survey (ACS) Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands[51]

MSA AMI Band	Total Population	% Total Population Distribution	Total Households	% Total Household Distribution	Total Owner Occupied 1-4 Unit Households	% Owner Occupied 1-4 Unit Household Distribution	Total Owner/Rental Occupied 5+ Unit Households	% Owner/Rental Occupied 5+ Unit Household Distribution	Total Rental Occupied 1 - 4 Housing Units	% Rental Occupied 1 - 4 Housing Unit Distribution
<60%	662,619	18%	240,062	18%	64,361	7%	84,158	37%	91,543	35%
60%-80%	489,826	14%	193,188	14%	96,305	11%	44,668	19%	52,215	20%
80%-100%	650,163	18%	264,609	20%	164,873	19%	53,494	23%	46,242	18%
100%-120%	631,741	18%	240,485	18%	184,613	21%	24,388	11%	31,484	12%
>120%	1,150,974	32%	414,212	31%	352,621	41%	23,491	10%	38,100	15%
Total	**3,585,323**	**100%**	**1,352,556**	**100%**	**862,773**	**100%**	**230,199**	**100%**	**259,584**	**100%**

Table 25. Overview of Population and Households in 2015 American Community Survey (ACS) Metropolitan Statistical Area (MSA) State Median Income (SMI) Bands[52]

MSA SMI Band	Total Population	% Total Population Distribution	Total Households	% Total Household Distribution	Total Owner Occupied 1-4 Unit Households	% Owner Occupied 1-4 Unit Household Distribution	Total Owner/Rental Occupied 5+ Unit Households	% Owner/Rental Occupied 5+ Unit Household Distribution	Total Rental Occupied 1 - 4 Housing Units	% Rental Occupied 1 - 4 Housing Unit Distribution
<60%	643,447	18%	236,756	18%	65,471	8%	81,295	35%	89,990	35%
60%-80%	601,556	17%	235,289	17%	119,341	14%	53,768	23%	62,180	24%
80%-100%	648,379	18%	262,503	19%	169,692	20%	49,076	21%	43,735	17%
100%-120%	636,897	18%	247,545	18%	189,955	22%	25,811	11%	31,779	12%
>120%	1,055,044	29%	370,463	27%	318,314	37%	20,249	9%	31,900	12%
Total	**3,585,323**	**100%**	**1,352,556**	**100%**	**862,773**	**100%**	**230,199**	**100%**	**259,584**	**100%**

[51] The suite of products offered by the Connecticut Green Bank do not currently address rental properties of 1-4 units.
[52] The suite of products offered by the Connecticut Green Bank do not currently address rental properties of 1-4 units.

Table 26. Green Bank Residential[53] Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[54] [55]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	10	2%	279,743	2%	0.1	2%	228,062	17%	0.0	$1.23	0.2
2012	60%-80%	10	2%	242,605	2%	0.1	2%	207,439	15%	0.0	$1.17	0.3
2012	80%-100%	48	12%	1,644,387	11%	0.3	12%	239,356	18%	0.2	$6.87	1.4
2012	100%-120%	118	28%	4,193,070	28%	0.8	28%	280,563	21%	0.4	$14.95	2.9
2012	>120%	231	55%	8,629,764	58%	1.6	57%	404,748	30%	0.6	$21.32	4.0
2012	**Total**	**417**	**100%**	**14,989,569**	**100%**	**2.9**	**100%**	**1,360,168**	**100%**	**0.3**	**$11.02**	**2.1**
2013	<60%	20	2%	415,069	1%	0.1	1%	224,259	17%	0.1	$1.85	0.4
2013	60%-80%	56	5%	1,683,198	5%	0.4	5%	222,791	16%	0.3	$7.56	1.7
2013	80%-100%	128	12%	3,896,496	11%	0.8	10%	236,905	17%	0.5	$16.45	3.5
2013	100%-120%	221	20%	6,752,086	19%	1.5	19%	264,685	20%	0.8	$25.51	5.5
2013	>120%	687	62%	22,717,370	64%	5.1	65%	407,204	30%	1.7	$55.79	12.6
2013	**Total**	**1,112**	**100%**	**35,464,219**	**100%**	**7.9**	**100%**	**1,355,844**	**100%**	**0.8**	**$26.16**	**5.8**
2014	<60%	85	3%	1,951,582	3%	0.4	3%	224,369	17%	0.4	$8.70	1.9
2014	60%-80%	162	6%	4,231,799	6%	0.9	5%	216,437	16%	0.7	$19.55	4.2
2014	80%-100%	522	20%	11,892,770	16%	2.5	15%	231,014	17%	2.3	$51.48	11.0
2014	100%-120%	613	24%	19,319,129	26%	4.3	26%	278,174	21%	2.2	$69.45	15.6
2014	>120%	1,166	46%	36,828,938	50%	8.5	51%	406,185	30%	2.9	$90.67	21.0
2014	**Total**	**2,548**	**100%**	**74,224,218**	**100%**	**16.7**	**100%**	**1,356,179**	**100%**	**1.9**	**$54.73**	**12.3**
2015	<60%	275	4%	6,896,152	3%	1.5	3%	240,062	18%	1.1	$28.73	6.4
2015	60%-80%	617	9%	17,854,340	8%	4.0	8%	193,188	14%	3.2	$92.42	20.5
2015	80%-100%	1,243	19%	38,391,291	18%	7.9	17%	264,609	20%	4.7	$145.09	29.9
2015	100%-120%	1,644	24%	56,688,974	26%	12.3	26%	240,485	18%	6.8	$235.73	51.2
2015	>120%	2,937	44%	98,586,296	45%	22.3	46%	414,212	31%	7.1	$238.01	53.8
2015	**Total**	**6,716**	**100%**	**218,417,053**	**100%**	**48.0**	**100%**	**1,352,556**	**100%**	**5.0**	**$161.48**	**35.5**

[53] Residential Owner occupied properties of 1-4 units and multifamily housing greater than 4 units.
[54] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.
[55] Excludes projects in unknown bands.

CONNECTICUT GREEN BANK
4. MEASURES OF SUCCESS

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2016	<60%	919	11%	19,052,183	7%	4.2	7%	240,062	18%	3.8	$79.36	17.4
2016	60%-80%	1,066	13%	26,554,108	10%	6.4	11%	193,188	14%	5.5	$137.45	33.0
2016	80%-100%	1,739	21%	52,380,872	21%	11.3	19%	264,609	20%	6.6	$197.96	42.6
2016	100%-120%	2,007	24%	62,089,139	24%	14.0	24%	240,485	18%	8.3	$258.18	58.1
2016	>120%	2,672	32%	94,495,537	37%	22.5	39%	414,212	31%	6.5	$228.13	54.2
2016	**Total**	**8,403**	**100%**	**254,571,838**	**100%**	**58.2**	**100%**	**1,352,556**	**100%**	**6.2**	**$188.22**	**43.1**
2017	<60%	1,268	19%	29,930,106	19%	4.8	12%	240,062	18%	5.3	$124.68	20.1
2017	60%-80%	1,132	17%	23,069,670	14%	5.6	14%	193,188	14%	5.9	$119.42	29.0
2017	80%-100%	1,154	18%	27,521,142	17%	7.5	19%	264,609	20%	4.4	$104.01	28.4
2017	100%-120%	1,258	19%	29,568,212	19%	8.0	20%	240,485	18%	5.2	$122.95	33.2
2017	>120%	1,743	27%	49,516,185	31%	13.5	34%	414,212	31%	4.2	$119.54	32.6
2017	**Total**	**6,555**	**100%**	**159,605,315**	**100%**	**39.5**	**100%**	**1,352,556**	**100%**	**4.8**	**$118.00**	**29.2**
Total	<60%	2,577	10%	58,524,835	8%	11.1	6%	240,062	18%	10.7	$243.79	46.3
Total	60%-80%	3,043	12%	73,635,719	10%	17.2	10%	193,188	14%	15.8	$381.16	89.3
Total	80%-100%	4,834	19%	135,726,958	18%	30.4	18%	264,609	20%	18.3	$512.93	115.0
Total	100%-120%	5,861	23%	178,610,610	24%	40.9	24%	240,485	18%	24.4	$742.71	169.9
Total	>120%	9,436	37%	310,774,090	41%	73.6	42%	414,212	31%	22.8	$750.28	177.6
Total	**Total**	**25,751**	**100%**	**757,272,212**	**100%**	**173.2**	**100%**	**1,352,556**	**100%**	**19.0**	**$559.88**	**128.1**

Table 27. Green Bank Residential[56] Activity in Metropolitan Statistical Area (MSA) State Median Income (SMI) Bands by FY Closed[57] [58]

Fiscal Year Closed	MSA SMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	12	3%	247,910	2%	0.1	2%	249,608	18%	0.0	$0.99	0.2
2012	60%-80%	8	2%	212,810	1%	0.1	2%	204,836	15%	0.0	$1.04	0.3
2012	80%-100%	93	22%	3,213,897	21%	0.6	21%	293,878	22%	0.3	$10.94	2.1
2012	100%-120%	122	29%	4,373,772	29%	0.8	29%	260,689	19%	0.5	$16.78	3.2
2012	>120%	182	44%	6,941,180	46%	1.3	46%	351,157	26%	0.5	$19.77	3.8
2012	**Total**	**417**	**100%**	**14,989,569**	**100%**	**2.9**	**100%**	**1,360,168**	**100%**	**0.3**	**$11.02**	**2.1**
2013	<60%	30	3%	777,069	2%	0.2	2%	251,171	19%	0.1	$3.09	0.7
2013	60%-80%	51	5%	1,459,921	4%	0.3	4%	211,049	16%	0.2	$6.92	1.5
2013	80%-100%	194	17%	5,936,366	17%	1.3	16%	295,748	22%	0.7	$20.07	4.3
2013	100%-120%	227	20%	7,354,103	21%	1.5	19%	247,329	18%	0.9	$29.73	6.1
2013	>120%	610	55%	19,936,760	56%	4.6	59%	350,547	26%	1.7	$56.87	13.2
2013	**Total**	**1,112**	**100%**	**35,464,219**	**100%**	**7.9**	**100%**	**1,355,844**	**100%**	**0.8**	**$26.16**	**5.8**
2014	<60%	119	5%	2,800,024	4%	0.6	4%	264,100	19%	0.5	$10.60	2.2
2014	60%-80%	164	6%	4,459,868	6%	1.0	6%	189,153	14%	0.9	$23.58	5.0
2014	80%-100%	708	28%	18,092,192	24%	3.9	24%	288,116	21%	2.5	$62.79	13.7
2014	100%-120%	601	24%	18,665,331	25%	4.2	25%	242,617	18%	2.5	$76.93	17.4
2014	>120%	956	38%	30,206,804	41%	7.0	42%	372,193	27%	2.6	$81.16	18.9
2014	**Total**	**2,548**	**100%**	**74,224,218**	**100%**	**16.7**	**100%**	**1,356,179**	**100%**	**1.9**	**$54.73**	**12.3**
2015	<60%	394	6%	10,112,962	5%	2.2	5%	236,756	18%	1.7	$42.71	9.5
2015	60%-80%	858	13%	23,503,029	11%	5.1	11%	235,289	17%	3.6	$99.89	21.7
2015	80%-100%	1,468	22%	48,401,136	22%	10.4	22%	262,503	19%	5.6	$184.38	39.6
2015	100%-120%	1,774	26%	56,222,016	26%	12.2	26%	247,545	18%	7.2	$227.12	49.5
2015	>120%	2,222	33%	80,177,909	37%	18.0	38%	370,463	27%	6.0	$216.43	48.6
2015	**Total**	**6,716**	**100%**	**218,417,053**	**100%**	**48.0**	**100%**	**1,352,556**	**100%**	**5.0**	**$161.48**	**35.5**
2016	<60%	942	11%	18,608,131	7%	4.5	8%	236,756	18%	4.0	$78.60	18.9
2016	60%-80%	1,418	17%	38,455,293	15%	8.9	15%	235,289	17%	6.0	$163.44	37.8
2016	80%-100%	1,778	21%	58,707,520	23%	12.8	22%	262,503	19%	6.8	$223.65	48.8
2016	100%-120%	1,974	23%	62,577,938	25%	13.9	24%	247,545	18%	8.0	$252.79	56.0
2016	>120%	2,291	27%	76,222,957	30%	18.2	31%	370,463	27%	6.2	$205.75	49.1
2016	**Total**	**8,403**	**100%**	**254,571,838**	**100%**	**58.2**	**100%**	**1,352,556**	**100%**	**6.2**	**$188.22**	**43.1**

[56] Residential Owner occupied properties of 1-4 units and multifamily housing greater than 4 units.
[57] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.
[58] Excludes projects in unknown bands.

Fiscal Year Closed	MSA SMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2017	<60%	1,180	18%	28,344,873	18%	4.6	12%	236,756	18%	5.0	$119.72	19.4
2017	60%-80%	1,443	22%	29,556,143	19%	7.4	19%	235,289	17%	6.1	$125.62	31.4
2017	80%-100%	1,373	21%	29,407,299	18%	7.9	20%	262,503	19%	5.2	$112.03	30.3
2017	100%-120%	1,208	18%	32,054,269	20%	8.8	22%	247,545	18%	4.9	$129.49	35.7
2017	>120%	1,351	21%	40,242,731	25%	10.7	27%	370,463	27%	3.6	$108.63	28.9
2017	**Total**	**6,555**	**100%**	**159,605,315**	**100%**	**39.5**	**100%**	**1,352,556**	**100%**	**4.8**	**$118.00**	**29.2**
Total	<60%	2,677	10%	60,890,968	8%	12.1	7%	236,756	18%	11.3	$257.19	51.3
Total	60%-80%	3,942	15%	97,647,064	13%	22.7	13%	235,289	17%	16.8	$415.01	96.4
Total	80%-100%	5,614	22%	163,758,411	22%	37.0	21%	262,503	19%	21.4	$623.83	140.9
Total	100%-120%	5,906	23%	181,247,429	24%	41.5	24%	247,545	18%	23.9	$732.18	167.7
Total	>120%	7,612	30%	253,728,340	34%	59.9	35%	370,463	27%	20.5	$684.90	161.7
Total	**Total**	**25,751**	**100%**	**757,272,212**	**100%**	**173.2**	**100%**	**1,352,556**	**100%**	**19.0**	**$559.88**	**128.1**

Through such products and initiatives as the LMI solar incentive, its partnership with PosiGen, ongoing education to the market about the good credit quality of low and moderate income homeowners and market research made available to industry participants for targeting (customer segmentation, demographic and geographic data), and its affordable multifamily housing energy financing products, The Green Bank has focused on increasing its penetration in the LMI market shown in Tables 28 and 29 to deliver inclusive prosperity through the green economy.

Table 28. Green Bank Residential[59] Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[60] [61]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	417	349	68	16%	2.9	2.4	0.4	15%	$14,989,569	$12,822,834	$2,166,735	14%
2013	1,112	908	204	18%	7.9	6.6	1.3	16%	$35,464,219	$29,469,456	$5,994,762	17%
2014	2,548	1,779	769	30%	16.7	12.9	3.9	23%	$74,224,218	$56,148,067	$18,076,152	24%
2015	6,716	4,581	2,135	32%	48.0	34.6	13.4	28%	$218,417,053	$155,275,270	$63,141,783	29%
2016	8,403	4,679	3,724	44%	58.2	36.4	21.8	37%	$254,571,838	$156,584,676	$97,987,162	38%
2017	6,555	3,001	3,554	54%	39.5	21.5	17.9	45%	$159,605,315	$79,084,397	$80,520,918	50%
Total	**25,751**	**15,297**	**10,454**	**41%**	**173.2**	**114.4**	**58.8**	**34%**	**$757,272,212**	**$489,384,700**	**$267,887,512**	**35%**

[59] Residential Owner occupied properties of 1-4 units and multifamily housing greater than 4 units

[60] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

[61] Excludes projects in unknown bands.

Table 29. Green Bank Residential[62] Activity in Metropolitan Statistical Area (MSA) State Median Income (SMI) Bands Above or Below 100% by FY Closed[63] [64]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% SMI**	**100% or Below SMI**	**% at 100% or Below**	**Total**	**Over 100% SMI**	**100% or Below SMI**	**% at 100% or Below**	**Total**	**Over 100% SMI**	**100% or Below SMI**	**% at 100% or Below**
2012	417	304	113	27%	2.9	2.2	0.7	25%	$14,989,569	$11,314,952	$3,674,617	25%
2013	1,112	837	275	25%	7.9	6.1	1.7	22%	$35,464,219	$27,290,863	$8,173,356	23%
2014	2,548	1,557	991	39%	16.7	11.3	5.5	33%	$74,224,218	$48,872,135	$25,352,084	34%
2015	6,716	3,996	2,720	41%	48.0	30.3	17.7	37%	$218,417,053	$136,399,926	$82,017,127	38%
2016	8,403	4,265	4,138	49%	58.2	32.1	26.2	45%	$254,571,838	$138,800,895	$115,770,943	45%
2017	6,555	2,559	3,996	61%	39.5	19.5	19.9	51%	$159,605,315	$72,296,999	$87,308,315	55%
Total	**25,751**	**13,518**	**12,233**	**48%**	**173.2**	**101.4**	**71.8**	**41%**	**$757,272,212**	**$434,975,769**	**$322,296,443**	**43%**

Distressed Communities

Connecticut's "distressed communities" are particularly affected by the state's high energy prices. On average, Connecticut's neediest households owe $2,560 more in annual energy bills than they can afford[65]. The Green Bank's financing products and marketing efforts seek to bring lower and more predictable energy costs to homes and businesses in these communities.

Table 30. Distressed and Not Distressed Municipalities, Population, and Households in Connecticut[66]

For more information on DECD Distressed Municipality criterions, click here[67]

2016[68] DECD Distressed Designation				
	Distressed	**Not Distressed**	**Total**	**% Distressed**
# Towns	25	144	169	15%
Population (2010 Census)	1,167,312	2,406,785	3,574,097	33%
Households (2010 Census)	445,638	925,449	1,371,087	33%

[62] Residential Owner occupied properties of 1-4 units and multifamily housing greater than 4 units.
[63] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.
[64] Excludes projects in unknown bands.
[65] Home Energy Affordability in Connecticut: http://www.operationfuel.org/wp-content/uploads/Connecticut-2014-HEAG-Final.pdf
[66] As designated by DECD in 2016.
[67] Department of Economic and Community Development: http://www.ct.gov/ecd/cwp/view.asp?a=1105&q=251248
[68] 2017 DECD Distressed Designations have not been made public at the time that this was published. The Green Bank will update its internal calculations with the 2017 designations once available.

The Green Bank has steadily increased its percentage of projects deployed each year in distressed municipalities. This has led to nearly $350 million in clean energy projects in these communities, creating 4,000 jobs.

Table 31. Green Bank Commercial and Residential Activity in Distressed Communities by FY Closed[69]

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	46	11%	$1,283,753	9%	0.3	9%	1,172,186	33%	$1.10	0.2	449,097	33%	$2.86	$0.59
2012	No	371	89%	$13,705,816	91%	2.6	91%	2,401,911	67%	$5.71	1.1	921,990	67%	$14.87	$2.83
2012	**Total**	**417**	**100%**	**$14,989,569**	**100%**	**2.9**	**100%**	**3,574,097**	**100%**	**$4.19**	**0.8**	**1,371,087**	**100%**	**$10.93**	**$2.10**
2013	Yes	121	11%	$75,175,239	68%	15.5	66%	1,124,337	31%	$66.86	13.8	428,395	31%	$175.48	$36.23
2013	No	998	89%	$36,040,124	32%	7.9	34%	2,449,760	69%	$14.71	3.2	942,692	69%	$38.23	$8.43
2013	**Total**	**1,119**	**100%**	**$111,215,363**	**100%**	**23.5**	**100%**	**3,574,097**	**100%**	**$31.12**	**6.6**	**1,371,087**	**100%**	**$81.11**	**$17.12**
2014	Yes	388	15%	$20,924,533	20%	3.9	17%	1,104,894	31%	$18.94	3.6	420,721	31%	$49.73	$9.37
2014	No	2,187	85%	$82,671,271	80%	19.5	83%	2,469,203	69%	$33.48	7.9	950,366	69%	$86.99	$20.51
2014	**Total**	**2,575**	**100%**	**$103,595,804**	**100%**	**23.4**	**100%**	**3,574,097**	**100%**	**$28.99**	**6.6**	**1,371,087**	**100%**	**$75.56**	**$17.09**
2015	Yes	1,514	22%	$93,699,121	30%	13.2	21%	1,123,207	31%	$83.42	11.7	429,250	31%	$218.29	$30.69
2015	No	5,264	78%	$222,834,399	70%	49.5	79%	2,450,890	69%	$90.92	20.2	941,837	69%	$236.60	$52.58
2015	**Total**	**6,778**	**100%**	**$316,533,520**	**100%**	**62.7**	**100%**	**3,574,097**	**100%**	**$88.56**	**17.5**	**1,371,087**	**100%**	**$230.86**	**$45.73**
2016	Yes	2,495	29%	$82,415,451	26%	17.5	25%	1,167,312	33%	$70.60	15.0	445,638	33%	$184.94	$39.27
2016	No	6,191	71%	$229,372,784	74%	51.2	75%	2,406,785	67%	$95.30	21.3	925,449	67%	$247.85	$55.35
2016	**Total**	**8,686**	**100%**	**$311,788,235**	**100%**	**68.7**	**100%**	**3,574,097**	**100%**	**$87.24**	**19.2**	**1,371,087**	**100%**	**$227.40**	**$50.12**
2017	Yes	2,455	36%	$73,495,156	34%	16.3	31%	1,167,312	33%	$62.96	14.0	445,638	33%	$164.92	$36.61
2017	No	4,277	64%	$140,309,017	66%	36.9	69%	2,406,785	67%	$58.30	15.3	925,449	67%	$151.61	$39.82
2017	**Total**	**6,732**	**100%**	**$213,804,172**	**100%**	**53.2**	**100%**	**3,574,097**	**100%**	**$59.82**	**14.9**	**1,371,087**	**100%**	**$155.94**	**$38.78**
Total	Yes	7,019	27%	$346,993,253	32%	66.7	28%	1,167,312	33%	$297.26	57.2	445,638	33%	$778.64	$149.71
Total	No	19,288	73%	$724,933,411	68%	167.6	72%	2,406,785	67%	$301.20	69.7	925,449	67%	$783.33	$181.16
Total	**Total**	**26,307**	**100%**	**$1,071,926,663**	**100%**	**234.4**	**100%**	**3,574,097**	**100%**	**$299.92**	**65.6**	**1,371,087**	**100%**	**$781.81**	**$170.93**

[69] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

Credit Quality of Homeowners

The credit quality of Green Bank's borrowers in Green Bank residential 1-4 programs that do FICO-based underwriting reflects the relatively high FICO scores in the state; 94% of single family households that are Green Bank borrowers in these programs have a FICO of 680 or higher. The Green Bank has begun to focus on ensuring that credit challenged customers have access to energy financing products through such initiatives as its partnership with PosiGen (which uses an alternative underwriting approach) and launching a credit-challenged version of the Smart-E program that broadens the credit eligibility and now has six lenders including Capital 4 Change (a CDFI) and all the credit unions participating (all institution with experience serving this market).

Table 32. Credit Score Ranges of Household Borrowers Using Residential Financing Programs

Program Name	Unknown	>639	640-679	680-699	700-719	720+	Total
Smart-E	3	18	91	94	106	853	1,165
Solar Lease	-	1	45	39	78	1,026	1,189
Solar Loan	-	-	-	11	15	253	279
Total	**3**	**19**	**136**	**144**	**199**	**2,132**	**2,633**
	0%	**1%**	**5%**	**5%**	**8%**	**81%**	

Projects by CRA Eligibility

The Community Reinvestment Act was enacted by Congress in 1977 to encourage depository institutions to lend in low-to-moderate-income communities. These lending institutions are rated as to the volume of their lending to projects in these communities by regulators. Projects are potentially compliant with CRA requirements if they are below 80% of a Metropolitan Statistical Area's (MSA) Adjusted Median Income (AMI) level. For FY 2017, Between 35% and 50% of projects maybe CRA compliant.

Table 33. Green Bank Commercial and Residential Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% by FY Closed[70] [71]

	# Projects				Investment (Gross Cost)				Amount Financed			
Fiscal Year Closed	**Total**	**Over 80% AMI**	**80% or Below AMI**	**80% or Below AMI**	**Total**	**Over 80% AMI**	**80% or Below AMI**	**80% or Below AMI**	**Total**	**Over 80% AMI**	**80% or Below AMI**	**80% or Below AMI**
2012	417	397	20	5%	$14,989,569	$14,467,221	$522,348	3%	$0	$0	$0	0%
2013	1,119	1,040	79	7%	$111,215,363	$35,056,219	$76,159,144	68%	$6,962,882	$1,034,730	$5,928,152	85%
2014	2,456	2,198	258	11%	$103,595,804	$87,223,562	$16,372,242	16%	$29,697,964	$19,573,243	$10,124,721	34%
2015	6,527	5,606	921	14%	$316,533,520	$245,636,987	$70,896,533	22%	$73,310,347	$60,038,631	$13,271,716	18%
2016	7,600	5,841	1,759	23%	$309,706,751	$242,071,201	$67,635,550	22%	$77,047,006	$51,561,454	$25,485,552	33%
2017	5,448	3,610	1,838	34%	$212,298,380	$133,830,283	$78,468,098	37%	$71,895,375	$35,707,006	$36,188,369	50%
Total	**23,567**	**18,692**	**4,875**	**21%**	**$1,068,339,387**	**$758,285,473**	**$310,053,915**	**29%**	**$258,913,573**	**$167,915,064**	**$90,998,510**	**35%**

[70] Excludes projects in unknown bands.

[71] This table has been adjusted to include all the Low Income Solar Lease (ESA) and Multifamily Affordable Housing projects as 80% or Below AMI regardless of which census tract the project falls into as these programs are designed to serve the LMI market.

Customer Types and Market Segments

The Connecticut Green Bank targets end users of energy in Connecticut both at work and at home. A breakdown of projects by year by customer type is seen in Table 34.

Table 34. Green Bank Activity in Residential and Commercial Markets by FY Closed[72]

Fiscal Year Closed	Market	# of Projects	# of Project Units	Investment (Gross System Cost)	Installed Capacity (MW)	Expected Annual Generation (MWh)	Annual Saved / Produced (MMBtu)
2012	Residential	417	417	$14,989,569	2.9	3,278	11,183
	Total	**417**	**417**	**$14,989,569**	**2.9**	**3,278**	**11,183**
2013	Commercial	7	7	$75,751,144	15.6	122,597	432,678
	Residential	1,112	1,112	$35,464,219	7.9	8,983	30,651
	Total	**1,119**	**1,119**	**$111,215,363**	**23.5**	**131,581**	**463,328**
2014	Commercial	27	27	$29,371,586	6.7	32,134	179,454
	Residential	2,429	2,548	$74,224,218	16.7	19,534	66,714
	Total	**2,456**	**2,575**	**$103,595,804**	**23.4**	**51,668**	**246,168**
2015	Commercial	62	62	$98,116,467	14.7	155,132	520,179
	Residential	6,465	6,716	$218,417,053	48.0	55,308	189,758
	Total	**6,527**	**6,778**	**$316,533,520**	**62.7**	**210,440**	**709,938**
2016	Commercial	71	71	$56,347,967	10.2	25,613	115,584
	Residential	7,535	8,615	$255,440,268	58.5	67,227	227,828
	Total	**7,606**	**8,686**	**$311,788,235**	**68.7**	**92,840**	**343,412**
2017	Commercial	62	62	$52,693,065	13.6	25,267	370,947
	Residential	5,397	6,670	$161,111,107	39.5	47,038	158,418
	Total	**5,459**	**6,732**	**$213,804,172**	**53.2**	**72,305**	**529,365**
Total	Commercial	229	229	$312,280,229	60.8	360,742	1,618,842
	Residential	23,355	26,078	$759,646,434	173.5	201,369	690,649
Total		**23,584**	**26,307**	**$1,071,926,663**	**234.4**	**562,111**	**2,309,491**

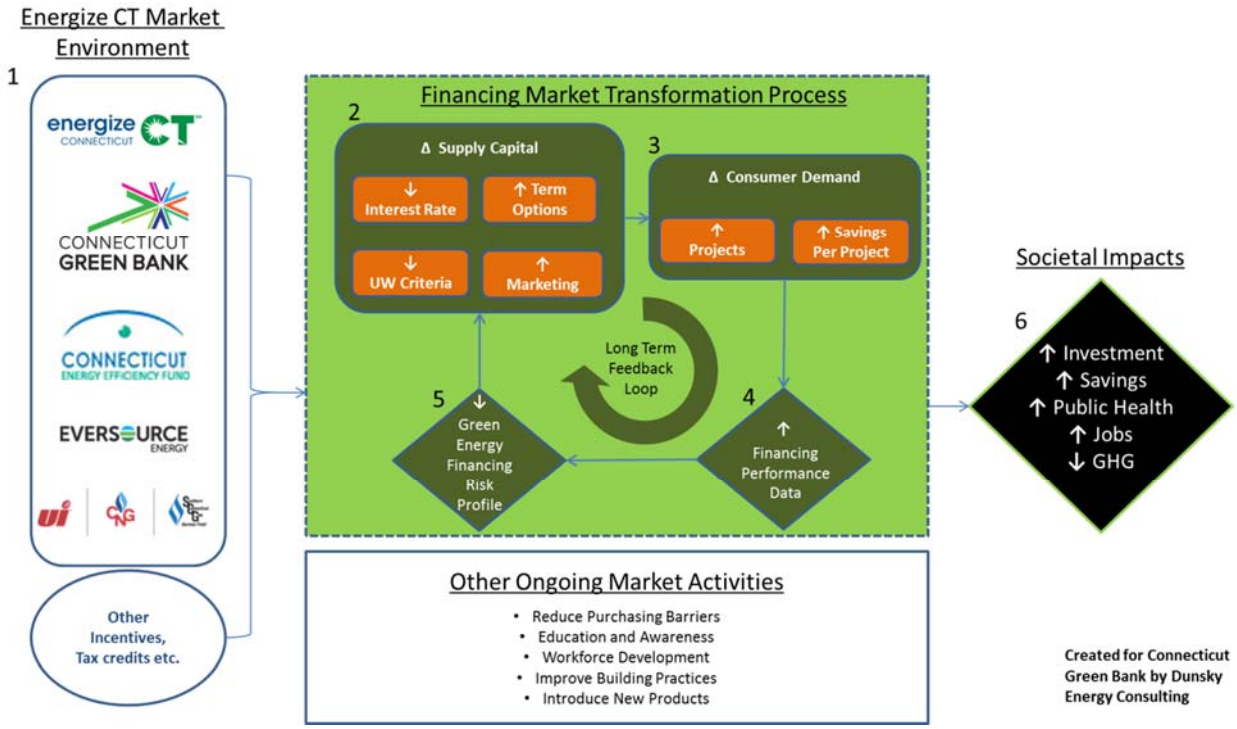
[72] Residential solar projects that receive financing also receive an incentive under the Residential Solar Incentive Program and Multifamily and Commercial Lease projects may also use C-PACE so they are counted in each sector's results. These projects have been removed from the total to avoid double counting.

5. Programs

Program Logic Model and the Financing Market Transformation Strategy

The Connecticut Green Bank has published an Evaluation Framework[73] and developed a Program Logic Model (PLM) that presents the green bank model of attracting and deploying private capital through financing – see Figure 3. In addition to representing graphically how a program is structured, this PLM serves as a foundation for evaluating clean energy deployment through subsidy and financing programs of the Connecticut Green Bank.

Figure 3. Connecticut Green Bank Program Logic Model – Including Subsidies and Financing



The above figure is a generalized market transformation and impact logic model. Revealed later in this section will be how it has been adapted to develop several evaluation frameworks for specific programs of the Green Bank. Additionally, with the continued maturation of the organization's programs, more data is becoming available to quantify and present the societal impacts associated with those programs.

While the Green Bank's capital availability expands to further support clean energy deployment, even greater coordination between the Green Bank's programs and those administered by the utilities is anticipated. As such, various other key participants have been included in this overall logic model. Beginning by identifying the multitude of interactions that occur across their respective programs, the Green Bank and the utilities will be better prepared to accommodate the funding demands of clean energy projects over the short, medium, and long term. In addition, the model facilitates the

[73] Evaluation Framework – Assessing, Monitoring, and Reporting of Program Impacts and Processes by Opinion Dynamics and Dunsky Energy Consulting for the Connecticut Green Bank (July 2016)

identification and capture of known interventions in the clean energy environment that may impact the trajectory of the Green Bank's financing efforts over time.

The PLM includes three (3) components – Energize CT Market Environment (including Other Ongoing Market Activities), Green Bank Financing Market Transformation Process, and Societal Impacts.

Energize CT Market Environment

Energize CT is an initiative of the Green Bank, the Connecticut Energy Efficiency Fund, the State, and the local electric and gas utilities. It provides Connecticut consumers, businesses and communities the resources and information they need to make it easy to save energy and build a clean energy future for everyone in the state. Under this umbrella, the electric and gas investor owned utilities (IOUs) provide information, marketing, and deliver the energy efficiency programs that have been approved by the State and supported by the Connecticut Energy Efficiency Fund. Operating under a statutory mandate that all cost-effective energy efficiency be acquired, with guidance from the Connecticut Energy Efficiency Board and its consultants, the utilities offer a variety of programs and encouragements for residential, commercial, and industrial customers to make decisions to participate in these cost-reducing opportunities. A range of methods is used to encourage customers to participate in the programs, among them targeted information, low cost/no cost measures, financial incentives, discounted retail products, and product and project financing. The Connecticut Green Bank, with a statutorily established residential solar PV target of 300MW by 2022, also markets and delivers its clean energy programs to residential customers. Informed by aggregate consumer and demographic data, the Green Bank promotes its programs and market offerings with direct incentives and financing opportunities in addition to a host of marketing, communication and outreach tools. [74]

Within the Green Bank's current programs, only participants in the Residential Solar Investment Program (RSIP) are required to receive a home energy assessment (supported by the utility efficiency programs), a BPI audit, or equivalent. Having satisfied the program's qualifying energy producing measures, RSIP participants may also receive rebates or incentives from the utilities (intended to overcome barriers to customer participation and/or encourage increased selection of energy efficient measures), or other levels of government (e.g., state incentives and Federal tax credits for several energy saving technologies), as well as opportunities to access affordable financing for some or all of the remaining portion of their clean energy project. In the context of a PLM, one may also anticipate similar links between the Green Bank programs and those of the investor owned utilities (IOU's).

The impetus behind increased coordination among the utility administered energy efficiency programs and the Green Bank's programs is threefold: 1) more energy savings, and resulting emissions reductions, are expected to be acquired more economically both to the programs and to the project participants, 2) delivery efficiencies and greater savings could be found in coordinating financing that each entity offers to common customer segments within the sphere of program activities that they offer, and 3) coordination through a Joint Committee of the Energy Efficiency Board and the Connecticut Green Bank is required by statute.[75] It is important to note that a number of other ongoing market

[74] Per Public Act 15-194 "An Act Concerning the Encouragement of Local Economic Development and Access to Residential Renewable Energy," the Connecticut Green Bank administers a rebate and performance-based incentive program to support solar PV.

[75] Pursuant to Section 15-245m(d)(2) of Connecticut General Statutes, the Joint Committee shall examine opportunities to coordinate the programs and activities contained in the plan developed under Section 16-245n(c) of the General Statutes [Comprehensive Plan of the Connecticut Green Bank] with the programs and activities contained in the plan developed under section 16-245m(d)(1) of the General Statutes [Energy Conservation and Load Management Plan] and to provide financing to increase the benefits of programs funded by the

activities are occurring through Energize CT or outside of the Green Bank's market transformation process. From introducing new products, reducing purchasing barriers, education and awareness programs to workforce development, and improving building practices – there are a variety of activities that help move the market towards more clean energy deployment.

Finance Market Transformation Process

The efforts of the Green Bank are exemplified through the financing market transformation process which focuses on accelerating the deployment of clean energy – more customers and "deeper" more comprehensive measures being undertaken – by securing increasingly affordable and attractive private capital. The Green Bank can enter the process at several points (i.e., from numbers 2 through 4 in the above PLM figure), such as supplying capital through financing offers, marketing clean energy financing, or offsetting clean energy financing risk by backstopping loans, or sharing loan performance data.

Below is a breakdown of each component of the financing market transformation process of the Green Bank:

- **Supply of Capital –** financing programs aim to increase the supply of affordable and attractive capital available to support energy savings and clean energy production in the market place. This is done at the Green Bank by:
    a. Providing financing (loans or leases) to customers using Green Bank capital; and/or
    b. Establishing structures, programs, and public-private partnerships that connect third-party capital to support energy savings projects.

Beyond ensuring that financing is available for clean energy projects, the Green Bank's Supply of Capital interventions can lead to, but are not limited to benefits such as:

a. Reduced interest rates, which lower the cost of capital for clean energy projects;
b. More loan term options to better match savings cash flows (e.g., longer terms for longer payback projects, early repayment, or deferred first year payments);
c. Less restrictive underwriting criteria, resulting in increased eligibility and access to financing; and
d. Increased marketing efforts by lenders to leverage clean energy investment opportunities.

Each of these features is intended to increase uptake of clean energy projects, leading to increased energy savings, clean energy production, and other positive societal impacts. The long-term goal of the Green Bank's efforts is to achieve these attractive features in the market with a reduced need for Green Bank intervention, through the provision of performance data that convinces private capital providers to offer such features on their own.

- **Consumer Demand –** in combination with a comprehensive set of clean energy programs under the Energize CT initiative, offered by the utilities, the Green Bank drives consumer demand for clean energy by marketing financing programs and increasing awareness of the potential benefits stemming from clean energy projects through the range of programs it offers.

plan developed under section 16-245m(d)(1) of the General Statutes so as to reduce the long-term cost, environmental impacts, and security risks of energy in the state.

It should also be noted that through channel marketing strategies (e.g., contractor channels to the customer) success will be determined by an increase in demand for financing. The results of the increased demand are expected to, but are not limited to:

a. Increase in the number of clean energy projects; and
b. Increase in the associated average savings and/or clean energy production per project.

Increasing affordable and attractive financing offerings in the marketplace is an important component of unlocking consumer demand and driving greater energy savings and clean energy production, and is central to the Green Bank's market transformation efforts.

Financing Performance Data – Green Bank gathers and communicates the performance of clean energy financing either through its own programs or for other financing options in the market place. This increases access to valuable information that can help lenders and customers identify promising clean energy investments. Enabling access to this information (i.e., data transparency) is important to encouraging market competition.
Ultimately, data on the performance of Green Bank sponsored financial products is expected to continue to play a pivotal role in the attraction of private capital directed toward more affordable and accessible financing offerings. As the Green Bank increases the access to affordable and attractive capital, and more customers use this financing for their clean energy projects, data demonstrating strong and reliable performance of these projects is also expected to enable lower interest rates due to a better-informed assumption of risk.

- **Financing Risk Profile –** Green Bank can help reduce clean energy financing risk profiles in many ways. For example, it can absorb a portion or all the credit risk by providing loan loss reserve (LLR) funds and guarantees or taking the first-loss position on investments (i.e., subordinated debt). It can also channel or attract rebates and incentives to finance energy saving projects thus improving their economic performance and lowering the associated performance risk. In the long run, by making clean energy financing performance data available to the market, Green Bank programs increase lenders' and borrowers' understanding of clean energy investment risk profiles, which is expected to enable them to (1) design more affordable and attractive financing products and (2) select projects for financing to reduce risks.

This element of the PLM plays the key linking role in the Market Transformation feedback loop, leading to longer term impacts, as the market (1) recognizes the expected advantageous risk/return profile associated with clean energy investments and (2) takes further steps to increase the supply of affordable and attractive capital with less Green Bank credit enhancement needed to support demand for clean energy investments.

Ensuring that financing performance and risk profile data are available to the market is important from various perspectives. For a deeper examination and presentation, please see the report by the State Energy Efficiency Action Network.[76]

[76] State and Local Energy Efficiency Action Network. (2014). *Energy Efficiency Finance Programs: Use Case Analysis to Define Data Needs and Guidelines.* Prepared by: Peter Thompson, Peter Larsen, Chris Kramer, and Charles Goldman of Lawrence Berkeley National Laboratory. Click here (http://www4.eere.energy.gov/seeaction/publication/energy-efficiency-finance-programs-use-case-analysis-define-data-needs-and-guidelines)

Societal Impact

The efforts to accelerate and scale-up investment in clean energy deployment by the Green Bank, lead to a myriad of societal impacts and benefits.

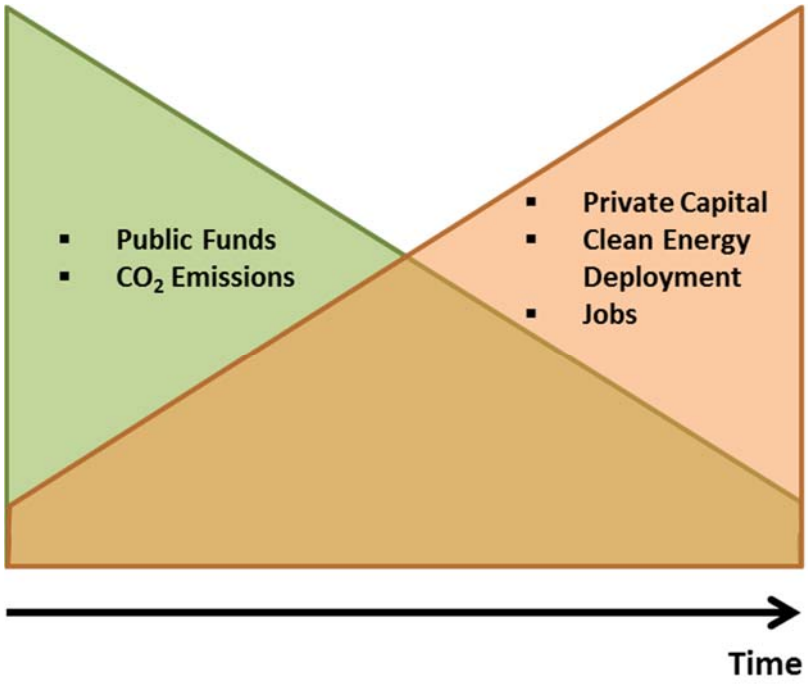
All the PLM elements ultimately aim to contribute to Green Bank program impacts and benefits. These include the direct increase in energy savings and improvement of public health (e.g., asbestos remediation, lead abatement, etc.) to the customer,[77] increase in the creation of local in-state jobs,[78] and the reduction of greenhouse gas emissions[79] for society. The impacts may also include consideration of secondary or indirect benefits such as GDP growth and energy savings supported by lenders who have leveraged Green Bank data or marketing efforts. Figure 4 below represents the transition over time of the Green Bank's clean energy impacts and associated creation of societal benefits.

[77] Green Bank will be working with the Connecticut Department of Energy and Environmental Protection and the U.S. Environmental Protection Agency to develop and approve a methodology for estimating public health benefits from the reduction of criteria pollutants as a result of the production of clean energy and reduction of energy consumption through the use of the Co-Benefits Risk Assessment (COBRA) model – http://www.epa.gov/statelocalclimate/co-benefits-risk-assessment-cobra-screening-model

[78] Green Bank is working with the Connecticut Department of Economic and Community Development and Navigant Consulting to update and approve a methodology for estimating economic development benefits from the investment in clean energy projects.

[79] Green Bank is working with the Connecticut Department of Energy and Environmental Protection to develop and approve a methodology for estimating greenhouse gas emission reduction benefits from the production of clean energy and reduction of energy consumption through the use of the Avoided Emissions and geneRation Tool (AVERT) - http://www.epa.gov/statelocalclimate/avoided-emissions-and-generation-tool-avert

Figure 4. Societal Benefits – Environmental Protection and Economic Development – from Greater Private Capital Investment



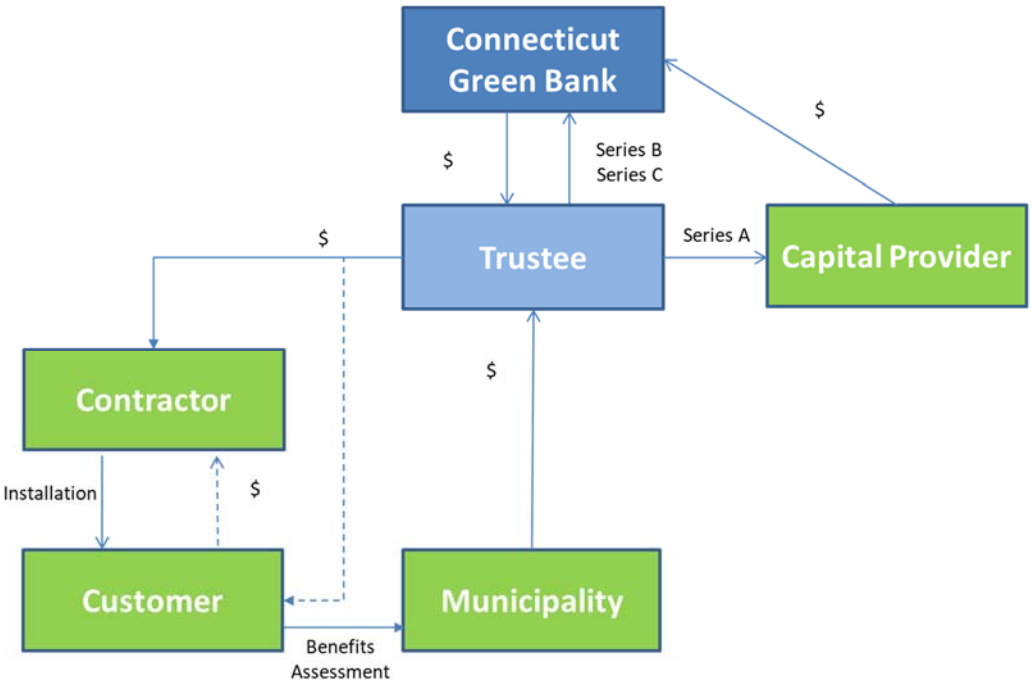
As the Green Bank continues to attract more private investment in Connecticut's clean energy economy through the issuance of green bonds, the deployment of clean energy will be accelerated. The more clean energy that is being deployed, the greater the societal benefits.

Case 1 – C-PACE

Description

Commercial Property Assessed Clean Energy (C-PACE) enables building owners to pay for clean energy improvements or clean energy production projects over time through a voluntary benefit assessment on their property tax bills. This process makes it easier for building owners to secure low-interest capital to fund energy improvements and is structured so that energy savings more than offset the benefit assessment.

Figure 5. Legal Structure and Flows of Capital for C-PACE



For a municipality to participate in the C-PACE program, its legislative body must pass a resolution enabling it to enter into an agreement with the Connecticut Green Bank to assess, collect, remit, and assign benefit assessments against C-PACE borrowers' liabilities. As of June 30, 2017, there are 128 cities and towns signed up for C-PACE representing more than 90% of commercial and industrial building space in Connecticut. Additionally, as of June 30, 2017, over $100 million in C-PACE benefit assessment advances have been closed.

A portfolio of $17.5 million in benefit assessment liens comprised of 30 energy efficiency and clean energy projects across 22 municipalities was sold in two tranches to the Public Finance Authority (WI) ("PFA") under a bond conduit structure financed by Clean Fund. Using an auction process, bids for the portfolio were competitively solicited across the Connecticut Green Bank's capital providers. Bidders were encouraged to offer various structures and pricing, with or without credit enhancement, and to bid for one or more projects. The selected structure (See Figure 5) has the PFA use proceeds from Clean Fund (in return for a single class of Senior "A" bonds) to fund 80 percent of the portfolio purchase price. To credit enhance the transaction, the Connecticut Green Bank has taken back, in equal measure, Subordinated "B" and "C" bonds. The structure is, in effect, a "private securitization" of the underlying portfolio.

Building on this experience and the growth of the Connecticut C-PACE market, the Green Bank again solicited proposals from several financial institutions in 2015. As a result of the competitive solicitation, the Green Bank established a strategic financing partnership with Hannon Armstrong Sustainable Infrastructure (Hannon Armstrong), publicly listed on the NYSE. The Green Bank and Hannon Armstrong structure uses a special purpose entity (SPE) established by Hannon Armstrong specifically for the Green Bank C-PACE portfolio. The SPE purchases the benefit assessment liens in tranches that are financed from between 80% and 90% by Hannon Armstrong up to a maximum of $100 million with the residual capital provided by the Green Bank.

Key Performance Indicators

The Key Performance Indicators for C-PACE closed activity are reflected in Tables 35 through 38. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 35. C-PACE Project Types and Investment by FY Closed

Fiscal Year Closed	EE	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[80]	Green Bank Investment[81]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-
2013	2		1	3	3	$1,512,144	$210,302	$1,301,842	7.2
2014	6	14	3	23	23	$21,785,167	$9,550,120	$12,235,046	2.3
2015	10	30	9	49	49	$33,694,139	$12,635,906	$21,058,234	2.7
2016	10	34	8	52	52	$36,248,743	$7,407,738	$28,841,004	4.9
2017	5	28	5	38	38	$15,278,194	$3,140,789	$12,137,406	4.9
Total	**33**	**106**	**26**	**165**	**165**	**$108,518,387**	**$32,944,855**	**$75,573,532**	**3.3**

Table 36. C-PACE Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2012	-	-	-	-	-	-	-
2013	101.0	513,495	7,657	2,021	32,845	$132,907	$2,538,186
2014	3,631.0	8,409,814	154,673	36,264	716,930	$1,905,050	$40,635,908
2015	7,280.0	14,973,965	325,349	41,464	902,240	$2,792,189	$58,534,753
2016	6,265.3	15,198,989	275,141	59,253	1,123,536	$3,833,096	$82,410,363
2017	3,918.9	6,283,132	133,414	23,113	497,061	$560,640	$14,072,754
Total	**21,196.1**	**45,379,395**	**896,234**	**162,115**	**3,272,612**	**$9,223,881**	**$198,191,964**

[80] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[81] Includes incentives, interest rate buydowns and loan loss reserves.

Table 37. C-PACE Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average Finance Rate
2012	-	-	-	-	-	-
2013	$504,048	$350,503	33.7	674	17	5.00
2014	$947,181	$883,582	157.9	1,577	18	5.57
2015	$687,635	$646,762	148.6	846	18	4.82
2016	$697,091	$644,825	120.5	1,139	18	4.75
2017	$402,058	$386,620	103.1	608	17	4.29
Total	**$657,687**	**$613,865**	**128.5**	**983**	**18**	**4.78**

Table 38. C-PACE Project Application Yield[82] by FY Received[83]

Fiscal Year Received	Applications Received	Projects in Review/On Hold	Projects Approved	Projects Withdrawn	Applications Denied	Approved Rate	Denied Rate
2012	-	-	-	-	-	-	-
2013	59	2	20	33	4	35%	7%
2014	149	22	39	85	3	31%	2%
2015	147	36	46	62	3	41%	3%
2016	111	43	41	24	3	60%	4%
2017	95	40	28	26	1	51%	2%
Total	**561**	**143**	**174**	**230**	**14**	**42%**	**3%**

[82] Applications received are complete initial applications that have been received for C-PACE financing. Applications denied are any initial applications received for C-PACE financing that do not meet programmatic requirements. Projects in review are projects that are being reviewed, either technically or financially, prior to being approved. Projects approved are projects that have gone through technical and financial underwriting and have met all the necessary programmatic requirements. These include projects that have been approved and are waiting to close, projects that have closed, and projects that have completed construction and are in repayment. Projects withdrawn are projects that have been approved at the application stage, but have since fallen out of our pipeline for numerous reasons and are no longer active. Projects in this category could have fallen out of our pipeline in the in review or the approved stage.

[83] This table represents projects whose initial applications have been approved and are proceeding through the C-PACE financing pipeline prior to loan closure. Of initial applications received, about 98% enter the pipeline.

C-PACE has been used as a financing tool across a wide variety of end-use customers in Connecticut in its 5 years of existence as illustrated by Table 39.

Table 39. Types of End-Use Customers Participating in C-PACE

Property Type	# of Properties	Square Footage
Agricultural	2	10,904
Education	2	99,531
House of Worship	6	20,000
Industrial	42	1,862,979
Multi-family/apartment (> 5 units)	5	177,889
Non-profit	20	410,719
Nursing Home/Rehab Facility	1	-
Office	39	3,332,839
Public assembly	4	139,000
Retail	34	800,543
Special Purpose	1	10,000
Warehouse & storage	9	179,650
Total	**165**	**7,044,054**

To date, 128 municipalities have opted into the C-PACE program resulting in 165 closed projects – see Table 40.

Table 40. Municipalities Participating in C-PACE

Municipality	Opt in Date	# Closed Projects
Ansonia	9/27/2013	1
Avon	4/9/2013	2
Barkhamsted	7/21/2014	
Beacon Falls	4/11/2013	
Berlin	10/30/2013	
Bethany	9/2/2015	
Bethel	1/24/2014	
Bloomfield	6/21/2013	1
Branford	9/9/2013	1
Bridgeport	12/7/2012	13
Bristol	11/19/2014	5
Brookfield	8/5/2013	3
Burlington	1/12/2016	
Canaan	8/8/2013	1
Canterbury	11/5/2014	
Canton	7/9/2013	1
Cheshire	10/27/2014	1
Chester	7/25/2013	
Clinton	5/29/2013	1
Columbia	10/21/2014	
Coventry	6/24/2013	
Cromwell	4/9/2014	1
Danbury	10/8/2013	2
Darien	2/28/2014	

Municipality	Opt in Date	# Closed Projects
Deep River	7/22/2014	1
Durham	4/2/2013	1
East Granby	6/27/2013	
East Haddam	8/1/2013	2
East Hampton	7/10/2013	
East Hartford	4/11/2013	1
East Haven	2/28/2017	
East Lyme	9/11/2014	2
East Windsor	11/27/2013	5
Eastford	11/10/2014	
Easton	5/14/2015	
Ellington	8/27/2014	1
Enfield	1/3/2014	1
Essex	7/17/2014	
Fairfield	4/30/2014	3
Farmington	12/17/2013	2
Franklin	10/6/2015	
Glastonbury	6/14/2013	3
Granby	11/28/2013	
Greenwich	9/23/2013	1
Griswold	3/15/2016	
Groton	10/21/2013	2
Guilford	3/29/2016	
Haddam	9/18/2015	
Hamden	3/3/2014	
Hartford	10/26/2012	13
Hebron	12/20/2016	
Kent	9/17/2014	
Killingly	12/9/2014	
Killingworth	5/31/2013	1
Lebanon	5/13/2015	
Ledyard	1/14/2016	1
Madison	9/5/2014	
Manchester	8/1/2013	5
Mansfield	8/27/2013	
Meriden	5/24/2013	2
Middlefield	7/21/2015	
Middletown	3/25/2013	6
Milford	8/2/2013	
Monroe	3/8/2017	
Montville	12/4/2013	1
Naugatuck	6/30/2014	1
New Britain	7/17/2013	2
New Canaan	10/24/2014	
New Haven	12/6/2013	
New London	6/18/2013	8
New Milford	6/10/2013	

Municipality	Opt in Date	# Closed Projects
Newington	10/29/2014	1
Newtown	8/8/2013	3
Norfolk	5/13/2014	
North Branford	5/24/2013	
North Canaan	12/19/2013	1
North Haven	7/24/2014	
North Stonington	2/23/2015	1
Norwalk	12/3/2012	1
Norwich	10/7/2013	1
Old Lyme	1/25/2016	
Old Saybrook	2/20/2013	
Orange	5/17/2016	
Oxford	3/29/2016	1
Plainfield	6/14/2016	1
Plainville	6/28/2013	3
Portland	6/9/2016	1
Preston	1/8/2015	
Putnam	3/5/2013	2
Redding	10/20/2015	
Rocky Hill	10/8/2013	3
Salisbury	8/31/2016	
Seymour	1/27/2014	
Sharon	2/21/2014	
Shelton	9/30/2014	1
Simsbury	12/11/2014	1
Somers	5/23/2014	1
South Windsor	8/29/2014	2
Southbury	4/11/2012	
Southington	5/15/2013	2
Sprague	12/30/2013	
Stafford	9/26/2013	
Stamford	1/7/2013	8
Stonington	1/27/2014	1
Stratford	2/26/2013	3
Suffield	5/24/2013	
Thomaston	2/23/2016	
Tolland	4/11/2013	
Torrington	5/8/2013	1
Trumbull	7/31/2013	2
Vernon	7/22/2013	4
Waterbury	5/10/2013	5
Waterford	8/23/2013	
Watertown	4/11/2014	3
West Hartford	1/3/2013	
West Haven	5/6/2014	1
Westbrook	5/21/2013	
Weston	9/8/2014	

Municipality	Opt in Date	# Closed Projects
Westport	2/7/2013	4
Wethersfield	5/28/2013	
Willington	7/2/2014	1
Wilton	2/27/2012	2
Windham	5/1/2013	1
Windsor	5/16/2013	2
Windsor Locks	7/30/2015	1
Woodbridge	5/30/2014	2
Woodbury	3/18/2015	
Woodstock	4/15/2016	
Total	**128**	**165**

Area Median Income Band Penetration

C-PACE has been used to fund projects in economically diverse locations across the state as reflected by Table 41 for Metropolitan Statistical Area (MSA) Area Median Income (AMI). It should be noted that C-PACE is not an income targeted program.

Table 41. C-PACE Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[84]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Population	% Total Population Distribution	Project Units / 1,000 People	Investment / Total Population	Watts / Total Population
2012	<60%	0	0%	0	0%	0.0	0%	609,363	17%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	527,217	15%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	589,440	17%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	722,664	20%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	1,116,395	31%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**3,565,079**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	1	33%	150,877	10%	0.0	0%	604,433	17%	0.0	$0.25	0.0
2013	60%-80%	0	0%	0	0%	0.0	0%	568,952	16%	0.0	$0.00	0.0
2013	80%-100%	1	33%	711,251	47%	0.1	100%	588,813	16%	0.0	$1.21	0.2
2013	100%-120%	1	33%	650,016	43%	0.0	0%	690,591	19%	0.0	$0.94	0.0
2013	>120%	0	0%	0	0%	0.0	0%	1,131,305	32%	0.0	$0.00	0.0
2013	**Total**	**3**	**100%**	**1,512,144**	**100%**	**0.1**	**100%**	**3,584,094**	**100%**	**0.0**	**$0.42**	**0.0**
2014	<60%	7	30%	8,907,842	41%	1.3	37%	614,135	17%	0.0	$14.50	2.2
2014	60%-80%	2	9%	609,883	3%	0.2	6%	546,132	15%	0.0	$1.12	0.4
2014	80%-100%	5	22%	3,593,730	16%	1.1	32%	577,061	16%	0.0	$6.23	2.0
2014	100%-120%	3	13%	800,605	4%	0.3	7%	720,856	20%	0.0	$1.11	0.4
2014	>120%	6	26%	7,873,108	36%	0.7	18%	1,125,910	31%	0.0	$6.99	0.6
2014	**Total**	**23**	**100%**	**21,785,167**	**100%**	**3.6**	**100%**	**3,584,094**	**100%**	**0.0**	**$6.08**	**1.0**
2015	<60%	18	37%	7,737,619	23%	1.8	25%	662,619	18%	0.0	$11.68	2.7
2015	60%-80%	5	10%	3,408,609	10%	0.8	10%	489,826	14%	0.0	$6.96	1.6
2015	80%-100%	4	8%	3,427,052	10%	0.4	6%	650,163	18%	0.0	$5.27	0.7
2015	100%-120%	9	18%	4,486,437	13%	1.2	16%	631,741	18%	0.0	$7.10	1.9
2015	>120%	13	27%	14,634,422	43%	3.1	43%	1,150,974	32%	0.0	$12.71	2.7
2015	**Total**	**49**	**100%**	**33,694,139**	**100%**	**7.3**	**100%**	**3,585,323**	**100%**	**0.0**	**$9.40**	**2.0**
2016	<60%	8	16%	3,197,820	9%	0.6	10%	662,619	18%	0.0	$4.83	0.9
2016	60%-80%	7	14%	3,255,764	9%	0.9	15%	489,826	14%	0.0	$6.65	1.8
2016	80%-100%	9	18%	15,082,702	43%	0.8	14%	650,163	18%	0.0	$23.20	1.3
2016	100%-120%	10	20%	5,901,863	17%	1.8	31%	631,741	18%	0.0	$9.34	2.9
2016	>120%	15	31%	7,597,539	22%	1.8	30%	1,150,974	32%	0.0	$6.60	1.6

[84] Excludes projects in unknown bands.

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Population	% Total Population Distribution	Project Units / 1,000 People	Investment / Total Population	Watts / Total Population
2016	**Total**	**49**	**100%**	**35,035,689**	**100%**	**6.0**	**100%**	**3,585,323**	**100%**	**0.0**	**$9.77**	**1.7**
2017	<60%	7	18%	4,529,669	30%	1.7	43%	662,619	18%	0.0	$6.84	2.6
2017	60%-80%	4	11%	1,312,429	9%	0.4	11%	489,826	14%	0.0	$2.68	0.8
2017	80%-100%	7	18%	2,092,122	14%	0.4	9%	650,163	18%	0.0	$3.22	0.5
2017	100%-120%	8	21%	2,305,092	15%	0.6	16%	631,741	18%	0.0	$3.65	1.0
2017	>120%	12	32%	5,038,882	33%	0.8	21%	1,150,974	32%	0.0	$4.38	0.7
2017	**Total**	**38**	**100%**	**15,278,194**	**100%**	**3.9**	**100%**	**3,585,323**	**100%**	**0.0**	**$4.26**	**1.1**
Total	<60%	41	25%	24,523,827	23%	5.5	26%	662,619	18%	0.1	$37.01	8.2
Total	60%-80%	18	11%	8,586,685	8%	2.3	11%	489,826	14%	0.0	$17.53	4.7
Total	80%-100%	26	16%	24,906,858	23%	2.9	14%	650,163	18%	0.0	$38.31	4.4
Total	100%-120%	31	19%	14,144,013	13%	3.9	19%	631,741	18%	0.0	$22.39	6.2
Total	>120%	46	28%	35,143,951	33%	6.4	31%	1,150,974	32%	0.0	$30.53	5.5
Total	**Total**	**162**	**100%**	**107,305,333**	**100%**	**20.9**	**100%**	**3,585,323**	**100%**	**0.0**	**$29.93**	**5.8**

Table 42. C-PACE Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[85]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
2013	3	67%	0.1	0.0	0.1	100%	$1,512,144	$650,016	$862,128	57%	3	67%
2014	23	61%	3.6	0.9	2.7	75%	$21,785,167	$8,673,712	$13,111,454	60%	23	61%
2015	49	55%	7.3	4.3	3.0	41%	$33,694,139	$19,120,859	$14,573,280	43%	49	55%
2016	49	49%	6.0	3.6	2.3	39%	$35,035,689	$13,499,402	$21,536,287	61%	49	49%
2017	38	47%	3.9	1.4	2.5	63%	$15,278,194	$7,343,974	$7,934,220	52%	38	47%
Total	**162**	**52%**	**20.9**	**10.3**	**10.6**	**51%**	**$107,305,333**	**$49,287,964**	**$58,017,370**	**54%**	**162**	**52%**

[85] Excludes projects in unknown bands.

Distressed Community Penetration

For a breakdown of C-PACE project volume and investment by census tracts categorized by Distressed Communities – see Table 43. It should be noted that C-PACE is not an income targeted program.

Table 43. C-PACE Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	2	67%	$800,893	53%	0.0	0%	1,124,337	31%	$0.71	0.0	428,395	31%	$1.87	$0.00
2013	No	1	33%	$711,251	47%	0.1	100%	2,449,760	69%	$0.29	0.0	942,692	69%	$0.75	$0.11
2013	**Total**	**3**	**100%**	**$1,512,144**	**100%**	**0.1**	**100%**	**3,574,097**	**100%**	**$0.42**	**0.0**	**1,371,087**	**100%**	**$1.10**	**$0.07**
2014	Yes	7	30%	$9,047,808	42%	1.4	40%	1,104,894	31%	$8.19	1.3	420,721	31%	$21.51	$3.43
2014	No	16	70%	$12,737,358	58%	2.2	60%	2,469,203	69%	$5.16	0.9	950,366	69%	$13.40	$2.30
2014	**Total**	**23**	**100%**	**$21,785,167**	**100%**	**3.6**	**100%**	**3,574,097**	**100%**	**$6.10**	**1.0**	**1,371,087**	**100%**	**$15.89**	**$2.65**
2015	Yes	24	49%	$17,102,026	51%	4.0	55%	1,123,207	31%	$15.23	3.5	429,250	31%	$39.84	$9.24
2015	No	25	51%	$16,592,113	49%	3.3	45%	2,450,890	69%	$6.77	1.4	941,837	69%	$17.62	$3.52
2015	**Total**	**49**	**100%**	**$33,694,139**	**100%**	**7.3**	**100%**	**3,574,097**	**100%**	**$9.43**	**2.0**	**1,371,087**	**100%**	**$24.57**	**$5.31**
2016	Yes	15	29%	$15,127,000	42%	1.5	24%	1,167,312	33%	$12.96	1.3	445,638	33%	$33.94	$3.34
2016	No	37	71%	$21,121,743	58%	4.8	76%	2,406,785	67%	$8.78	2.0	925,449	67%	$22.82	$5.16
2016	**Total**	**52**	**100%**	**$36,248,743**	**100%**	**6.3**	**100%**	**3,574,097**	**100%**	**$10.14**	**1.8**	**1,371,087**	**100%**	**$26.44**	**$4.57**
2017	Yes	10	26%	$6,422,413	42%	2.0	52%	1,167,312	33%	$5.50	1.7	445,638	33%	$14.41	$4.57
2017	No	28	74%	$8,855,781	58%	1.9	48%	2,406,785	67%	$3.68	0.8	925,449	67%	$9.57	$2.03
2017	**Total**	**38**	**100%**	**$15,278,194**	**100%**	**3.9**	**100%**	**3,574,097**	**100%**	**$4.27**	**1.1**	**1,371,087**	**100%**	**$11.14**	**$2.86**
Total	Yes	58	35%	$48,500,141	45%	8.9	42%	1,167,312	33%	$41.55	7.7	445,638	33%	$108.83	$20.06
Total	No	107	65%	$60,018,246	55%	12.3	58%	2,406,785	67%	$24.94	5.1	925,449	67%	$64.85	$13.24
Total	**Total**	**165**	**100%**	**$108,518,387**	**100%**	**21.2**	**100%**	**3,574,097**	**100%**	**$30.36**	**5.9**	**1,371,087**	**100%**	**$79.15**	**$15.46**

Societal Impacts

Ratepayers in Connecticut continue to enjoy the societal benefits of C-PACE. In its 5 years of existence, the program has supported the creation of 1,272 job years, avoided the lifetime emission of 491,782 tons of carbon dioxide, 539,713 pounds of nitrous oxide, 494,403 pounds of sulfur oxide, and 37,927 pounds of particulate matter as illustrated by Tables 44 and 45.

Table 44. C-PACE Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	0	9	109	142	179	56	495
Indirect and Induced	0	15	174	227	285	76	777
Total	**0**	**24**	**282**	**369**	**464**	**132**	**1,272**

Table 45. C-PACE Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	283	4,700	7,725	8,587	3,497	24,792
Lifetime	-	4,224	86,427	171,292	155,257	74,582	491,782
NOx Savings (pounds)							
Annual	-	386	6,077	8,237	9,240	3,442	27,382
Lifetime	-	5,811	113,223	180,977	165,015	74,688	539,713
SOx Savings (pounds)							
Annual	-	477	6,872	7,764	8,141	2,451	25,706
Lifetime	-	7,148	128,033	168,384	137,591	53,246	494,403
PM 2.5 (pounds)							
Annual	-	24	400	488	714	298	1,924
Lifetime	-	360	7,497	10,467	13,158	6,444	37,927

Financing Program

Commercial Property Assessed Clean Energy (C-PACE) is a structure through which commercial property owners can finance energy efficiency and clean energy improvements through a voluntary benefit assessment on their property, repaid through their municipality along with real property taxes. Alien, or voluntary benefit assessment, is placed on the improved property as security for the financing, and the Connecticut Green Bank requires lender consent from existing mortgage holders prior to approving a C-PACE project. It should be noted that, to date, 32 unique banks and 5 specialized lending institutions have provided lender consent for over 70 projects – demonstrating that existing mortgage holders see that C-PACE adds adding value to properties and increases net income to the business occupying the building as a result of lower energy prices.

The Connecticut Green Bank maintains a warehouse of capital from which it finances C-PACE transactions and sells to capital markets upon completion. Through the warehouse, funds are advanced to either the customer or the contractor during construction based on the project meeting certain deliverables. Once the project is completed, the construction advances convert to long term financing whereby the property owner pays a benefit assessment over time to the municipality at the same time real property taxes are paid on the property. As the benefit assessment payments are made by the property owners, they are then remitted from the associated municipalities to the Connecticut

Green Bank, or its designated servicer, to repay the capital providers for the energy improvements financed through C-PACE.

Financial Performance

To date there have been no defaults and as of 6/30/2017, there are no delinquencies.

Marketing

To accelerate the adoption of C-PACE to finance clean energy and energy efficiency projects, the Connecticut Green Bank has implemented marketing efforts that target specific industry verticals. The Green Bank used a group purchase model, in which it aggregated several C-PACE projects at auto retailers, and offered interest rate reductions on the portfolio of projects. Connecticut Green Bank also worked with the State of Connecticut's Department of Economic and Community Development (DECD) to target manufacturing facilities through its Manufacturing Innovation Fund (MIF). Promoted via its multi touch "Energy on the Line" marketing campaign, the Green Bank was able to access $800,000 through MIF to provide manufacturers an incentive in the form of a grant equal to a 1% interest rate reduction, applied to the total project amount of a closed C-PACE project.

Connecticut Green Bank has also established relationships with contractors, and provided them with materials and resources to support their use of C-PACE. Green Bank provides co-brandable materials and other physical sales tools, as well as the Project Accelerator Service (PAS). PAS assists contractors in navigating the C-PACE process and developing projects, serving as both a means of originating projects for the Green Bank and a way of creating more skilled and active C-PACE contractors.

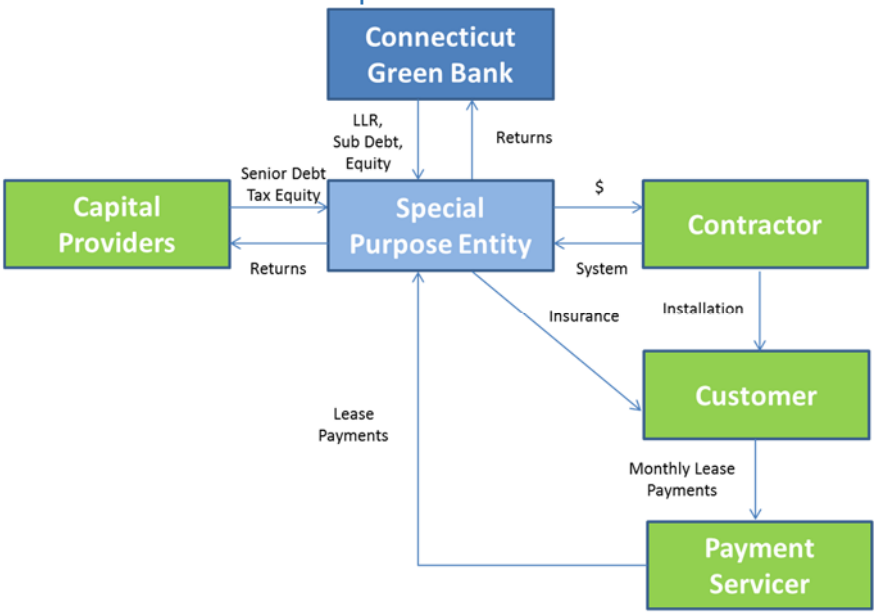
Case 2 – Solar Lease

Description

The Green Bank has used third-party ownership structures to deploy distributed solar generation in Connecticut both in the Residential and in the Commercial sectors. These funds are a unique combination of a tax equity investor and a syndicate of debt providers and the Green Bank to support solar PV installations (i.e., rooftop residential lease financing for solar PV and commercial leases and PPAs for rooftop, carport, and ground mount solar PV).

Residential leases were one of the first products to graduate from Green Bank funding, but the organization still actively pursues new projects in the Commercial, Industrial, and Institutional sector for its funds and performs asset management functions for the entire portfolio including the now closed Residential portion of the program.

Figure 6. Legal Structure and Flows of Capital for the CT Solar Lease[86]



The CT Solar Lease 2 fund was the second "solar PV fund" established using a combination of ratepayer funds and private capital. In developing this fund, which was fully utilized in 2017, the Green Bank sought to innovate both in the types of credits that would be underwritten and broaden the sources of capital in the fund. Before these innovations by the Green Bank, a fund had not been established that would underwrite residential solar PV installations as well as installations on a "commercial scale" such as for municipal and school buildings, community oriented not-for-profit structures (all of which can't take advantage of Federal tax incentives due to their tax-exempt status) as well as a vast array of for profit enterprises. These commercial-scale projects were historically the most difficult to finance: too small to attract investment funds, and similarly if aggregated to a size worthy of investment, comprised of off-takers that for the most part are non-investment grade or "unrated" credits that are difficult to underwrite in a manner that would permit deploying solar PV at scale. By prudently assessing these risks and operational issues, the Green Bank could obtain the support of the tax equity

[86] It should be noted that the Special Purpose Entity structure includes several entities – CT Solar Lease II, LLC and CEFIA Holdings, LLC that provide different functions.

investor and lenders from Main Street – not Wall Street – in the fund. CT Solar Lease 2 was the first fund to secure solar leases and power purchase agreements using a PACE lien – an innovation that has prompted California to introduce legislation to enable the same security arrangement for its businesses and not for profit organizations. The Green Bank's leadership and innovation was recognized by the Clean Energy States Alliance "State Leadership in Clean Energy" award in 2016, and the Green Bank has continued its work on this front – solely with respect to commercial-scale projects – via a CT Solar Lease 3 fund.

Key Performance Indicators

The Key Performance Indicators for Solar Lease closed activity are reflected in Tables 46 through 52 for Residential and Commercial projects, respectively. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced.

Table 46. Commercial Solar Lease Project Types and Investment by FY Closed

Fiscal Year Closed	EE	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[87]	Green Bank Investment[88]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-
2015	-	16	-	16	16	$11,547,562	$2,886,891	$8,660,672	4.0
2016	-	27	-	27	27	$16,711,392	$4,177,848	$12,533,544	4.0
2017	-	30	-	30	30	$32,491,862	$2,931,619	$29,560,243	11.1
Total	-	73	-	73	73	$60,750,816	$9,996,357	$50,754,459	6.1

Table 47. Residential Solar Lease Project Investment by FY Closed

Fiscal Year Closed	EE[89]	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[90]	Green Bank Investment[91]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-
2014	-	107	-	107	107	$3,625,695	$888,178	$2,976,516	4.1
2015	-	610	-	610	610	$22,206,010	$4,861,995	$18,652,325	4.6
2016	-	472	-	472	472	$17,364,682	$3,763,770	$14,613,701	4.6
2017	-	-	-	-	-	-	-	-	-
Total	-	1,189	-	1,189	1,189	$43,196,386	$9,513,943	$36,242,543	4.5

[87] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[88] Includes incentives, interest rate buydowns and loan loss reserves.
[89] All projects that receive an RSIP incentive are required to do an energy audit/assessment.
[90] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[91] Includes incentives, interest rate buydowns and loan loss reserves.

Table 48. Commercial Solar Lease Project Capacity, Generation and Savings[92] by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	3,533.7	4,024,143	100,604	12,975	324,370
2016	5,470.1	6,229,384	155,735	21,282	532,057
2017	10,573.0	12,040,487	301,012	41,082	1,027,054
Total	**19,576.8**	**22,294,014**	**557,350**	**75,339**	**1,883,481**

Table 49. Residential Solar Lease Project Capacity, Generation and Savings[93] by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	817.1	930,503	23,263	3,175	79,372
2015	4,892.6	5,571,667	139,292	19,011	475,263
2016	3,840.6	4,373,704	109,343	14,923	373,077
2017	-	-	-	-	-
Total	**9,550.3**	**10,875,874**	**271,897**	**37,108**	**927,712**

Table 50. Commercial Solar Lease Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average PPA Lease Price
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	$721,723	$721,723	220.9	811	20	$0.10
2016	$618,940	$618,940	202.6	788	20	$0.10
2017	$1,083,062	$1,083,062	352.4	1,369	20	$0.08
Total	**$832,203**	**$832,203**	**268.2**	**1,032**	**20**	**$0.09**

[92] The Green Bank currently estimates annual savings and is in the process or reviewing and updating this methodology to include actual savings where possible.

[93] The Green Bank currently estimates annual savings and is in the process or reviewing and updating this methodology to include actual savings where possible.

Table 51. Residential Solar Lease Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average DTI	Average FICO Score
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-
2014	$33,885	$38,182	7.6	30	240	30	785
2015	$36,403	$36,663	8.0	31	240	31	777
2016	$36,790	$36,679	8.1	32	240	35	776
2017	-	-	-	-	-	-	-
Total	**$36,330**	**$36,806**	**8.0**	**31**	**240**	**33**	**777**

Table 52. Residential Solar Lease Project Application Yield[94] by FY Received

Fiscal Year Received	Applications Received	Applications Approved	Applications Withdrawn	Applications Denied	Approved Rate	Denied Rate
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	669	452	256	217	68%	32%
2015	1,813	1,466	619	347	81%	19%
2016	351	300	154	51	85%	15%
2017	-	-	-	-	-	-
Total	**2,833**	**2,218**	**1,029**	**615**	**78%**	**22%**

The types of Commercial end-use customers participating in the Solar Lease program are shown in Table 53 along with the square footage impacted where available.

Table 53. Types of End-Use Customers Participating in Commercial Solar Lease

Property Type	# of Properties	Square Footage
Agricultural	1	-
Education	4	99,531
House of Worship	6	20,000
Industrial	2	-
Municipal building	30	-
Non-profit	15	-
Nursing Home/Rehab Facility	1	-
Office	10	24,100
Public assembly	2	11,000
Retail	1	-
Warehouse & storage	1	-
Total	**73**	**154,631**

[94] Applications received are applications submitted to Renew Financial (servicer of the CT Solar Lease) for credit approval. Applications approved are applications that have met the credit requirements for the program and can move to lease signing, pending formal technical approval of the solar equipment by the Residential Solar Investment Program. Applications withdrawn are applications that have been cancelled by the submitter due to the project not moving forward. Applications denied are applications that are not approved because the customer does not meet underwriting requirements.

Area Median Income Band Penetration

The CT Solar Lease program has been used to fund projects in economically diverse locations across the state as reflected by Table 54 and 55 for Metropolitan Statistical Area (MSA) Area Median Income (AMI). It should be noted that these Solar Lease funds are not part of an income targeted program.

Table 54. Commercial Solar Lease Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[95]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Population	% Total Population Distribution	Project Units / 1,000 People	Investment / Total Population	Watts / Total Population
2012	<60%	0	0%	0	0%	0.0	0%	609,363	17%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	527,217	15%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	589,440	17%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	722,664	20%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	1,116,395	31%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**3,565,079**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	0	0%	0	0%	0.0	0%	604,433	17%	0.0	$0.00	0.0
2013	60%-80%	0	0%	0	0%	0.0	0%	568,952	16%	0.0	$0.00	0.0
2013	80%-100%	0	0%	0	0%	0.0	0%	588,813	16%	0.0	$0.00	0.0
2013	100%-120%	0	0%	0	0%	0.0	0%	690,591	19%	0.0	$0.00	0.0
2013	>120%	0	0%	0	0%	0.0	0%	1,131,305	32%	0.0	$0.00	0.0
2013	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**3,584,094**	**100%**	**0.0**	**$0.00**	**0.0**
2014	<60%	0	0%	0	0%	0.0	0%	614,135	17%	0.0	$0.00	0.0
2014	60%-80%	0	0%	0	0%	0.0	0%	546,132	15%	0.0	$0.00	0.0
2014	80%-100%	0	0%	0	0%	0.0	0%	577,061	16%	0.0	$0.00	0.0
2014	100%-120%	0	0%	0	0%	0.0	0%	720,856	20%	0.0	$0.00	0.0
2014	>120%	0	0%	0	0%	0.0	0%	1,125,910	31%	0.0	$0.00	0.0
2014	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**3,584,094**	**100%**	**0.0**	**$0.00**	**0.0**
2015	<60%	2	13%	416,000	4%	0.1	4%	662,619	18%	0.0	$0.63	0.2
2015	60%-80%	1	6%	300,000	3%	0.1	2%	489,826	14%	0.0	$0.61	0.2
2015	80%-100%	2	13%	1,904,000	16%	0.6	18%	650,163	18%	0.0	$2.93	1.0
2015	100%-120%	3	19%	1,238,000	11%	0.4	10%	631,741	18%	0.0	$1.96	0.6
2015	>120%	8	50%	7,689,562	67%	2.3	65%	1,150,974	32%	0.0	$6.68	2.0
2015	**Total**	**16**	**100%**	**11,547,562**	**100%**	**3.5**	**100%**	**3,585,323**	**100%**	**0.0**	**$3.22**	**1.0**
2016	<60%	0	0%	0	0%	0.0	0%	662,619	18%	0.0	$0.00	0.0
2016	60%-80%	1	4%	486,864	3%	0.1	2%	489,826	14%	0.0	$0.99	0.3
2016	80%-100%	5	19%	2,251,498	13%	0.7	13%	650,163	18%	0.0	$3.46	1.1
2016	100%-120%	7	26%	4,825,648	29%	1.6	29%	631,741	18%	0.0	$7.64	2.5

[95] Excludes projects in unknown bands.

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Population	% Total Population Distribution	Project Units / 1,000 People	Investment / Total Population	Watts / Total Population
2016	>120%	14	52%	9,147,382	55%	3.0	56%	1,150,974	32%	0.0	$7.95	2.6
2016	**Total**	**27**	**100%**	**16,711,392**	**100%**	**5.5**	**100%**	**3,585,323**	**100%**	**0.0**	**$4.66**	**1.5**
2017	<60%	4	13%	3,456,922	11%	1.5	14%	662,619	18%	0.0	$5.22	2.2
2017	60%-80%	3	10%	426,802	1%	0.1	1%	489,826	14%	0.0	$0.87	0.3
2017	80%-100%	5	17%	8,452,522	26%	2.8	26%	650,163	18%	0.0	$13.00	4.3
2017	100%-120%	8	27%	8,663,950	27%	2.7	25%	631,741	18%	0.0	$13.71	4.2
2017	>120%	10	33%	11,491,666	35%	3.5	33%	1,150,974	32%	0.0	$9.98	3.1
2017	**Total**	**30**	**100%**	**32,491,862**	**100%**	**10.6**	**100%**	**3,585,323**	**100%**	**0.0**	**$9.06**	**2.9**
Total	<60%	6	8%	3,872,922	6%	1.6	8%	662,619	18%	0.0	$5.84	2.4
Total	60%-80%	5	7%	1,213,666	2%	0.3	2%	489,826	14%	0.0	$2.48	0.7
Total	80%-100%	12	16%	12,608,020	21%	4.1	21%	650,163	18%	0.0	$19.39	6.4
Total	100%-120%	18	25%	14,727,598	24%	4.6	24%	631,741	18%	0.0	$23.31	7.3
Total	>120%	32	44%	28,328,610	47%	8.9	45%	1,150,974	32%	0.0	$24.61	7.7
Total	**Total**	**73**	**100%**	**60,750,816**	**100%**	**19.6**	**100%**	**3,585,323**	**100%**	**0.0**	**$16.94**	**5.5**

Table 55. Residential Solar Lease Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[96]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	0	0%	0	0%	0.0	0%	61,168	7%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	101,640	12%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	151,346	17%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	216,988	25%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	350,196	40%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**881,338**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	0	0%	0	0%	0.0	0%	59,494	7%	0.0	$0.00	0.0
2013	60%-80%	0	0%	0	0%	0.0	0%	109,189	12%	0.0	$0.00	0.0
2013	80%-100%	0	0%	0	0%	0.0	0%	150,603	17%	0.0	$0.00	0.0
2013	100%-120%	0	0%	0	0%	0.0	0%	203,157	23%	0.0	$0.00	0.0
2013	>120%	0	0%	0	0%	0.0	0%	351,633	40%	0.0	$0.00	0.0
2013	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**874,076**	**100%**	**0.0**	**$0.00**	**0.0**
2014	<60%	0	0%	0	0%	0.0	0%	57,673	7%	0.0	$0.00	0.0
2014	60%-80%	6	6%	203,310	6%	0.0	5%	103,934	12%	0.1	$1.96	0.4

[96] Excludes projects in unknown bands.

CONNECTICUT GREEN BANK
5. PROGRAMS – CT SOLAR LEASE

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2014	80%-100%	13	12%	440,505	12%	0.1	11%	149,038	17%	0.1	$2.96	0.6
2014	100%-120%	43	40%	1,457,055	40%	0.3	42%	209,561	24%	0.2	$6.95	1.6
2014	>120%	45	42%	1,524,825	42%	0.3	42%	348,270	40%	0.1	$4.38	1.0
2014	**Total**	**107**	**100%**	**3,625,695**	**100%**	**0.8**	**100%**	**868,476**	**100%**	**0.1**	**$4.17**	**0.9**
2015	<60%	5	1%	203,010	1%	0.0	1%	64,361	7%	0.1	$3.15	0.5
2015	60%-80%	43	7%	1,436,608	6%	0.3	6%	96,305	11%	0.4	$14.92	3.0
2015	80%-100%	120	20%	4,362,945	20%	0.9	19%	164,873	19%	0.7	$26.46	5.5
2015	100%-120%	165	27%	5,979,247	27%	1.3	27%	184,613	21%	0.9	$32.39	7.1
2015	>120%	277	45%	10,224,200	46%	2.4	48%	352,621	41%	0.8	$28.99	6.7
2015	**Total**	**610**	**100%**	**22,206,010**	**100%**	**4.9**	**100%**	**862,773**	**100%**	**0.7**	**$25.74**	**5.7**
2016	<60%	20	4%	767,723	4%	0.1	4%	64,361	7%	0.3	$11.93	2.1
2016	60%-80%	35	7%	1,325,870	8%	0.2	6%	96,305	11%	0.4	$13.77	2.6
2016	80%-100%	83	18%	2,986,742	17%	0.6	17%	164,873	19%	0.5	$18.12	3.9
2016	100%-120%	130	28%	4,799,392	28%	1.1	28%	184,613	21%	0.7	$26.00	5.7
2016	>120%	204	43%	7,484,956	43%	1.8	46%	352,621	41%	0.6	$21.23	5.0
2016	**Total**	**472**	**100%**	**17,364,682**	**100%**	**3.8**	**100%**	**862,773**	**100%**	**0.5**	**$20.13**	**4.5**
2017	<60%	0	0%	0	0%	0.0	0%	64,361	7%	0.0	$0.00	0.0
2017	60%-80%	0	0%	0	0%	0.0	0%	96,305	11%	0.0	$0.00	0.0
2017	80%-100%	0	0%	0	0%	0.0	0%	164,873	19%	0.0	$0.00	0.0
2017	100%-120%	0	0%	0	0%	0.0	0%	184,613	21%	0.0	$0.00	0.0
2017	>120%	0	0%	0	0%	0.0	0%	352,621	41%	0.0	$0.00	0.0
2017	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**862,773**	**100%**	**0.0**	**$0.00**	**0.0**
Total	<60%	25	2%	970,733	2%	0.2	2%	64,361	7%	0.4	$15.08	2.7
Total	60%-80%	84	7%	2,965,788	7%	0.6	6%	96,305	11%	0.9	$30.80	6.0
Total	80%-100%	216	18%	7,790,192	18%	1.6	17%	164,873	19%	1.3	$47.25	9.9
Total	100%-120%	338	28%	12,235,694	28%	2.7	28%	184,613	21%	1.8	$66.28	14.6
Total	>120%	526	44%	19,233,981	45%	4.5	47%	352,621	41%	1.5	$54.55	12.7
Total	**Total**	**1,189**	**100%**	**43,196,386**	**100%**	**9.6**	**100%**	**862,773**	**100%**	**1.4**	**$50.07**	**11.1**

Table 56. Commercial Solar Lease Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[97]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
2013	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
2014	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
2015	16	31%	3.5	2.7	0.9	24%	$11,547,562	$8,927,562	$2,620,000	23%	16	31%
2016	27	22%	5.5	4.6	0.8	16%	$16,711,392	$13,973,030	$2,738,362	16%	27	22%
2017	30	40%	10.6	6.2	4.4	41%	$32,491,862	$20,155,616	$12,336,246	38%	30	40%
Total	**73**	**32%**	**19.6**	**13.5**	**6.1**	**31%**	**$60,750,816**	**$43,056,208**	**$17,694,608**	**29%**	**73**	**32%**

Table 57. Residential Solar Lease Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[98]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
2013	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
2014	107	18%	0.8	0.7	0.1	16%	$3,625,695	$2,981,880	$643,815	18%	107	18%
2015	610	28%	4.9	3.7	1.2	25%	$22,206,010	$16,203,447	$6,002,563	27%	610	28%
2016	472	29%	3.8	2.8	1.0	27%	$17,364,682	$12,284,348	$5,080,334	29%	472	29%
2017	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%	0	0%
Total	**1,189**	**27%**	**9.6**	**7.2**	**2.4**	**25%**	**$43,196,386**	**$31,469,675**	**$11,726,712**	**27%**	**1,189**	**27%**

[97] Excludes projects in unknown bands.
[98] Excludes projects in unknown bands.

Distressed Community Penetration

For a breakdown of Solar Lease project volume and investment by census tracts categorized by Distressed Communities – see Tables 58 and 59. It should be noted that Solar Lease is not an income targeted program.

Table 58. Commercial Solar Lease Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	0	0%	$0	0%	0.0	0%	1,124,337	31%	$0.00	0.0	428,395	31%	$0.00	$0.00
2013	No	0	0%	$0	0%	0.0	0%	2,449,760	69%	$0.00	0.0	942,692	69%	$0.00	$0.00
2013	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2014	Yes	0	0%	$0	0%	0.0	0%	1,104,894	31%	$0.00	0.0	420,721	31%	$0.00	$0.00
2014	No	0	0%	$0	0%	0.0	0%	2,469,203	69%	$0.00	0.0	950,366	69%	$0.00	$0.00
2014	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2015	Yes	2	13%	$416,000	4%	0.1	4%	1,123,207	31%	$0.37	0.1	429,250	31%	$0.97	$0.33
2015	No	14	88%	$11,131,562	96%	3.4	96%	2,450,890	69%	$4.54	1.4	941,837	69%	$11.82	$3.60
2015	**Total**	**16**	**100%**	**$11,547,562**	**100%**	**3.5**	**100%**	**3,574,097**	**100%**	**$3.23**	**1.0**	**1,371,087**	**100%**	**$8.42**	**$2.58**
2016	Yes	1	4%	$486,864	3%	0.1	2%	1,167,312	33%	$0.42	0.1	445,638	33%	$1.09	$0.30
2016	No	26	96%	$16,224,528	97%	5.3	98%	2,406,785	67%	$6.74	2.2	925,449	67%	$17.53	$5.76
2016	**Total**	**27**	**100%**	**$16,711,392**	**100%**	**5.5**	**100%**	**3,574,097**	**100%**	**$4.68**	**1.5**	**1,371,087**	**100%**	**$12.19**	**$3.99**
2017	Yes	2	7%	$2,889,250	9%	1.3	12%	1,167,312	33%	$2.48	1.1	445,638	33%	$6.48	$2.89
2017	No	28	93%	$29,602,612	91%	9.3	88%	2,406,785	67%	$12.30	3.9	925,449	67%	$31.99	$10.03
2017	**Total**	**30**	**100%**	**$32,491,862**	**100%**	**10.6**	**100%**	**3,574,097**	**100%**	**$9.09**	**3.0**	**1,371,087**	**100%**	**$23.70**	**$7.71**
Total	Yes	5	7%	$3,792,114	6%	1.6	8%	1,167,312	33%	$3.25	1.3	445,638	33%	$8.51	$3.51
Total	No	68	93%	$56,958,702	94%	18.0	92%	2,406,785	67%	$23.67	7.5	925,449	67%	$61.55	$19.46
Total	**Total**	**73**	**100%**	**$60,750,816**	**100%**	**19.6**	**100%**	**3,574,097**	**100%**	**$17.00**	**5.5**	**1,371,087**	**100%**	**$44.31**	**$14.28**

Table 59. Residential Solar Lease Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	0	0%	$0	0%	0.0	0%	1,124,337	31%	$0.00	0.0	428,395	31%	$0.00	$0.00
2013	No	0	0%	$0	0%	0.0	0%	2,449,760	69%	$0.00	0.0	942,692	69%	$0.00	$0.00
2013	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2014	Yes	15	14%	$508,275	14%	0.1	12%	1,104,894	31%	$0.46	0.1	420,721	31%	$1.21	$0.24
2014	No	92	86%	$3,117,420	86%	0.7	88%	2,469,203	69%	$1.26	0.3	950,366	69%	$3.28	$0.75
2014	**Total**	**107**	**100%**	**$3,625,695**	**100%**	**0.8**	**100%**	**3,574,097**	**100%**	**$1.01**	**0.2**	**1,371,087**	**100%**	**$2.64**	**$0.60**
2015	Yes	95	16%	$3,474,590	16%	0.7	15%	1,123,207	31%	$3.09	0.6	429,250	31%	$8.09	$1.67
2015	No	515	84%	$18,731,420	84%	4.2	85%	2,450,890	69%	$7.64	1.7	941,837	69%	$19.89	$4.43
2015	**Total**	**610**	**100%**	**$22,206,010**	**100%**	**4.9**	**100%**	**3,574,097**	**100%**	**$6.21**	**1.4**	**1,371,087**	**100%**	**$16.20**	**$3.57**
2016	Yes	97	21%	$3,462,405	20%	0.8	20%	1,167,312	33%	$2.97	0.6	445,638	33%	$7.77	$1.69
2016	No	375	79%	$13,902,277	80%	3.1	80%	2,406,785	67%	$5.78	1.3	925,449	67%	$15.02	$3.34
2016	**Total**	**472**	**100%**	**$17,364,682**	**100%**	**3.8**	**100%**	**3,574,097**	**100%**	**$4.86**	**1.1**	**1,371,087**	**100%**	**$12.66**	**$2.80**
2017	Yes	0	0%	$0	0%	0.0	0%	1,167,312	33%	$0.00	0.0	445,638	33%	$0.00	$0.00
2017	No	0	0%	$0	0%	0.0	0%	2,406,785	67%	$0.00	0.0	925,449	67%	$0.00	$0.00
2017	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
Total	Yes	207	17%	$7,445,270	17%	1.6	16%	1,167,312	33%	$6.38	1.3	445,638	33%	$16.71	$3.52
Total	No	982	83%	$35,751,116	83%	8.0	84%	2,406,785	67%	$14.85	3.3	925,449	67%	$38.63	$8.63
Total	**Total**	**1,189**	**100%**	**$43,196,386**	**100%**	**9.6**	**100%**	**3,574,097**	**100%**	**$12.09**	**2.7**	**1,371,087**	**100%**	**$31.51**	**$6.97**

Societal Impacts

Ratepayers in Connecticut reap the societal benefits of the CT Solar Lease. Over the course of its existence, the program has supported the creation of 437 job years and avoided the lifetime emission of 468,918 tons of carbon dioxide, 518,374 pounds of nitrous oxide, 439,874 pounds of sulfur oxide, and 41,197 pounds of particulate matter as illustrated by Tables 60 and 61.

Table 60. Commercial and Residential Solar Lease Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	-	21	166	157	88	433
Indirect and Induced	-	-	34	266	252	116	669
Total	**-**	**-**	**56**	**432**	**409**	**204**	**1,102**

Table 61. Commercial and Residential Solar Lease Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	-	514	5,483	5,991	6,768	18,757
Lifetime	-	-	12,859	137,063	149,787	169,209	468,918
NOx Savings (pounds)							
Annual	-	-	728	6,678	6,400	6,928	20,735
Lifetime	-	-	18,207	166,954	160,011	173,202	518,374
SOx Savings (pounds)							
Annual	-	-	871	6,715	5,064	4,945	17,595
Lifetime	-	-	21,778	167,871	126,590	123,634	439,874
PM 2.5 (pounds)							
Annual	-	-	47	481	526	595	1,648
Lifetime	-	-	1,168	12,025	13,140	14,865	41,197

Financing Program

The CT Solar Lease 2 fund was a financing structure developed in partnership with a tax equity investor (i.e., US Bank) and a syndicate of local lenders (i.e. First Niagara Bank and Webster Bank) that uses a credit enhancement (i.e., $3,500,000 loan loss reserve),[99] in combination with $2.3 million in subordinated debt and $11.5 million in sponsor equity from the Connecticut Green Bank as the "member manager" to provide up to $75 million in lease financing for residential and commercial solar PV projects. Through the product, the Connecticut Green Bank lowered the barriers to Connecticut residential and commercial customers seeking to install solar PV with no up-front investment, thus increasing demand, while at the same time reducing the market's reliance on subsidies through the RSIP or being more competitive in a reverse auction through the Zero Emission Renewable Energy Credit (ZREC) program. As a lease (or PPA for certain commercial customers), capital provided to consumers through the CT Solar Lease is now being returned to the Connecticut Green Bank, the tax equity investor and the lenders – it is not a subsidy. The financial structure of the CT Solar Lease product, both historically and on an ongoing basis through the CT Solar Lease 3 fund, includes origination by contractors, servicing of lease and PPA payments,[100] insurance and "one call" system

[99] From repurposed American Recovery and Reinvestment Act funds
[100] AFC First Financial

performance and insurance resolution,[101] and financing features in combination with the support of the Connecticut Green Bank.

Financial Performance

To date there are no defaults and as of 6/30/2017 there are 15 delinquencies totaling $54,970 or 0.1% of the Commercial Solar Lease portfolio. To date there is 1 default with an original principal balance of $34,940 or 0.1% of the Residential Solar Lease portfolio and as of 6/30/2017 there are no delinquencies.

The household customers that accessed the CT Solar Lease since its launch in 2014 had varying credit scores – see Table 62.

Table 62. Credit Score Ranges of Household Customers Using the CT Solar Lease by FY Closed

	-639		640-679		680-699		700-719		720+		
Fiscal Year Closed	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**Total # Projects**
2014	-	0.0%	4	3.7%	-	0.0%	5	4.7%	98	91.6%	107
2015	-	0.0%	26	4.3%	23	3.8%	39	6.4%	522	85.6%	610
2016	1	0.2%	15	3.2%	16	3.4%	34	7.2%	406	86.0%	472
Total	**1**	**0.1%**	**45**	**3.8%**	**39**	**3.3%**	**78**	**6.6%**	**1,026**	**86.3%**	**1,189**

Marketing

To accelerate the deployment of residential solar PV through the RSIP and the uptake of the CT Solar Lease financing product, the Connecticut Green Bank implemented Solarize Connecticut. The Green Bank sponsored Solarize programs are designed to use a combination of group purchasing, time-limited offers, and grassroots outreach, while local clean energy advocates volunteer and coordinate with their towns to help speed the process – see Table 63. The Green Bank also implemented channel marketing through the solar installer channel to support residential and commercial installers and their ability to grow their businesses by providing the CT Solar Lease product to their customers.

Table 63. Number of Projects, Investment, and Installed Capacity through Green Bank Solarize Connecticut for the CT Solar Lease Financing Product

Solarize	**# of Projects**	**Investment (Gross Cost)**	**Installed Capacity (MW)**
Solarize	325	$11,878,017	2.5
Not Solarize	864	$31,318,369	7.0
Total	1,189	$43,196,386	9.6
% Solarize	**27%**	**27%**	**27%**

The Green Bank Solarize Connecticut program provided a marketing channel and origination catalyst for the CT Solar Lease comprising 27 percent of the total projects, investment, and installed capacity.

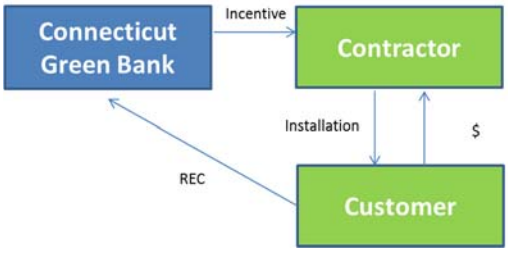
[101] Assurant

Case 3 – Residential Solar Investment Program

Description

The RSIP is a subsidy program that provides incentives to reduce the cost for homeowners to own solar photovoltaic (PV) systems or for third party owners (TPOs) to provide clean electricity from solar PV systems through leases or power purchase agreements (PPAs) with homeowners. Incentives are provided either upfront (i.e., through an expected performance based buy-down or EPBB) for homeowner-owned systems or are paid out over time[102] based on system production (i.e., through a performance based incentive or PBI) for third-party owned projects. With either incentive type, the Renewable Energy Credits (RECs) are owned by the Connecticut Green Bank.

Figure 7. RSIP Legal Structure and Flows of Capital[103]



The subsidy under the RSIP has decreased over time – see Table 64, supporting the goal of reducing market reliance on rebates and incentives while moving it towards innovative low-cost financing and sustainable orderly development.

Table 64. RSIP Subsidy by Step and Incentive Type

RSIP Subsidy by Step	Start Date	EPBB ($/W)			PBI ($/kWh)		LMI ($/kWh)	
		≤5 kW	5 to 10 kW	>10 kW, ≤ 20 kW	≤10 kW	>10 kW, ≤ 20 kW	≤10 kW	>10 kW, ≤ 20 kW
Step 1	3/2/2012	$2.450	$1.250	$0.000	$0.300	$0.000	N/A	N/A
Step 2	5/8/2012	$2.275	$1.075	$0.000	$0.300	$0.000	N/A	N/A
Step 3	1/4/2013 EPBB, 4/1/2013 PBI	$1.750	$0.550	$0.000	$0.225	$0.000	N/A	N/A
Step 4	1/6/2014	$1.250	$0.750	$0.000	$0.180	$0.000	N/A	N/A
Step 5	9/1/2014	$0.800		$0.400	$0.125	$0.060	N/A	N/A
Step 6	1/1/2015	$0.675		$0.400	$0.080	$0.060	N/A	N/A
Step 7	4/11/2015	$0.540		$0.400	$0.064	$0.060	N/A	N/A
Step 8	8/8/2015	$0.540		$0.400	$0.054	$0.054	$0.110	$0.055
Step 9	2/1/2016	$0.513		$0.400	$0.046	$0.046	$0.110	$0.055
Step 10	9/1/2016	$0.487		$0.400	$0.039	$0.039	$0.110	$0.055
Step 11	8/1/2017	$0.487		$0.400	$0.039	$0.039	$0.110	$0.055

[102] The PBI is currently paid out quarterly over a period of six years.

[103] The Green Bank incentive is issued to the Contractor on behalf of the Customer. In the case of Third-Party Owned systems, RECs flow from the Contractor to the Connecticut Green Bank.

Key Performance Indicators

The Key Performance Indicators for RSIP closed activity are reflected in Tables 65 through 70. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 65. RSIP Project Types and Investment by FY Closed

Fiscal Year Closed	EE[104]	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[105]	Green Bank Investment[106]	Private Investment	Leverage Ratio
2012	-	417	-	417	417	$14,989,569	$4,804,743	$10,184,827	3.1
2013	-	1,115	-	1,115	1,115	$35,584,155	$11,953,564	$23,630,591	3.0
2014	-	2,388	-	2,388	2,388	$74,052,944	$20,106,693	$53,946,251	3.7
2015	-	6,445	-	6,445	6,445	$216,516,944	$33,464,664	$183,052,280	6.5
2016	-	7,237	-	7,237	7,237	$232,901,017	$19,856,255	$213,044,762	11.7
2017	-	5,024	-	5,024	5,024	$138,068,370	$12,867,584	$125,200,786	10.7
Total	-	**22,626**	-	**22,626**	**22,626**	**$712,113,000**	**$103,053,503**	**$609,059,497**	**6.9**

Table 66. RSIP Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2012	2,878.1	3,277,578	81,939	11,183	279,577	$499,900	$12,497,490
2013	7,924.2	9,024,056	225,601	30,790	769,752	$1,336,662	$33,416,550
2014	17,170.3	19,553,593	488,840	66,717	1,667,922	$2,862,734	$71,568,360
2015	49,120.3	55,938,159	1,398,454	190,861	4,771,525	$7,726,266	$193,156,650
2016	56,449.2	64,284,374	1,607,109	219,338	5,483,457	$8,675,716	$216,892,890
2017	38,929.3	44,332,743	1,108,319	151,263	3,781,583	$6,022,771	$150,569,280
Total	**172,471.5**	**196,410,503**	**4,910,263**	**670,153**	**16,753,816**	**$27,124,049**	**$678,101,220**

Table 67. RSIP Project Averages by FY Closed

Fiscal Year Closed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Incentive Amount	Average Gross Installed Cost	Incentive ($/W)	Installed Cost ($/W)	Incentive % of Gross Cost	Net Cost to Customer
2012	6.9	27	$11,522	$35,946	$1.67	$5.21	32%	$24,424.04
2013	7.1	28	$10,721	$31,914	$1.51	$4.49	34%	$21,193.36
2014	7.2	28	$8,420	$31,010	$1.17	$4.31	27%	$22,590.56
2015	7.6	30	$5,192	$33,595	$0.68	$4.41	15%	$28,402.22

[104] All projects that receive an RSIP incentive are required to do an energy audit/assessment. A significant percentage of these are completed through the utility administered Home Energy Solutions Program, which provides an evaluation of a home's energy performance, implementation of energy savings measures such as air sealing, duct sealing, installation of energy-efficient lighting, and water saving measures, as well as recommendations for deeper energy saving measures.

[105] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.

[106] Includes incentives, interest rate buydowns and loan loss reserves.

Fiscal Year Closed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Incentive Amount	Average Gross Installed Cost	Incentive ($/W)	Installed Cost ($/W)	Incentive % of Gross Cost	Net Cost to Customer
2016	7.8	30	$2,744	$32,182	$0.35	$4.13	9%	$29,438.27
2017	7.7	30	$2,561	$27,482	$0.33	$3.55	9%	$24,920.54
Total	**7.6**	**30**	**$4,555**	**$31,473**	**$0.60**	**$4.13**	**14%**	**$26,918.57**

Table 68. RSIP Project Application Yield[107] by FY Received

Fiscal Year Received	Applications Received	Applications in Review	Applications Approved	Applications Withdrawn	Applications Denied	Approved Rate	Denied Rate
2012	382	-	343	52	39	90%	10%
2013	1,279	-	1,262	125	17	99%	1%
2014	2,797	-	2,782	251	15	99%	1%
2015	7,872	-	7,852	1,385	20	100%	0%
2016	8,711	-	8,681	1,494	30	100%	0%
2017	5,308	93	5,181	265	34	99%	1%
Total	**26,349**	**93**	**26,101**	**3,572**	**155**	**99%**	**1%**

Table 69. RSIP Systems Closed through the Subsidy by Step

RSIP Subsidy by Step	Installed Capacity (kW)	Incentive Amount	Gross Installed Cost	Incentive ($/W)	Installed Cost ($/W)	Incentive % of Gross Cost	Net Cost to Customer
None	921.7	$1,379,986	$5,026,558	$1.50	$5.45	27%	$3,646,572
Step 1	1,380.7	$2,470,307	$7,222,670	$1.79	$5.23	34%	$4,752,363
Step 2	5,991.8	$9,762,264	$26,992,954	$1.63	$4.50	36%	$17,230,690
Step 3	13,164.1	$16,177,276	$56,168,196	$1.23	$4.27	29%	$39,990,920
Step 4	19,415.0	$20,055,054	$85,478,583	$1.03	$4.40	23%	$65,423,529
Step 5	13,513.1	$10,073,966	$60,318,503	$0.75	$4.46	17%	$50,244,537
Step 6	12,306.8	$6,308,807	$54,482,961	$0.51	$4.43	12%	$48,174,153
Step 7	19,252.2	$7,695,213	$83,959,008	$0.40	$4.36	9%	$76,263,795
Step 8	28,578.8	$10,169,200	$119,155,860	$0.36	$4.17	9%	$108,986,660
Step 9	28,797.5	$9,502,809	$111,704,105	$0.33	$3.88	9%	$102,201,296
Step 10	29,149.8	$9,458,622	$101,603,604	$0.32	$3.49	9%	$92,144,982
Total	**172,471.5**	**$103,053,503**	**$712,113,000**	**$0.60**	**$4.13**	**14%**	**$609,059,497**

Table 70. RSIP Third Party Owned vs Homeowner-owned Systems

There are 16,070 PBI systems that are owned by a third party representing 71% of the RSIP.

[107] Applications Received are applications for incentives submitted to RSIP for review. Applications in Review are submitted applications yet to be reviewed, approved or rejected. Applications Withdrawn are those that have been cancelled by the submitter due to the project not moving forward (e.g., customer cancellation) or due to the incentive expiring before the project is installed (incentives are reserved for 270 days). Applications Denied are those that are not approved for an incentive because the project does not meet RSIP requirements. The Approved Rate reflects the number of Applications Approved relative to the number of Applications Received.

Area Median Income Band Penetration

For a breakdown of RSIP project volume and investment by census tracts categorized by Area Median Income (AMI) bands – see Table 71. It should be noted that RSIP is not an income targeted program. However, following the UCONN study[108] in December of 2014, the Green Bank Board of Directors approved the Income-Targeted incentive to better penetrate these tracts and to create inclusive prosperity. This special incentive is one of the methods through which the Green Bank has expanded its reach of previously underserved communities.

Table 71. RSIP Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[109]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	10	2%	279,743	2%	0.1	2%	61,168	7%	0.2	$4.57	0.9
2012	60%-80%	10	2%	242,605	2%	0.1	2%	101,640	12%	0.1	$2.39	0.5
2012	80%-100%	48	12%	1,644,387	11%	0.3	12%	151,346	17%	0.3	$10.87	2.2
2012	100%-120%	118	28%	4,193,070	28%	0.8	28%	216,988	25%	0.5	$19.32	3.7
2012	>120%	231	55%	8,629,764	58%	1.6	57%	350,196	40%	0.7	$24.64	4.7
2012	**Total**	**417**	**100%**	**14,989,569**	**100%**	**2.9**	**100%**	**881,338**	**100%**	**0.5**	**$17.01**	**3.3**
2013	<60%	20	2%	415,069	1%	0.1	1%	59,494	7%	0.3	$6.98	1.5
2013	60%-80%	56	5%	1,683,198	5%	0.4	5%	109,189	12%	0.5	$15.42	3.4
2013	80%-100%	128	11%	3,911,597	11%	0.8	11%	150,603	17%	0.8	$25.97	5.5
2013	100%-120%	221	20%	6,753,881	19%	1.5	19%	203,157	23%	1.1	$33.24	7.2
2013	>120%	690	62%	22,820,410	64%	5.2	65%	351,633	40%	2.0	$64.90	14.7
2013	**Total**	**1,115**	**100%**	**35,584,155**	**100%**	**7.9**	**100%**	**874,076**	**100%**	**1.3**	**$40.71**	**9.1**
2014	<60%	74	3%	1,839,839	2%	0.4	2%	57,673	7%	1.3	$31.90	7.2
2014	60%-80%	159	7%	4,362,397	6%	1.0	6%	103,934	12%	1.5	$41.97	9.5
2014	80%-100%	388	16%	11,333,704	15%	2.6	15%	149,038	17%	2.6	$76.05	17.3
2014	100%-120%	610	26%	19,476,939	26%	4.5	26%	209,561	24%	2.9	$92.94	21.3
2014	>120%	1,157	48%	37,040,065	50%	8.7	51%	348,270	40%	3.3	$106.35	25.1
2014	**Total**	**2,388**	**100%**	**74,052,944**	**100%**	**17.2**	**100%**	**868,476**	**100%**	**2.7**	**$85.27**	**19.8**
2015	<60%	265	4%	6,762,903	3%	1.5	3%	64,361	7%	4.1	$105.08	24.0
2015	60%-80%	597	9%	17,468,491	8%	4.0	8%	96,305	11%	6.2	$181.39	41.3
2015	80%-100%	1,113	17%	36,624,003	17%	8.1	17%	164,873	19%	6.8	$222.13	49.2
2015	100%-120%	1,680	26%	57,417,389	27%	12.8	26%	184,613	21%	9.1	$311.01	69.3
2015	>120%	2,790	43%	98,244,158	45%	22.7	46%	352,621	41%	7.9	$278.61	64.4
2015	**Total**	**6,445**	**100%**	**216,516,944**	**100%**	**49.1**	**100%**	**862,773**	**100%**	**7.5**	**$250.95**	**56.9**

[108] http://www.ctcleanenergy.com/Portals/0/board-materials/7cii_Role of a Green Bank_Market Analysis_Low Income Solar and Housing_Memo_121214.pdf

[109] Excludes projects in unknown bands.

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2016	<60%	652	9%	16,993,034	7%	4.1	7%	64,361	7%	10.1	$264.03	63.5
2016	60%-80%	890	12%	25,048,687	11%	6.3	11%	96,305	11%	9.2	$260.10	65.4
2016	80%-100%	1,421	20%	44,726,687	19%	10.7	19%	164,873	19%	8.6	$271.28	65.0
2016	100%-120%	1,734	24%	55,661,524	24%	13.5	24%	184,613	21%	9.4	$301.50	73.1
2016	>120%	2,540	35%	90,471,085	39%	21.9	39%	352,621	41%	7.2	$256.57	62.0
2016	**Total**	**7,237**	**100%**	**232,901,017**	**100%**	**56.4**	**100%**	**862,773**	**100%**	**8.4**	**$269.94**	**65.4**
2017	<60%	707	14%	17,609,501	13%	4.5	12%	64,361	7%	11.0	$273.61	70.4
2017	60%-80%	779	16%	19,090,287	14%	5.4	14%	96,305	11%	8.1	$198.23	56.1
2017	80%-100%	992	20%	26,882,997	20%	7.5	19%	164,873	19%	6.0	$163.05	45.8
2017	100%-120%	965	19%	26,998,694	20%	7.8	20%	184,613	21%	5.2	$146.24	42.1
2017	>120%	1,569	31%	47,142,883	34%	13.6	35%	352,621	41%	4.4	$133.69	38.5
2017	**Total**	**5,012**	**100%**	**137,724,361**	**100%**	**38.8**	**100%**	**862,773**	**100%**	**5.8**	**$159.63**	**45.0**
Total	<60%	1,728	8%	43,900,089	6%	10.7	6%	64,361	7%	26.8	$682.09	166.6
Total	60%-80%	2,491	11%	67,895,665	10%	17.1	10%	96,305	11%	25.9	$705.01	177.4
Total	80%-100%	4,090	18%	125,123,375	18%	30.1	17%	164,873	19%	24.8	$758.91	182.7
Total	100%-120%	5,328	24%	170,501,497	24%	40.8	24%	184,613	21%	28.9	$923.56	221.0
Total	>120%	8,977	40%	304,348,365	43%	73.6	43%	352,621	41%	25.5	$863.10	208.9
Total	**Total**	**22,614**	**100%**	**711,768,991**	**100%**	**172.4**	**100%**	**862,773**	**100%**	**26.2**	**$824.98**	**199.8**

Table 72. RSIP Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[110]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	417	349	68	16%	2.9	2.4	0.4	15%	$14,989,569	$12,822,834	$2,166,735	14%
2013	1,115	911	204	18%	7.9	6.6	1.3	16%	$35,584,155	$29,574,291	$6,009,864	17%
2014	2,388	1,767	621	26%	17.2	13.2	4.0	23%	$74,052,944	$56,517,004	$17,535,940	24%
2015	6,445	4,470	1,975	31%	49.1	35.5	13.6	28%	$216,516,944	$155,661,547	$60,855,397	28%
2016	7,237	4,274	2,963	41%	56.4	35.3	21.1	37%	$232,901,017	$146,132,608	$86,768,409	37%
2017	5,012	2,534	2,478	49%	38.8	21.4	17.5	45%	$137,724,361	$74,141,577	$63,582,785	46%
Total	**22,614**	**14,305**	**8,309**	**37%**	**172.4**	**114.4**	**57.9**	**34%**	**$711,768,991**	**$474,849,863**	**$236,919,129**	**33%**

[110] Excludes projects in unknown bands.

Distressed Community Penetration

For a breakdown of RSIP project volume and investment by census tracts categorized by Distressed Communities – see Table 73. It should be noted that RSIP is not an income targeted program.

Table 73. RSIP Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	46	11%	$1,283,753	9%	0.3	9%	1,172,186	33%	$1.10	0.2	449,097	33%	$2.86	$0.59
2012	No	371	89%	$13,705,816	91%	2.6	91%	2,401,911	67%	$5.71	1.1	921,990	67%	$14.87	$2.83
2012	**Total**	**417**	**100%**	**$14,989,569**	**100%**	**2.9**	**100%**	**3,574,097**	**100%**	**$4.19**	**0.8**	**1,371,087**	**100%**	**$10.93**	**$2.10**
2013	Yes	115	10%	$3,270,246	9%	0.7	9%	1,124,337	31%	$2.91	0.6	428,395	31%	$7.63	$1.67
2013	No	1,000	90%	$32,313,909	91%	7.2	91%	2,449,760	69%	$13.19	2.9	942,692	69%	$34.28	$7.65
2013	**Total**	**1,115**	**100%**	**$35,584,155**	**100%**	**7.9**	**100%**	**3,574,097**	**100%**	**$9.96**	**2.2**	**1,371,087**	**100%**	**$25.95**	**$5.78**
2014	Yes	381	16%	$11,175,252	15%	2.5	15%	1,104,894	31%	$10.11	2.3	420,721	31%	$26.56	$5.98
2014	No	2,007	84%	$62,877,692	85%	14.7	85%	2,469,203	69%	$25.46	5.9	950,366	69%	$66.16	$15.42
2014	**Total**	**2,388**	**100%**	**$74,052,944**	**100%**	**17.2**	**100%**	**3,574,097**	**100%**	**$20.72**	**4.8**	**1,371,087**	**100%**	**$54.01**	**$12.52**
2015	Yes	1,381	21%	$41,836,952	19%	9.4	19%	1,123,207	31%	$37.25	8.4	429,250	31%	$97.47	$21.97
2015	No	5,064	79%	$174,679,992	81%	39.7	81%	2,450,890	69%	$71.27	16.2	941,837	69%	$185.47	$42.14
2015	**Total**	**6,445**	**100%**	**$216,516,944**	**100%**	**49.1**	**100%**	**3,574,097**	**100%**	**$60.58**	**13.7**	**1,371,087**	**100%**	**$157.92**	**$35.83**
2016	Yes	2,150	30%	$62,927,515	27%	15.3	27%	1,167,312	33%	$53.91	13.1	445,638	33%	$141.21	$34.27
2016	No	5,087	70%	$169,973,502	73%	41.2	73%	2,406,785	67%	$70.62	17.1	925,449	67%	$183.67	$44.49
2016	**Total**	**7,237**	**100%**	**$232,901,017**	**100%**	**56.4**	**100%**	**3,574,097**	**100%**	**$65.16**	**15.8**	**1,371,087**	**100%**	**$169.87**	**$41.17**
2017	Yes	1,857	37%	$46,025,148	33%	13.0	33%	1,167,312	33%	$39.43	11.1	445,638	33%	$103.28	$29.13
2017	No	3,167	63%	$92,043,222	67%	26.0	67%	2,406,785	67%	$38.24	10.8	925,449	67%	$99.46	$28.04
2017	**Total**	**5,024**	**100%**	**$138,068,370**	**100%**	**38.9**	**100%**	**3,574,097**	**100%**	**$38.63**	**10.9**	**1,371,087**	**100%**	**$100.70**	**$28.39**
Total	Yes	5,930	26%	$166,518,868	23%	41.2	24%	1,167,312	33%	$142.65	35.3	445,638	33%	$373.66	$92.41
Total	No	16,696	74%	$545,594,133	77%	131.3	76%	2,406,785	67%	$226.69	54.5	925,449	67%	$589.55	$141.86
Total	**Total**	**22,626**	**100%**	**$712,113,000**	**100%**	**172.5**	**100%**	**3,574,097**	**100%**	**$199.24**	**48.3**	**1,371,087**	**100%**	**$519.38**	**$125.79**

Societal Impacts

RSIP is a driver of job creation and cleaner air in the state of Connecticut. Over the course of its existence, the program has supported the creation of 10,083 job years and avoided the lifetime emission of 2,774,223 tons of carbon dioxide, 3,145,906 pounds of nitrous oxide, 2,819,655 pounds of sulfur oxide, and 244,140 pounds of particulate matter as illustrated by Tables 74 and 75.

Table 74. RSIP Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	88	210	437	1,277	1,374	538	3,925
Indirect and Induced	142	338	704	2,057	2,213	704	6,158
Total	231	548	1,140	3,334	3,587	1,243	10,083

Table 75. RSIP Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	1,833	5,130	10,937	31,895	36,252	24,921	110,969
Lifetime	45,820	128,257	273,427	797,386	906,312	623,022	2,774,223
NOx Savings (pounds)							
Annual	2,307	7,453	14,920	37,541	38,106	25,509	125,836
Lifetime	57,671	186,329	373,003	938,524	952,652	637,726	3,145,906
SOx Savings (pounds)							
Annual	3,016	9,535	17,213	35,766	29,047	18,209	112,786
Lifetime	75,409	238,381	430,319	894,162	726,166	455,219	2,819,655
PM 2.5 (pounds)							
Annual	164	453	981	2,796	3,182	2,189	9,766
Lifetime	4,112	11,322	24,523	69,903	79,549	54,731	244,140

Marketing

To provide perspective on program growth, cost and incentive trends, Table 76 illustrates the increase in RSIP project volume while installed costs and incentives have decreased from fiscal years 2012 through 2017, grouped by Green Bank non-Solarize projects, Green Bank Solarize[111] projects and RSIP in total. RSIP volume in fiscal year 2017 decreased compared to the prior fiscal year for the first time since inception of the program due to: (1) Changes in the TPO landscape, with major companies struggling with profitability and customer acquisition costs, resulting in business model changes, market exits, and bankruptcies. In CT, the biggest impact was from the program's largest TPO participant withdrawing from RSIP – they accounted for almost 40% market share in prior fiscal years. (2) Nationwide flattening/slowdown in the residential solar PV market. (3) A decrease in electricity rates from July through December 2016. (4) The Green Bank Solarize program transition to the private sector, with local installers participating based on a "pay for performance" model. (5) Installers noting that "low hanging fruit" customers have been taken.

[111] Solarize is a community-based marketing program (visit www.solarizect.com for more information).

The Green Bank anticipates RSIP continuing a path of relatively flat growth, as is expected in the national residential market. In the context of broader market trends and the state of Connecticut's fiscal status and climate change mitigation efforts, the strategy for supporting RSIP going forward will focus on:

- Sustained orderly development of a stable, resilient, residential solar PV market not dependent on incentives – including value of solar and net metering in time
- Maintaining a stable installer base including strong local company presence
- Continuing to support access to affordable financing through loans and third party providers
- Continuing to increase adoption of solar among LMI households through a tiered incentive and additional research and analysis to understand underserved market segment opportunities in the Connecticut solar market
- Training the market for the long term by supporting consumer education and protection, as well as installation technology diversity (e.g., energy efficiency)
- Continuing to reduce barriers to PV adoption

Supporting a "Solar Plus" model of adoption of solar PV in combination with complementary technologies such as energy storage, electric vehicles, renewable thermal technologies, energy efficiency, demand response, and home energy management systems to increase the value of solar to the grid and to customers

Table 76. RSIP Green Bank Solarize Volume, Capacity and Cost Data by FY Closed[112]

Fiscal Year Closed	CGB Solarize Type	# Projects	Installed Capacity (kW)	Incentive Amount	Gross Installed Cost	Incentive ($/W)	Installed Cost ($/W)	Incentive % of Gross Cost	Net Cost to Customer
2012	Not Solarize	417	2,878.1	$4,804,743	$14,989,569	$1.67	$5.21	32%	$10,184,827
	Total	**417**	**2,878.1**	**$4,804,743**	**$14,989,569**	**$1.67**	**$5.21**	**32%**	**$10,184,827**
2013	Not Solarize	788	5,480.5	$8,413,662	$26,210,609	$1.54	$4.78	32%	$17,796,947
	Solarize	327	2,443.7	$3,539,903	$9,373,547	$1.45	$3.84	38%	$5,833,644
	Total	**1,115**	**7,924.2**	**$11,953,564**	**$35,584,155**	**$1.51**	**$4.49**	**34%**	**$23,630,591**
2014	Not Solarize	1,675	12,110.3	$14,268,372	$54,814,261	$1.18	$4.53	26%	$40,545,889
	Solarize	713	5,060.1	$5,838,321	$19,238,683	$1.15	$3.80	30%	$13,400,362
	Total	**2,388**	**17,170.3**	**$20,106,693**	**$74,052,944**	**$1.17**	**$4.31**	**27%**	**$53,946,251**
2015	Not Solarize	5,541	41,574.7	$27,849,468	$187,173,003	$0.67	$4.50	15%	$159,323,535
	Solarize	904	7,545.5	$5,615,196	$29,343,942	$0.74	$3.89	19%	$23,728,745
	Total	**6,445**	**49,120.3**	**$33,464,664**	**$216,516,944**	**$0.68**	**$4.41**	**15%**	**$183,052,280**
2016	Not Solarize	7,141	55,601.2	$19,496,121	$229,634,377	$0.35	$4.13	8%	$210,138,256
	Solarize	96	848.1	$360,133	$3,266,640	$0.42	$3.85	11%	$2,906,507
	Total	**7,237**	**56,449.2**	**$19,856,255**	**$232,901,017**	**$0.35**	**$4.13**	**9%**	**$213,044,762**
2017	Not Solarize	4,980	38,551.8	$12,713,815	$136,743,027	$0.33	$3.55	9%	$124,029,212
	Solarize	44	377.6	$153,769	$1,325,343	$0.41	$3.51	12%	$1,171,574
	Total	**5,024**	**38,929.3**	**$12,867,584**	**$138,068,370**	**$0.33**	**$3.55**	**9%**	**$125,200,786**
Total	Not Solarize	20,542	156,195.5	$87,546,181	$649,564,846	$0.56	$4.16	13%	$562,018,665
	Solarize	2,084	16,274.9	$15,507,322	$62,548,155	$0.95	$3.84	25%	$47,040,832
Total		**22,626**	**172,471.5**	**$103,053,503**	**$712,113,000**	**$0.60**	**$4.13**	**14%**	**$609,059,497**

[112] Public supported Solarize ended in 2015. Projects are attributed to years based on the year their application was approved. Solarize projects assigned to years later than 2017 are the result of solarize efforts supported by the green bank in 2015 or before. We will have private supported Solarize in FY 2018 CAFR looking back at 2016-2018.

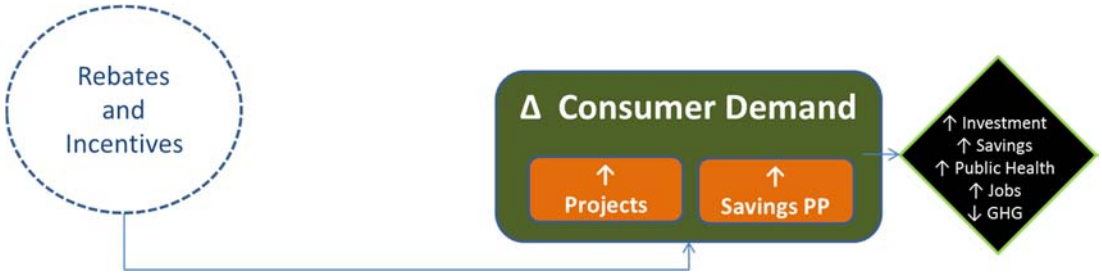
SHREC Program

Legislation enacted by the General Assembly enables the Connecticut Green Bank to recover the costs of the RSIP by aggregating and monetizing the Solar Home Renewable Energy Credits (SHRECs) earned for solar energy generated by systems whose owners received RSIP incentives. The SHRECs are sold through long-term contracts to the state's two investor-owned utilities, as mandated by the law. In FY17, significant progress was made to implement SHREC policy: (1) the SHREC Master Purchase Agreement was approved by PURA and executed with the utilities, (2) the SHREC aggregation process was approved by PURA and a Transaction Confirmation Agreement was executed with the utilities for the 2017 Tranche, including 2015 and 2016 Vintage SHRECs.

Market Transformation

The Connecticut Green Bank contracted with Cadmus Group, Inc., to conduct a cost-effectiveness analysis of its Residential Solar Investment Program (RSIP), completed in March 2016. The findings of the study were: (1) RSIP is cost-effective from the perspective of program participants, the Connecticut Green Bank, from a total resource perspective, and for society as a whole. (2) RSIP has increasingly made efficient use of program funds by reducing incentives while supporting market growth through financing, marketing, outreach and education. (3) RSIP benefits sufficiently outweigh costs to allow for bundling of residential solar PV with emerging technologies such as energy storage, while maintaining cost-effectiveness. The study included data from RSIP steps 1 through 7, for which cost-effectiveness was found to increase with progressive steps as incentives were reduced. Cadmus noted that incentives represented the large majority of program costs. Therefore, the general pattern of increasing cost-effectiveness would be expected to continue as incentives were reduced further from steps 7-10 and beyond. As the Connecticut Green Bank's only subsidy program, we are applying the Program Logic Model that focuses on rebates and incentives as the financial driver for customer action rather than financing.

Figure 8. Program Logic Model for the Residential Solar Investment Program (RSIP)



Case 4 – Smart-E Loan

Description

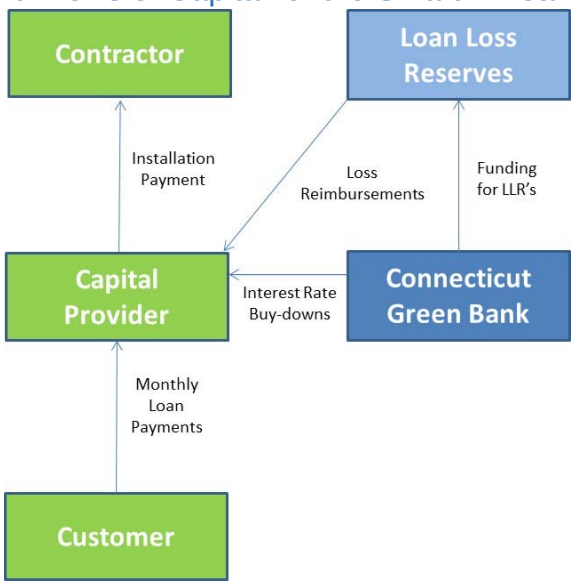
The Smart-E residential loan program is a financing program developed in partnership with Energize CT and local lenders that uses a credit enhancement (i.e., $1,800,000 loan loss reserve)[113] and interest rate buy-downs ($6,000,000 directly to programs)[114] to stimulate the market for residential energy efficiency and solar loans in Connecticut. Through the product, the Connecticut Green Bank lowers the cost of capital for Connecticut residential customers seeking to install solar PV, high efficiency heating and cooling equipment, insulation or other home energy upgrades and reduces the loan performance risks to lenders. The $1.8 million loan loss reserve is used to encourage lenders to offer below market interest rates and longer terms for unsecured loans, mitigates their losses, and encourages customers to undertake measures that would prove uneconomical at higher interest rates. The interest rate buy-downs further encourage additional energy savings as they are reserved primarily for customers coupling multiple retrofits (e.g. solar and efficiency) or installing high priority policy measures (heat pump technologies, natural gas conversions).

The Smart-E Loan was designed to make it easy and affordable for homeowners to make energy efficiency and clean energy improvements to their homes with no out-of-pocket cash and at interest rates low enough and repayment terms long enough to make the improvements “cash flow positive.” At the same time, the Green Bank was intentional in opening conversations with local lenders to demonstrate the value of loans that would help their existing customers with burdensome energy costs, and serve as an effective marketing tool to attract new relationships. In return for a “second loss” reserve which would be available beyond an agreed “normal” level of loan losses, lenders agreed to lengthen their terms and lower their rates. The end result is a successful loan product that has enabled hundreds of homeowners throughout the state to lower energy costs and make their homes more comfortable in the summer heat or the depths of winter.

The financial structure of the Smart-E Loan product includes origination,[115] servicing,[116] and financing features in combination with the support of the Connecticut Green Bank.

[113] During FY2017, the Green Bank, in an effort to optimize its resources, now holds the Loan Loss Reserve on its balance sheet.
[114] From repurposed American Recovery and Reinvestment Act funds.
[115] Network of participating community banks and credit unions with local contractors.
[116] Network of participating community banks and credit unions.

Figure 9. Legal Structure and Flows of Capital for the Smart-E Loan



Key Performance Indicators

The Key Performance Indicators for Smart-E closed activity are reflected in Tables 77 through 80. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 77. Smart-E Loan Project Types and Investment by FY Closed

Fiscal Year Closed	EE	RE	RE/EE	Unknown	# Projects	# Project Units	Amount Financed	Investment (Gross Cost)[117]	Green Bank Investment[118]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-		-	-	-	-
2013	1	1		1	3	3	$52,400	$64,140	$182,097	$64,140	0.4
2014	90	40	6	6	142	142	$1,772,707	$2,444,163	$150,144	$2,444,163	16.3
2015	121	82	68	11	282	282	$5,380,532	$7,955,503	$734,433	$7,955,503	10.8
2016	104	49	66	2	221	221	$4,518,288	$5,684,530	$730,181	$5,684,530	7.8
2017	340	63	77	37	517	517	$8,543,246	$9,597,945	$763,399	$9,597,945	12.6
Total	**656**	**235**	**217**	**57**	**1,165**	**1,165**	**$20,267,174**	**$25,746,281**	**$2,560,254**	**$25,746,281**	**10.1**

Table 78. Smart-E Loan Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2012	--		-	-	-	-	-
2013	6.0	12,218	235	42	803	$1,636	$38,715
2014	348.9	865,283	15,593	3,043	55,476	$93,770	$2,138,233
2015	1,337.0	2,164,651	45,789	8,459	183,061	$281,378	$6,600,314

[117] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[118] Includes incentives, interest rate buydowns and loan loss reserves.

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2016	939.8	1,660,416	33,992	6,837	142,486	$215,677	$5,004,880
2017	1,224.9	3,421,512	59,364	12,918	233,643	$389,782	$8,725,336
Total	**3,856.7**	**8,124,080**	**154,973**	**31,299**	**615,469**	**$982,243**	**$22,507,478**

Table 79. Smart-E Loan Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Number of Measures	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average Finance Rate	Average DTI	Average FICO Score
2012	-	-	-	-	-	-	-	-	-
2013	$21,380	$17,467	2.0	1	14	100	5.49	54	711
2014	$17,212	$12,484	2.5	1	21	90	5.21	32	752
2015	$28,211	$19,080	4.7	2	30	100	4.18	30	754
2016	$25,722	$20,445	4.3	2	31	100	4.10	32	756
2017	$18,565	$16,525	2.4	2	25	102	2.78	20	746
Total	**$22,100**	**$17,397**	**3.3**	**2**	**27**	**100**	**3.67**	**26**	**750**

Table 80. Smart-E Loan Project Application Yield[119] by FY Received

Fiscal Year Received	Applications Received	Applications in Review	Applications Approved	Applications Withdrawn	Applications Denied	Approved Rate	Denied Rate
2012	-	-	-	-	-	-	-
2013	19		14	1	5	74%	26%
2014	302		220	41	82	73%	27%
2015	553		410	79	143	74%	26%
2016	416		283	52	133	68%	32%
2017	1,029	29	796	75	204	80%	20%
Total	**2,319**	**29**	**1,723**	**248**	**567**	**75%**	**25%**

[119] Applications received are applications submitted by the homeowner to a participating lending institution for credit approval. Applications in review are submitted applications yet to be reviewed, approved or rejected. Applications withdrawn are applications that have been cancelled by the submitter due to the project not moving forward. Applications denied are applications that are not approved because the customer does not meet underwriting requirements.

Area Median Income Band Penetration

For a breakdown of Smart-E loan volume and investment by census tracts categorized by Area Median Income (AMI) bands – see Table 81. It should be noted that Smart-E is not an income targeted program and only in the second half of FY17 began offering the expanded credit-challenged version of the program, opening new opportunities to partner with mission-oriented lenders focused on reaching consumers in underserved lower income markets.

Table 81. Smart-E Loan Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[120]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	0	0%	0	0%	0.0	0%	61,168	7%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	101,640	12%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	151,346	17%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	216,988	25%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	350,196	40%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**881,338**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	0	0%	0	0%	0.0	0%	59,494	7%	0.0	$0.00	0.0
2013	60%-80%	0	0%	0	0%	0.0	0%	109,189	12%	0.0	$0.00	0.0
2013	80%-100%	1	33%	8,400	13%	0.0	0%	150,603	17%	0.0	$0.06	0.0
2013	100%-120%	2	67%	55,740	87%	0.0	100%	203,157	23%	0.0	$0.27	0.0
2013	>120%	0	0%	0	0%	0.0	0%	351,633	40%	0.0	$0.00	0.0
2013	**Total**	**3**	**100%**	**64,140**	**100%**	**0.0**	**100%**	**874,076**	**100%**	**0.0**	**$0.07**	**0.0**
2014	<60%	13	9%	157,653	6%	0.0	5%	57,673	7%	0.2	$2.73	0.3
2014	60%-80%	16	11%	211,825	9%	0.0	6%	103,934	12%	0.2	$2.04	0.2
2014	80%-100%	31	22%	564,220	23%	0.1	25%	149,038	17%	0.2	$3.79	0.6
2014	100%-120%	26	18%	494,334	20%	0.1	16%	209,561	24%	0.1	$2.36	0.3
2014	>120%	56	39%	1,016,132	42%	0.2	48%	348,270	40%	0.2	$2.92	0.5
2014	**Total**	**142**	**100%**	**2,444,163**	**100%**	**0.3**	**100%**	**868,476**	**100%**	**0.2**	**$2.81**	**0.4**
2015	<60%	12	4%	125,510	2%	0.0	0%	64,361	7%	0.2	$1.95	0.0
2015	60%-80%	24	9%	351,015	4%	0.0	3%	96,305	11%	0.2	$3.64	0.4
2015	80%-100%	57	20%	1,887,730	24%	0.2	13%	164,873	19%	0.3	$11.45	1.0
2015	100%-120%	57	20%	1,671,772	21%	0.4	26%	184,613	21%	0.3	$9.06	1.9
2015	>120%	132	47%	3,919,477	49%	0.8	58%	352,621	41%	0.4	$11.12	2.2
2015	**Total**	**282**	**100%**	**7,955,503**	**100%**	**1.3**	**100%**	**862,773**	**100%**	**0.3**	**$9.22**	**1.5**
2016	<60%	12	5%	160,327	3%	0.0	1%	64,361	7%	0.2	$2.49	0.1
2016	60%-80%	21	10%	263,279	5%	0.0	1%	96,305	11%	0.2	$2.73	0.1
2016	80%-100%	38	17%	882,455	16%	0.1	15%	164,873	19%	0.2	$5.35	0.8

[120] Excludes projects in unknown bands.

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2016	100%-120%	48	22%	1,244,713	22%	0.2	21%	184,613	21%	0.3	$6.74	1.1
2016	>120%	102	46%	3,133,757	55%	0.6	62%	352,621	41%	0.3	$8.89	1.7
2016	**Total**	**221**	**100%**	**5,684,530**	**100%**	**0.9**	**100%**	**862,773**	**100%**	**0.3**	**$6.59**	**1.1**
2017	<60%	32	6%	539,124	6%	0.1	5%	64,361	7%	0.5	$8.38	0.9
2017	60%-80%	55	11%	835,840	9%	0.1	10%	96,305	11%	0.6	$8.68	1.3
2017	80%-100%	80	15%	1,174,158	12%	0.1	11%	164,873	19%	0.5	$7.12	0.8
2017	100%-120%	128	25%	2,634,033	27%	0.4	29%	184,613	21%	0.7	$14.27	1.9
2017	>120%	222	43%	4,414,790	46%	0.6	46%	352,621	41%	0.6	$12.52	1.6
2017	**Total**	**517**	**100%**	**9,597,945**	**100%**	**1.2**	**100%**	**862,773**	**100%**	**0.6**	**$11.12**	**1.4**
Total	<60%	69	6%	982,613	4%	0.1	2%	64,361	7%	1.1	$15.27	1.3
Total	60%-80%	116	10%	1,661,958	6%	0.2	5%	96,305	11%	1.2	$17.26	1.9
Total	80%-100%	207	18%	4,516,962	18%	0.5	14%	164,873	19%	1.3	$27.40	3.2
Total	100%-120%	261	22%	6,100,592	24%	1.0	25%	184,613	21%	1.4	$33.05	5.2
Total	>120%	512	44%	12,484,156	48%	2.1	54%	352,621	41%	1.5	$35.40	5.9
Total	**Total**	**1,165**	**100%**	**25,746,281**	**100%**	**3.9**	**100%**	**862,773**	**100%**	**1.4**	**$29.84**	**4.5**

Table 82. Smart-E Loan Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[121]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	0	0	0	0%	0.0	0.0	0.0	0%	$0	0	0	0
2013	3	2	1	33%	0.0	0.0	0.0	0%	$64,140	3	2	1
2014	142	82	60	42%	0.3	0.2	0.1	36%	$2,444,163	142	82	60
2015	282	189	93	33%	1.3	1.1	0.2	15%	$7,955,503	282	189	93
2016	221	150	71	32%	0.9	0.8	0.2	16%	$5,684,530	221	150	71
2017	517	350	167	32%	1.2	0.9	0.3	26%	$9,597,945	517	350	167
Total	**1,165**	**773**	**392**	**34%**	**3.9**	**3.1**	**0.8**	**21%**	**$25,746,281**	**1,165**	**773**	**392**

[121] Excludes projects in unknown bands.

Distressed Community Penetration

For a breakdown of Smart-E project volume and investment by census tracts categorized by Distressed Communities – see Table 83. It should be noted that Smart-E is not an income targeted program.

Table 83. Smart-E Loan Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	2	67%	$55,740	87%	0.0	100%	1,124,337	31%	$0.05	0.0	428,395	31%	$0.13	$0.01
2013	No	1	33%	$8,400	13%	0.0	0%	2,449,760	69%	$0.00	0.0	942,692	69%	$0.01	$0.00
2013	**Total**	**3**	**100%**	**$64,140**	**100%**	**0.0**	**100%**	**3,574,097**	**100%**	**$0.02**	**0.0**	**1,371,087**	**100%**	**$0.05**	**$0.00**
2014	Yes	21	15%	$441,479	18%	0.1	22%	1,104,894	31%	$0.40	0.1	420,721	31%	$1.05	$0.18
2014	No	121	85%	$2,002,684	82%	0.3	78%	2,469,203	69%	$0.81	0.1	950,366	69%	$2.11	$0.29
2014	**Total**	**142**	**100%**	**$2,444,163**	**100%**	**0.3**	**100%**	**3,574,097**	**100%**	**$0.68**	**0.1**	**1,371,087**	**100%**	**$1.78**	**$0.25**
2015	Yes	36	13%	$654,711	8%	0.1	7%	1,123,207	31%	$0.58	0.1	429,250	31%	$1.53	$0.20
2015	No	246	87%	$7,300,792	92%	1.2	93%	2,450,890	69%	$2.98	0.5	941,837	69%	$7.75	$1.33
2015	**Total**	**282**	**100%**	**$7,955,503**	**100%**	**1.3**	**100%**	**3,574,097**	**100%**	**$2.23**	**0.4**	**1,371,087**	**100%**	**$5.80**	**$0.98**
2016	Yes	65	29%	$1,232,986	22%	0.1	13%	1,167,312	33%	$1.06	0.1	445,638	33%	$2.77	$0.28
2016	No	156	71%	$4,451,544	78%	0.8	87%	2,406,785	67%	$1.85	0.3	925,449	67%	$4.81	$0.88
2016	**Total**	**221**	**100%**	**$5,684,530**	**100%**	**0.9**	**100%**	**3,574,097**	**100%**	**$1.59**	**0.3**	**1,371,087**	**100%**	**$4.15**	**$0.69**
2017	Yes	119	23%	$1,791,845	19%	0.3	21%	1,167,312	33%	$1.54	0.2	445,638	33%	$4.02	$0.58
2017	No	398	77%	$7,806,101	81%	1.0	79%	2,406,785	67%	$3.24	0.4	925,449	67%	$8.43	$1.04
2017	**Total**	**517**	**100%**	**$9,597,945**	**100%**	**1.2**	**100%**	**3,574,097**	**100%**	**$2.69**	**0.3**	**1,371,087**	**100%**	**$7.00**	**$0.89**
Total	Yes	243	21%	$4,176,761	16%	0.6	14%	1,167,312	33%	$3.58	0.5	445,638	33%	$9.37	$1.24
Total	No	922	79%	$21,569,520	84%	3.3	86%	2,406,785	67%	$8.96	1.4	925,449	67%	$23.31	$3.57
Total	**Total**	**1,165**	**100%**	**$25,746,281**	**100%**	**3.9**	**100%**	**3,574,097**	**100%**	**$7.20**	**1.1**	**1,371,087**	**100%**	**$18.78**	**$2.81**

Societal Impacts

Ratepayers in Connecticut enjoy of the societal benefits of the Smart-E Loan. Over the course of its existence, the program has supported the creation of 426 job years, avoided the lifetime emission of 86,722 tons of carbon dioxide, 91,519 pounds of nitrous oxide, 76,007 pounds of sulfur oxide, and 7,374 pounds of particulate matter as illustrated by Tables 84 and 85.

Table 84. Smart-E Loan Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	0	18	58	46	46	168
Indirect and Induced	-	0	28	93	74	61	257
Total	**-**	**1**	**46**	**152**	**121**	**107**	**426**

Table 85. Smart-E Loan Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	7	479	1,221	931	1,883	4,521
Lifetime	-	132	8,670	25,941	19,120	32,859	86,722
NOx Savings (pounds)							
Annual	-	8	517	1,381	979	1,774	4,660
Lifetime	-	146	9,439	29,657	20,497	31,780	91,519
SOx Savings (pounds)							
Annual	-	8	469	1,291	821	1,261	3,849
Lifetime	-	132	8,366	27,640	17,240	22,630	76,007
PM 2.5 (pounds)							
Annual	-	1	40	104	78	155	378
Lifetime	-	11	736	2,238	1,632	2,756	7,374

Financial Performance

To date there have been 2 defaults which have been charged off by the lenders, with original principal balances totaling $55,000 or 0.3% of the portfolio and as of 6/30/2017 there are 3 delinquencies with original principle balances totaling $21,685 or 0.1% of the portfolio. To date the secondary loan loss reserve has been used to reimburse one participating lender for one defaulted loan totaling $20,277 or 0.1% of the portfolio.

The household customers that accessed the Smart-E Loan since its launch in 2013 had varying credit scores – see Table 86.

Table 86. Credit Score Ranges of Household Customers Using the Smart-E Loan by FY Closed

	Unknown		-639		640-679		680-699		700-719		720+		
Fiscal Year Closed	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**Total # Projects**
2013	-	0.0%	-	0.0%	-	0.0%	2	66.7%	-	0.0%	1	33.3%	3
2014	-	0.0%	-	0.0%	15	10.6%	9	6.3%	12	8.5%	106	74.6%	142
2015	1	0.4%	1	0.4%	22	7.8%	16	5.7%	19	6.7%	223	79.1%	282
2016	-	0.0%	3	1.4%	14	6.3%	15	6.8%	28	12.7%	161	72.9%	221
2017	2	0.4%	14	2.7%	40	7.7%	52	10.1%	47	9.1%	362	70.0%	517
Total	**3**	**0.3%**	**18**	**1.5%**	**91**	**7.8%**	**94**	**8.1%**	**106**	**9.1%**	**853**	**73.2%**	**1,165**

Of the Smart-E Loans approved and closed with household customers, Table 87 presents the lenders offering the financing products in this program with accompanying data.

Table 87. Smart-E Loan Lenders

Lender	# of Loans	Total Amount Financed	% of Loans	Min Loan Amount	Max Loan Amount	Average Loan Amount	Average Interest Rate	Average Term (months)	Decline Rate
Capital For Change	209	$2,812,642	13.88%	$1,319	$40,000	$13,458	2.48	100	19%
CorePlus Federal Credit Union	187	$2,421,162	11.95%	$1,993	$45,107	$12,947	4.63	84	12%
Eastern Savings Bank	227	$5,643,010	27.84%	$1,800	$50,000	$24,859	3.68	112	32%
First National Bank of Suffield	42	$840,868	4.15%	$3,778	$40,000	$20,021	3.39	104	7%
Ion Bank	46	$558,043	2.75%	$4,000	$25,000	$12,131	5.12	92	22%
Liberty Bank	23	$307,434	1.52%	$4,550	$25,000	$13,367	5.10	85	26%
Mutual Security Credit Union	92	$1,863,756	9.20%	$0	$40,000	$20,258	2.59	110	11%
Nutmeg State Financial Credit Union	226	$4,054,099	20.00%	$3,325	$40,000	$17,938	3.74	101	30%
Patriot Bank	43	$598,337	2.95%	$5,000	$25,000	$13,915	4.70	87	19%
Quinnipiac Bank & Trust	7	$84,056	0.41%	$8,550	$16,556	$12,008	4.85	98	59%
Thomaston Savings Bank	23	$314,072	1.55%	$2,500	$25,000	$13,655	4.12	98	36%
Union Savings Bank	28	$511,842	2.53%	$6,500	$25,000	$18,280	3.65	101	46%
Workers Federal Credit Union	12	$257,854	1.27%	$7,000	$52,923	$21,488	3.96	79	0%
Total	**1,165**	**$20,267,174**	**100.00%**			**$17,397**	**3.67**	**100**	**25%**

Marketing

To accelerate the deployment of natural gas conversions in the state, the Smart-E program was launched in 2014 with an Energize Norwich campaign in partnership with Norwich Public Utilities and 2 local lenders. Building on that success, and to accelerate the deployment of residential solar PV through the RSIP and the uptake of the Smart-E Loan financing product, the Connecticut Green Bank implemented "Solarize Connecticut" through the end of 2015. Green Bank Solarize Connecticut programs are town based and designed to use a combination of group purchasing, time-limited offers, and grassroots outreach. Solarize campaign efforts are augmented by local clean energy advocates and volunteers that effectively expedite the process of *going solar* – see Table 88. The Green Bank has also partnered with EnergizeCT and the utility companies and select municipalities to run Energize campaigns focused on insulation, natural gas conversions and high efficiency heating and cooling equipment. The Green Bank launched a co-op marketing program for contractors and lenders in 2015 that helps fulfill its channel partners' need for high quality co-branded marketing materials, strategic and tactical planning resources, as well as advertising cost-sharing opportunities. The co-op marketing program and the Green Bank's own digital marketing and earned media initiatives constitute a key driver of volume in FY16 and FY17.

Table 88. Number of Projects, Investment, and Installed Capacity through Solarize Connecticut for the Smart-E Loan

	# of Projects	Investment (Gross Cost)	Installed Capacity (MW)
Solarize	117	$4,306,579	1.1
Not Solarize	302	$10,261,126	2.7
Not Solar	677	$9,863,336	0.0
Unknown	69	$1,315,241	0.1
Total	**1,165**	**$25,746,281**	**3.9**
% Solarize	**10%**	**17%**	**27%**

The Green Bank Solarize Connecticut program provided a significant marketing channel and origination catalyst for the Smart-E Loan comprising nearly 10 to 20 percent of the total projects and investment and 27% of the installed capacity.[122]

Table 89. Smart-E Loan Project Channels

Channel	# of Projects	Investment (Gross Cost)	Installed Capacity (MW)
Capital for Change/Home Energy Solutions	177	$2,340,255	0.1
Other Energy Efficiency/HVAC Contractors	507	$7,667,849	0.0
Solar Installers	422	$14,746,962	3.8
Unknown	59	$991,215	0.0
Total	**1,165**	**$25,746,281**	**3.9**

[122] It should also be noted that Solarize was adapted to support a transition from propane and heating oil to natural gas through a pilot community-based marketing partnership with Norwich Public Utilities and SmartPower through Energize Norwich. Over 100 Smart-E Loans were originated through this pilot demonstrating that community-based marketing approaches could be adapted to support loan origination strategies.

Table 90. Smart-E Loan Measures

# of Measures	# of Projects
Unknown	61
1	578
2	347
3	95
4	39
5	23
6	13
7	6
8	1
9	2
Total	**1,165**

Case 5 – Low Income Solar Lease and Energy-Efficiency Energy Savings Agreement (ESA)

Description

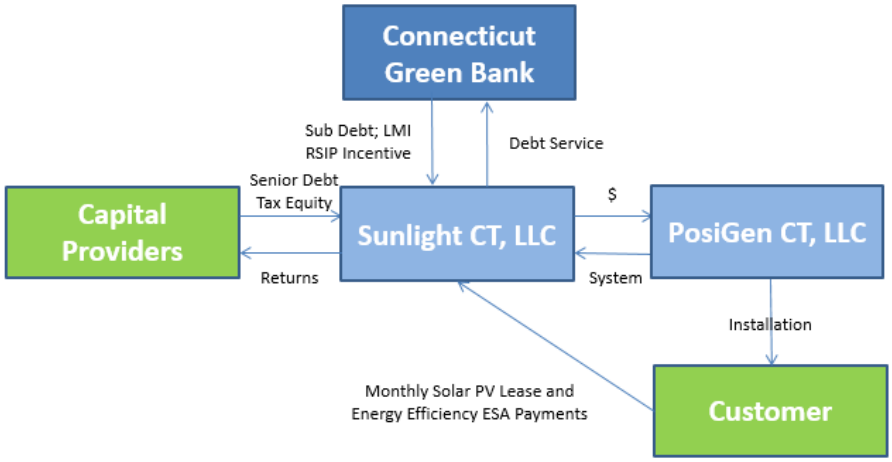
Through the solar developer PosiGen, a respondent to the Connecticut Green Bank's 2015 RFP soliciting solar financing solutions to address underserved markets, the Green Bank supports solar deployment targeted at the state's low- to moderate-income (LMI) population. PosiGen develops and originates these solar projects as project sponsor, utilizing tax equity from multiple investors and senior debt capital from two Connecticut lenders (Enhanced Capital and Stonehenge Capital). The Green Bank supplied an initial debt advance of $5,000,000 (and recently another $3.5 million), which has since been subordinated to an additional $8,500,000 advanced by Enhanced and Stonehenge to provide over $25 million in lease financing for solar projects targeting LMI homeowners. The RSIP program's tiered LMI performance based incentive (PBI) provides PosiGen a significantly higher incentive for customers demonstrating these income requirements.

Through the partnership with PosiGen, the Connecticut Green Bank lowers the financial barriers to Connecticut LMI residential customers seeking to install solar PV with no up-front investment. PosiGen's model also includes an alternative underwriting approach that does not rely on credit scores and a community-based marketing approach – two key ingredients for targeting this hard to reach market segment. Capital provided to PosiGen to be able to offer consumers a solar PV lease and energy efficiency "Energy Savings Agreement" is returned to the Connecticut Green Bank, the tax equity investor and the lenders through consumer lease repayments. This contrasts with traditional energy program subsidies targeted to LMI homeowners, which are typically in the form of grants only.

The financial structure of the Low Income Solar Lease product includes origination, servicing, and financing features[123] in combination with the support of the Connecticut Green Bank.

[123] Origination, servicing and financing managed by PosiGen.

Figure 10. Low Income Solar Lease Legal Structure and Flows of Capital



Connecticut represented the first expansion for PosiGen outside of its initial market in Louisiana, where starting in 2011, it paired solar leasing and energy efficiency services to maximize savings for LMI customers. Given the strategic emphasis the Green Bank has placed on driving investment for lower income homeowners, the organization developed a flexible funding structure to rapidly bring PosiGen to market. The concept started with the Green Bank providing "anchor capital" for PosiGen in the form of low-cost debt, together with PosiGen's own resources and tax equity from U.S. Bank (U.S. Bank was already an investor in the Connecticut market through the Green Bank's CT Solar Lease). Documentation was structured to facilitate funding by a senior lender, providing for the subordination of the Green Bank's loans once this senior lender could be secured. The Green Bank also integrated a working capital module within the financing arrangements to enable PosiGen to focus its capital resources on expanding to Connecticut. With initial capital requirements underwritten by the Green Bank, PosiGen had the financial backing and capital flexibility it needed to confidently secure its base of operation in Bridgeport, hire management and local staff, pursue local partnerships with existing energy efficiency and solar PV contractors, and resolve supply chain issues. By using its balance sheet as an initial source of low-cost debt capital, the Green Bank made it possible for a developer that had proven its business model in another market to bring its innovative approach to Connecticut to build investment in solar and energy efficiency for homeowners of more modest means. The investment had the intended impact: PosiGen could establish operations and get a market started, and its rapid success in Connecticut enabled the Green Bank and PosiGen to secure senior lenders and new sources of tax equity to enable operations to expand to several cities throughout Connecticut.

Key Performance Indicators

The Key Performance Indicators for the Low-Income Solar Lease's closed projects are reflected in Tables 91 through 93. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced.

Table 91. Low Income Solar Lease Project Types and Investment by FY Closed

Fiscal Year Closed	EE[124]	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[125]	Green Bank Investment[126]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-
2015	-	4	-	4	4	$109,380	$36,000	$73,380	3.0
2016	-	175	155	330	330	$9,450,354	$2,970,000	$6,480,354	3.2
2017	-	154	473	627	627	$17,336,078	$5,643,000	$11,693,078	3.1
Total	**-**	**333**	**628**	**961**	**961**	**$26,895,812**	**$8,649,000**	**$18,246,812**	**3.1**

Table 92. Low Income Solar Lease Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)[127]	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	25.0	28,470	712	150	3,761	$4,795	$119,880
2016	2,106.0	2,398,313	59,958	12,584	314,590	$395,604	$9,890,100
2017	3,841.5	4,374,700	109,368	23,284	582,110	$751,648	$18,791,190
Total	**5,972.5**	**6,801,483**	**170,037**	**36,018**	**900,461**	**$1,152,047**	**$28,801,170**

[124] All projects that receive an RSIP incentive are required to do an energy audit/assessment.
[125] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[126] Includes incentives, interest rate buydowns and loan loss reserves.
[127] Includes only the MMBtus for the HES audit. MMTBtus for other ECMs are not included.

Table 93. Low Income Solar Lease Project Averages by FY Closed

FY Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average Lease Price per Month	Average ESA Price per month[128]
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	$27,345	$27,345	6.3	38	240	$79	-
2016	$28,637	$28,637	6.4	38	240	$80	$10
2017	$27,649	$27,649	6.1	37	240	$81	$10
Total	**$27,987**	**$27,987**	**6.2**	**37**	**240**	$81	$10

On average, 60% of all Posigen leases sold yield an installed, energized system.

Of the low-income households that installed solar PV, 65% of them also participated in the energy efficiency ESA, resulting in more comprehensive energy efficiency measures being included in the project.

[128] Posigen's ESA provides energy efficiency measures valued at over $2000 to lessees for between $10-15 a month.

Area Median Income Band Penetration

For a breakdown of PosiGen Solar for All volume and investment by census tracts categorized by Area Median Income bands – see Table 94. As an income-targeted program, this table illustrates the degree to which the goal of serving consumers in lower income communities is being met.

Table 94. Low Income Solar Lease Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[129]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	0	0%	0	0%	0.0	0%	61,168	7%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	101,640	12%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	151,346	17%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	216,988	25%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	350,196	40%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**881,338**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	0	0%	0	0%	0.0	0%	59,494	7%	0.0	$0.00	0.0
2013	60%-80%	0	0%	0	0%	0.0	0%	109,189	12%	0.0	$0.00	0.0
2013	80%-100%	0	0%	0	0%	0.0	0%	150,603	17%	0.0	$0.00	0.0
2013	100%-120%	0	0%	0	0%	0.0	0%	203,157	23%	0.0	$0.00	0.0
2013	>120%	0	0%	0	0%	0.0	0%	351,633	40%	0.0	$0.00	0.0
2013	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**874,076**	**100%**	**0.0**	**$0.00**	**0.0**
2014	<60%	0	0%	0	0%	0.0	0%	57,673	7%	0.0	$0.00	0.0
2014	60%-80%	0	0%	0	0%	0.0	0%	103,934	12%	0.0	$0.00	0.0
2014	80%-100%	0	0%	0	0%	0.0	0%	149,038	17%	0.0	$0.00	0.0
2014	100%-120%	0	0%	0	0%	0.0	0%	209,561	24%	0.0	$0.00	0.0
2014	>120%	0	0%	0	0%	0.0	0%	348,270	40%	0.0	$0.00	0.0
2014	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**868,476**	**100%**	**0.0**	**$0.00**	**0.0**
2015	<60%	3	75%	82,380	75%	0.0	76%	64,361	7%	0.0	$1.28	0.3
2015	60%-80%	0	0%	0	0%	0.0	0%	96,305	11%	0.0	$0.00	0.0
2015	80%-100%	0	0%	0	0%	0.0	0%	164,873	19%	0.0	$0.00	0.0
2015	100%-120%	0	0%	0	0%	0.0	0%	184,613	21%	0.0	$0.00	0.0
2015	>120%	1	25%	27,000	25%	0.0	24%	352,621	41%	0.0	$0.08	0.0
2015	**Total**	**4**	**100%**	**109,380**	**100%**	**0.0**	**100%**	**862,773**	**100%**	**0.0**	**$0.13**	**0.0**
2016	<60%	133	40%	3,738,342	40%	0.8	39%	64,361	7%	2.1	$58.08	12.8

[129] Excludes projects in unknown bands.

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner Occupied 1-4 Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2016	60%-80%	62	19%	1,791,093	19%	0.4	19%	96,305	11%	0.6	$18.60	4.1
2016	80%-100%	57	17%	1,684,711	18%	0.4	18%	164,873	19%	0.3	$10.22	2.3
2016	100%-120%	37	11%	1,019,326	11%	0.2	11%	184,613	21%	0.2	$5.52	1.2
2016	>120%	41	12%	1,216,881	13%	0.3	13%	352,621	41%	0.1	$3.45	0.8
2016	**Total**	**330**	**100%**	**9,450,354**	**100%**	**2.1**	**100%**	**862,773**	**100%**	**0.4**	**$10.95**	**2.4**
2017	<60%	240	38%	6,361,446	37%	1.4	36%	64,361	7%	3.7	$98.84	21.8
2017	60%-80%	129	21%	3,454,829	20%	0.8	20%	96,305	11%	1.3	$35.87	8.0
2017	80%-100%	116	19%	3,381,866	20%	0.7	19%	164,873	19%	0.7	$20.51	4.5
2017	100%-120%	52	8%	1,505,487	9%	0.3	9%	184,613	21%	0.3	$8.15	1.8
2017	>120%	90	14%	2,632,450	15%	0.6	15%	352,621	41%	0.3	$7.47	1.7
2017	**Total**	**627**	**100%**	**17,336,078**	**100%**	**3.8**	**100%**	**862,773**	**100%**	**0.7**	**$20.09**	**4.5**
Total	<60%	376	39%	10,182,168	38%	2.2	38%	64,361	7%	5.8	$158.20	34.9
Total	60%-80%	191	20%	5,245,922	20%	1.2	20%	96,305	11%	2.0	$54.47	12.1
Total	80%-100%	173	18%	5,066,577	19%	1.1	19%	164,873	19%	1.0	$30.73	6.8
Total	100%-120%	89	9%	2,524,813	9%	0.6	9%	184,613	21%	0.5	$13.68	3.1
Total	>120%	132	14%	3,876,331	14%	0.9	15%	352,621	41%	0.4	$10.99	2.5
Total	**Total**	**961**	**100%**	**26,895,812**	**100%**	**6.0**	**100%**	**862,773**	**100%**	**1.1**	**$31.17**	**6.9**

Table 95. Low Income Solar Lease Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[130]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2013	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2014	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2015	4	1	3	75%	0.0	0.0	0.0	76%	$109,380	$27,000	$82,380	75%
2016	330	78	252	76%	2.1	0.5	1.6	76%	$9,450,354	$2,236,208	$7,214,146	76%
2017	627	142	485	77%	3.8	0.9	2.9	76%	$17,336,078	$4,137,937	$13,198,141	76%
Total	**961**	**221**	**740**	**77%**	**6.0**	**1.4**	**4.5**	**76%**	**$26,895,812**	**$6,401,145**	**$20,494,667**	**76%**

[130] Excludes projects in unknown bands.

The Green Bank has made great progress in its penetration of underserved markets and the low-income lease and ESA through Posigen has been key to reaching these markets.

Distressed Community Penetration

For a breakdown of Low-Income Solar Lease project volume and investment by census tracts categorized by Distressed Communities – see Table 96. As an income-targeted program, this table illustrates the degree to which the goal of serving consumers in lower income communities is being met.

Table 96. Low Income Solar Lease Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	0	0%	$0	0%	0.0	0%	1,124,337	31%	$0.00	0.0	428,395	31%	$0.00	$0.00
2013	No	0	0%	$0	0%	0.0	0%	2,449,760	69%	$0.00	0.0	942,692	69%	$0.00	$0.00
2013	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2014	Yes	0	0%	$0	0%	0.0	0%	1,104,894	31%	$0.00	0.0	420,721	31%	$0.00	$0.00
2014	No	0	0%	$0	0%	0.0	0%	2,469,203	69%	$0.00	0.0	950,366	69%	$0.00	$0.00
2014	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2015	Yes	2	50%	$49,500	45%	0.0	44%	1,123,207	31%	$0.04	0.0	429,250	31%	$0.12	$0.03
2015	No	2	50%	$59,880	55%	0.0	56%	2,450,890	69%	$0.02	0.0	941,837	69%	$0.06	$0.01
2015	**Total**	**4**	**100%**	**$109,380**	**100%**	**0.0**	**100%**	**3,574,097**	**100%**	**$0.03**	**0.0**	**1,371,087**	**100%**	**$0.08**	**$0.02**
2016	Yes	193	58%	$5,501,159	58%	1.2	58%	1,167,312	33%	$4.71	1.0	445,638	33%	$12.34	$2.74
2016	No	137	42%	$3,949,195	42%	0.9	42%	2,406,785	67%	$1.64	0.4	925,449	67%	$4.27	$0.96
2016	**Total**	**330**	**100%**	**$9,450,354**	**100%**	**2.1**	**100%**	**3,574,097**	**100%**	**$2.64**	**0.6**	**1,371,087**	**100%**	**$6.89**	**$1.54**
2017	Yes	375	60%	$10,186,435	59%	2.2	59%	1,167,312	33%	$8.73	1.9	445,638	33%	$22.86	$5.04
2017	No	252	40%	$7,149,643	41%	1.6	41%	2,406,785	67%	$2.97	0.7	925,449	67%	$7.73	$1.72
2017	**Total**	**627**	**100%**	**$17,336,078**	**100%**	**3.8**	**100%**	**3,574,097**	**100%**	**$4.85**	**1.1**	**1,371,087**	**100%**	**$12.64**	**$2.80**
Total	Yes	570	59%	$15,737,094	59%	3.5	58%	1,167,312	33%	$13.48	3.0	445,638	33%	$35.31	$7.81
Total	No	391	41%	$11,158,718	41%	2.5	42%	2,406,785	67%	$4.64	1.0	925,449	67%	$12.06	$2.69
Total	**Total**	**961**	**100%**	**$26,895,812**	**100%**	**6.0**	**100%**	**3,574,097**	**100%**	**$7.53**	**1.7**	**1,371,087**	**100%**	**$19.62**	**$4.36**

Societal Impacts

Ratepayers in Connecticut are starting to feel the impact of the societal benefits of the Green Bank's Low-Income Solar Lease. Over the course of its existence, the program has supported the creation of 187 job years, avoided the lifetime emission of 95,586 tons of carbon dioxide, 97,860 pounds of nitrous oxide, 69,888 pounds of sulfur oxide, and 8,397 pounds of particulate matter as illustrated by Tables 97 and 98.

Table 97. Low Income Solar Lease Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	-	-	0	35	42	77
Indirect and Induced	-	-	-	1	56	54	111
Total	-	-	-	**1**	**90**	**96**	**187**

Table 98. Low Income Solar Lease Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	-	-	16	1,348	2,459	3,823
Lifetime	-	-	-	400	33,706	61,479	95,586
NOx Savings (pounds)							
Annual	-	-	-	16	1,381	2,517	3,914
Lifetime	-	-	-	410	34,520	62,930	97,860
SOx Savings (pounds)							
Annual	-	-	-	12	987	1,797	2,796
Lifetime	-	-	-	292	24,676	44,920	69,888
PM 2.5 (pounds)							
Annual	-	-	-	1	118	216	336
Lifetime	-	-	-	35	2,961	5,401	8,397

Financial Performance

To date there have been no defaults and as of 7/31/2017[131] there are 18 delinquencies totaling $337,138 or 1.3% of the portfolio, well within expectations for a low-to-moderate income targeted using an alternative underwriting approach.

Marketing

To build the pipeline of projects for the lease, Connecticut Green Bank supports PosiGen's community-based marketing campaigns, leveraging the institution's market analysis and local experience and connections. The Green Bank also co-brands the program so partnering community organizations and consumers know there is governmental involvement, especially critical given the targeting of underserved communities and homeowners. This includes assisting with PosiGen's outreach efforts through its Solar for All campaigns which are modeled after Green Bank Solarize campaigns.

[131] June 30, 2017 loan servicing report is not available.

Case 6 – Multifamily Programs

Description

Defined as buildings with 5 or more units, the Green Bank provides a suit of financing options that support property owners to assess, design, fund, and monitor high impact green energy upgrades for multifamily properties. The Green Bank encourages owners to take a holistic approach to their buildings by implementing energy upgrades that will deliver a high return on investment over the long term through energy and operating cost savings, increased property values, and improvement of resident health and safety and living environment. The organization partners with building owners to finance a project design approach that is both technology and fuel agnostic – whereby owners identify the combination of renewable energy and energy efficiency measures/technology approaches that will deliver the most benefits and highest impact. This holistic approach and focus on deeper efficiency measures is particularly important in Connecticut due to the state's old and aging housing stock need for significant capital improvements and health and safety remediation, as well as a state budget crisis that impacts the housing sector. We are catalyzing holistic projects that reap the benefits of significant energy and operating cost savings, which can be used to finance other capital improvements like full roof replacements and remediation of mold, asbestos, lead, etc.

The Green Bank programs primarily target the low- and moderate-income market in Connecticut but are also available to market rate properties as well, for all ownership types, including private and non-profit owned apartments, condominiums, cooperatives, and state and federally funded affordable housing developments, including senior and assisted living facilities.

Pre-development resources

In a traditionally difficult sector to address, multifamily projects have a significant need for pre-development financing, trusted technical support, and streamlined access to funding programs. In 2015, the Green Bank developed pre-development energy loan programs to support property owners in identifying high-quality technical assistance providers, and fund the work needed to scope and secure financing for deeper, cost effective energy upgrades. There are two versions available – a high-touch version, the "Sherpa Loan" program, and an owner-managed version, the "Navigator Loan" program. Eligible assessment and design services funded under the pre-development loans include energy and water efficiency, efficient fuel conversion, renewable energy systems, energy storage and EV fueling stations, qualified health and safety measures, and performance benchmarking.

The Green Bank is working to change the model of pre-development and technical assistance from one that is primarily grant-funded in the low- and moderate-income housing space to one that is loan driven. Both loan programs include loan forgiveness provisions that allow owners the opportunity to have deferred and accrued costs forgiven if there are real physical and/or financial reasons a given project is unable to proceed to implementation (including, but not limited to, negative return-on-investment from improvements, prohibitive health and safety burden, etc.).

This program is supported by a revolving loan fund for loans of 0.0% to 2.99% and up to two-year terms. The affordable multifamily version of this program is housed at the Housing

Development Fund, a local CDFI, and part of a $5 million program-related investment from the MacArthur Foundation used to support the program. Additionally, $1,000,000 of Green Bank funds are available.

- ***Sherpa Pre-Development Energy Loan***[132] funds a low-risk, one-stop solution for owners to analyze, design, and acquire funding for energy upgrades through a process managed by the Green Bank's designated technical service provider, the non-profit New Ecology, Inc.

- ***Navigator Pre-Development Energy Loan***[133] funds pre-development costs for building owners who prefer to select and manage the energy professionals needed to scope and design their project.

- ***BenchmarkCT***[134] is a performance assessment resource that provides one year of free energy benchmarking to measure the performance of a property or portfolio of properties against comparable buildings. The program is jointly funded by Green Bank and the Connecticut Housing Finance Authority.

Term Financing Solutions

- The Green Bank offers the following term financing options for project implementation[135]. ***Low Income Multifamily Energy (LIME) Loan***[136] funds energy improvement projects for low- and moderate-income properties (where at least 60% of units serve renters at 80% or lower of Area Median Income) and is geared towards mid-cycle energy improvements. The LIME Loan program is delivered through a partnership with Capital for Change, a local CDFI (formerly known as Connecticut Housing Investment Fund) and provides unsecured loans that cover 100% of project costs, require no money down, and are repaid from energy cost savings for terms up to 20 years. Projected energy savings are used to cover the debt service of the loan. The Green Bank supports LIME with a $325,000 loan loss reserve and provided $3.5 million to capitalize the initial $5 million loan fund.

- ***Solar-only***[137] financing allows owners to go solar and lock in lower long-term electricity rates with no upfront cost and without the risk or hassle of purchasing and maintaining a system. Solar financing is available for multifamily properties through the Green Bank's solar lease facility (both leases and power purchase agreements are supported). See the Case 2 – Solar Lease for more information. Of particular note is the Multifamily Program's partnership with CHFA and their State Sponsored Housing Portfolio, a Solarize-style group

[132] Sherpa Pre-Development Loan: http://www.ctgreenbank.com/wp-content/uploads/2017/03/Sherpa_Loan_web.pdf
[133] Navigator Pre-Development Energy Loan: http://www.ctgreenbank.com/wp-content/uploads/2017/03/Navigator_Loan_web.pdf
[134] BenchmarkCT: http://www.wegowise.com/benchmarkct
[135] Owners are also encouraged to seek other sources of capital if they can be secured under more favorable terms than those offered by the Green Bank.
[136] Low Income Multifamily Energy (LIME) Loan: http://ctgreenbank.com/wp-content/uploads/2017/02/LIME-Loan-program-sheet.pdf
[137] Solar Power Purchase Agreement: http://ctgreenbank.com/wp-content/uploads/2017/02/Solar-PPA-program-sheet.pdf

purchasing model to increase deployment and drive down aggregate solar PV costs on housing authorities.

- ***Commercial Property Assessed Clean Energy***[138] (C-PACE) funds 100% of project costs with no money down. C-PACE loans are for a term of up to 20 years, and are secured by using a benefit assessment on the borrower's property tax bill. The program serves market rate as well as affordable multifamily properties; however, to-date, given difficulties acquiring lender consent, multifamily C-PACE financing has been limited, however, the Green Bank was pleased to see HUD issue guidance in 2017 that would allow C-PACE on HUD financed affordable multifamily properties. See Case 1 – C-PACE for more information.

- ***Catalyst Financing***[139] is available for gap and health and safety financing to help spur implementation of energy improvements if adequate funds for merited projects cannot be secured from the programs here or other sources. The program is funded in part, by the MacArthur Foundation's $5 million program-related investment housed at the Housing Development Fund, as well as $1.5 million of Green Bank balance sheet funds, as well as $1.5 million in RGGI funds provide by DEEP to the Green Bank for energy-related health and safety remediation.

Key Performance Indicators

The Key Performance Indicators for Multifamily programs closed activity are reflected in Tables 99 through 101. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 99. Multifamily Project Types and Investment by FY Closed

Fiscal Year Closed	EE	RE	RE/EE	# Projects	# Project Units	Amount Financed	Investment (Gross Cost)[140]	Green Bank Investment[141]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014			1	1	120	$250,000	$420,000	$9,367	$420,000	44.8
2015	1	2	3	6	368	$5,022,454	$5,388,362	$3,527,840	$1,871,101	1.5
2016	2	17	12	31	1,769	$14,677,683	$15,313,030	$1,473,342	$14,008,165	10.4
2017		8	10	18	1,345	$17,822,430	$19,017,556	$349,467	$18,798,986	54.4
Total	**3**	**27**	**26**	**56**	**3,602**	**$37,772,568**	**$40,138,948**	**$5,360,015**	**$35,098,252**	**7.5**

[138] Commercial Property Assessed Clean Energy: http://www.CPACE.com/
[139] Catalyst Financing: http://ctgreenbank.com/programs/multifamily/catalyst-fund/
[140] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[141] Includes incentives, interest rate buydowns and loan loss reserves.

Table 100. Multifamily Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-
2014	0.0	0	0	0	0	$69,534	
2015	914.0	3,943,030	97,540	13,454	332,806	$433,542	
2016	1,429.8	1,904,598	44,023	6,498	150,207	$531,183	
2017	1,010.6	1,150,883	28,772	3,927	98,170	$375,183	
Total	**3,354.5**	**6,998,511**	**170,335**	**23,879**	**581,183**	**$1,409,443**	

Table 101. Multifamily Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Amount Financed per Unit	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average Finance Rate
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-
2014	$420,000	$250,000	$2,083	0.0	0	9	0.00
2015	$898,060	$837,076	$13,648	152.3	2,242	10	3.34
2016	$493,969	$473,474	$8,297	46.1	210	12	5.94
2017	$1,056,531	$990,135	$13,251	56.1	218	13	4.98
Total	**$716,767**	**$674,510**	**$10,487**	**59.9**	**426**	**12**	**4.88**

As the Green Bank's Multifamily programs are partially income-targeted, Table 102 shows a breakdown of projects completed in a year by property type and reflects the number of units impacted.

Table 102. Multifamily Projects by Low to Moderate Income (LMI) or Market Rate Property by FY Closed

Fiscal Year Closed	Class	Product	# of Projects	# Units
2014	LMI	Term	1	120
	Total		**1**	**120**
2015	LMI	Term	5	286
	Market Rate	Term	1	82
	Total		**6**	**368**
2016	LMI	Pre-Dev	4	131
		Term	26	1,447
	Market Rate	Term	1	191
	Total		**31**	**1,769**
2017	LMI	Pre-Dev	3	135
		Term	14	1,110
	Market Rate	Pre-Dev	1	100
	Total		**18**	**1,345**
Total	LMI	Pre-Dev	7	266
	LMI	Term	46	2,963
	Market Rate	Pre-Dev	1	100
	Market Rate	Term	7	273
Total			**56**	**3,602**

Area Median Income Band Penetration

For a breakdown of Multifamily volume and investment by census tracts categorized by Area Median Income bands – see Table 103. As a program predominantly focused on properties that serve low-to-moderate income residents, this table doesn't reflect the degree to which the goal of serving lower income residents is being met. The program is equally focused on affordable housing properties located in more affluent communities and census tracts that are housing families of lower incomes as it is on affordable housing properties in lower income census tracts.

Table 103. Multifamily Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[142]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner/Rental Occupied 5+ Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	0	0%	0	0%	0.0	0%	70,561	35%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	43,788	22%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	39,234	20%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	27,834	14%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	19,133	10%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**200,550**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	0	0%	0	0%	0.0	0%	68,381	35%	0.0	$0.00	0.0
2013	60%-80%	0	0%	0	0%	0.0	0%	45,202	23%	0.0	$0.00	0.0
2013	80%-100%	0	0%	0	0%	0.0	0%	39,451	20%	0.0	$0.00	0.0
2013	100%-120%	0	0%	0	0%	0.0	0%	25,294	13%	0.0	$0.00	0.0
2013	>120%	0	0%	0	0%	0.0	0%	19,303	10%	0.0	$0.00	0.0
2013	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**197,631**	**100%**	**0.0**	**$0.00**	**0.0**
2014	<60%	0	0%	0	0%	0.0	0%	68,722	35%	0.0	$0.00	0.0
2014	60%-80%	0	0%	0	0%	0.0	0%	44,830	23%	0.0	$0.00	0.0
2014	80%-100%	120	100%	420,000	100%	0.0	0%	36,752	18%	3.3	$11.43	0.0
2014	100%-120%	0	0%	0	0%	0.0	0%	28,263	14%	0.0	$0.00	0.0
2014	>120%	0	0%	0	0%	0.0	0%	20,384	10%	0.0	$0.00	0.0
2014	**Total**	**120**	**100%**	**420,000**	**100%**	**0.0**	**0%**	**198,951**	**100%**	**0.6**	**$2.11**	**0.0**

[142] Excludes projects in unknown bands.

CONNECTICUT GREEN BANK
5. PROGRAMS – MULTIFAMILY PROGRAMS

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Owner/Rental Occupied 5+ Unit Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2015	<60%	16	4%	31,302	1%	0.0	0%	84,158	37%	0.2	$0.37	0.0
2015	60%-80%	1	0%	0	0%	0.0	0%	44,668	19%	0.0	$0.00	0.0
2015	80%-100%	113	31%	540,000	10%	0.0	0%	53,494	23%	2.1	$10.09	0.0
2015	100%-120%	16	4%	52,060	1%	0.0	2%	24,388	11%	0.7	$2.13	0.6
2015	>120%	222	60%	4,765,000	88%	0.9	98%	23,491	10%	9.5	$202.84	38.3
2015	**Total**	**368**	**100%**	**5,388,362**	**100%**	**0.9**	**100%**	**230,199**	**100%**	**1.6**	**$23.41**	**4.0**
2016	<60%	289	19%	1,769,231	12%	0.1	7%	84,158	37%	3.4	$21.02	1.0
2016	60%-80%	194	12%	1,177,394	8%	0.1	12%	44,668	19%	4.3	$26.36	3.0
2016	80%-100%	569	37%	6,718,681	47%	0.6	48%	53,494	23%	10.6	$125.60	10.5
2016	100%-120%	421	27%	4,601,498	32%	0.3	30%	24,388	11%	17.3	$188.68	14.1
2016	>120%	84	5%	177,796	1%	0.0	4%	23,491	10%	3.6	$7.57	1.9
2016	**Total**	**1,557**	**100%**	**14,444,600**	**100%**	**1.2**	**100%**	**230,199**	**100%**	**6.8**	**$62.75**	**5.1**
2017	<60%	537	43%	11,989,255	68%	0.3	30%	84,158	37%	6.4	$142.46	3.6
2017	60%-80%	315	25%	3,723,571	21%	0.2	24%	44,668	19%	7.1	$83.36	5.4
2017	80%-100%	100	8%	6,450	0%	0.0	0%	53,494	23%	1.9	$0.12	0.0
2017	100%-120%	255	21%	1,432,225	8%	0.3	29%	24,388	11%	10.5	$58.73	11.9
2017	>120%	32	3%	595,320	3%	0.2	17%	23,491	10%	1.4	$25.34	7.4
2017	**Total**	**1,239**	**100%**	**17,746,821**	**100%**	**1.0**	**100%**	**230,199**	**100%**	**5.4**	**$77.09**	**4.4**
Total	<60%	842	26%	13,789,788	36%	0.4	12%	84,158	37%	10.0	$163.86	4.6
Total	60%-80%	510	16%	4,900,965	13%	0.4	12%	44,668	19%	11.4	$109.72	8.4
Total	80%-100%	902	27%	7,685,131	20%	0.6	18%	53,494	23%	16.9	$143.66	10.5
Total	100%-120%	692	21%	6,085,783	16%	0.6	21%	24,388	11%	28.4	$249.54	26.5
Total	>120%	338	10%	5,538,116	15%	1.1	36%	23,491	10%	14.4	$235.75	47.7
Total	**Total**	**3,284**	**100%**	**37,999,783**	**100%**	**3.1**	**100%**	**230,199**	**100%**	**14.3**	**$165.07**	**13.4**

Table 104. Multifamily Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[143]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**	**Total**	**Over 100% AMI**	**100% or Below AMI**	**% at 100% or Below**
2012	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2013	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2014	120	0	120	100%	0.0	0.0	0.0	0%	$420,000	$0	$420,000	100%
2015	368	238	130	35%	0.9	0.9	0.0	0%	$5,388,362	$4,817,060	$571,302	11%
2016	1,557	505	1,052	68%	1.2	0.4	0.8	67%	$14,444,600	$4,779,294	$9,665,306	67%
2017	1,239	287	952	77%	1.0	0.5	0.5	54%	$17,746,821	$2,027,545	$15,719,276	89%
Total	**3,284**	**1,030**	**2,254**	**69%**	**3.1**	**1.8**	**1.3**	**43%**	**$37,999,783**	**$11,623,899**	**$26,375,884**	**69%**

[143] Excludes projects in unknown bands.

Distressed Community Penetration

For a breakdown of Multifamily project volume and investment by census tracts categorized by Distressed Communities – see Table 105. As a program predominantly focused on properties that serve low-to-moderate income residents, this table doesn't reflect the degree to which the goal of serving lower income residents is being met. The program is equally focused on affordable housing properties located in more affluent communities and census tracts that are housing families of lower incomes as it is on affordable housing properties in lower income census tracts.

Table 105. Multifamily Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	0	0%	$0	0%	0.0	0%	1,124,337	31%	$0.00	0.0	428,395	31%	$0.00	$0.00
2013	No	0	0%	$0	0%	0.0	0%	2,449,760	69%	$0.00	0.0	942,692	69%	$0.00	$0.00
2013	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2014	Yes	0	0%	$0	0%	0.0	0%	1,104,894	31%	$0.00	0.0	420,721	31%	$0.00	$0.00
2014	No	120	100%	$420,000	100%	0.0	0%	2,469,203	69%	$0.17	0.0	950,366	69%	$0.44	$0.00
2014	**Total**	**120**	**100%**	**$420,000**	**100%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.12**	**0.0**	**1,371,087**	**100%**	**$0.31**	**$0.00**
2015	Yes	211	57%	$5,271,302	98%	0.9	98%	1,123,207	31%	$4.69	0.8	429,250	31%	$12.28	$2.10
2015	No	157	43%	$117,060	2%	0.0	2%	2,450,890	69%	$0.05	0.0	941,837	69%	$0.12	$0.01
2015	**Total**	**368**	**100%**	**$5,388,362**	**100%**	**0.9**	**100%**	**3,574,097**	**100%**	**$1.51**	**0.3**	**1,371,087**	**100%**	**$3.93**	**$0.67**
2016	Yes	321	18%	$1,932,553	13%	0.4	28%	1,167,312	33%	$1.66	0.3	445,638	33%	$4.34	$0.89
2016	No	1,448	82%	$13,380,477	87%	1.0	72%	2,406,785	67%	$5.56	0.4	925,449	67%	$14.46	$1.12
2016	**Total**	**1,769**	**100%**	**$15,313,030**	**100%**	**1.4**	**100%**	**3,574,097**	**100%**	**$4.28**	**0.4**	**1,371,087**	**100%**	**$11.17**	**$1.04**
2017	Yes	497	37%	$12,020,088	63%	0.3	25%	1,167,312	33%	$10.30	0.2	445,638	33%	$26.97	$0.57
2017	No	848	63%	$6,997,468	37%	0.8	75%	2,406,785	67%	$2.91	0.3	925,449	67%	$7.56	$0.82
2017	**Total**	**1,345**	**100%**	**$19,017,556**	**100%**	**1.0**	**100%**	**3,574,097**	**100%**	**$5.32**	**0.3**	**1,371,087**	**100%**	**$13.87**	**$0.74**
Total	Yes	1,029	29%	$19,223,943	48%	1.5	46%	1,167,312	33%	$16.47	1.3	445,638	33%	$43.14	$3.48
Total	No	2,573	71%	$20,915,005	52%	1.8	54%	2,406,785	67%	$8.69	0.7	925,449	67%	$22.60	$1.95
Total	**Total**	**3,602**	**100%**	**$40,138,948**	**100%**	**3.4**	**100%**	**3,574,097**	**100%**	**$11.23**	**0.9**	**1,371,087**	**100%**	**$29.28**	**$2.45**

Societal Impacts

While the programs are in their infancy, the Green Bank's Multifamily Programs are starting to deliver societal impact to Connecticut ratepayers. Over the course of its existence, the program has supported the creation of 77 job years, avoided the lifetime emission of 91,665 tons of carbon dioxide, 84,487 pounds of nitrous oxide, 69,445 pounds of sulfur oxide, and 3,643 pounds of particulate matter as illustrated by Tables 106 and 107.

Table 106. Multifamily Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	-	-	18	10	2	30
Indirect and Induced	-	-	-	29	16	3	47
Total	-	-	-	**47**	**25**	**5**	**77**

Table 107. Multifamily Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	-	-	2,051	1,072	647	3,771
Lifetime	-	-	-	50,713	24,768	16,174	91,655
NOx Savings (pounds)							
Annual	-	-	-	1,726	1,114	662	3,502
Lifetime	-	-	-	42,381	25,551	16,555	84,487
SOx Savings (pounds)							
Annual	-	-	-	1,587	849	473	2,908
Lifetime	-	-	-	38,744	18,883	11,818	69,445
PM 2.5 (pounds)							
Annual	-	-	-	4	93	57	154
Lifetime	-	-	-	63	2,159	1,421	3,643

Financial Performance

To date there have been no defaults and as of 6/30/2017 there are no delinquencies.

Marketing

The Green Bank multifamily programs are built on partnerships with key housing organizations in Connecticut that support us in marketing, outreach, demonstration, and education programs to build awareness and customer demand by property owners. Our approach is to leverage and collaborate with these well-established organizations, building on their initiatives and programs, as we work to scale and "mainstream" holistic clean energy improvements in the multifamily sector. Key partners include the Connecticut Housing Coalition, Department of Housing, Connecticut Housing Finance Authority and the HUD Connecticut Field Office, as well as the utility companies. These organizations partner with us at conferences as well as other outreach and education activities organized by the Green Bank.

We also do direct outreach to property owners through a sales consultant who has a strong network of relationships with multifamily property owners and managers.

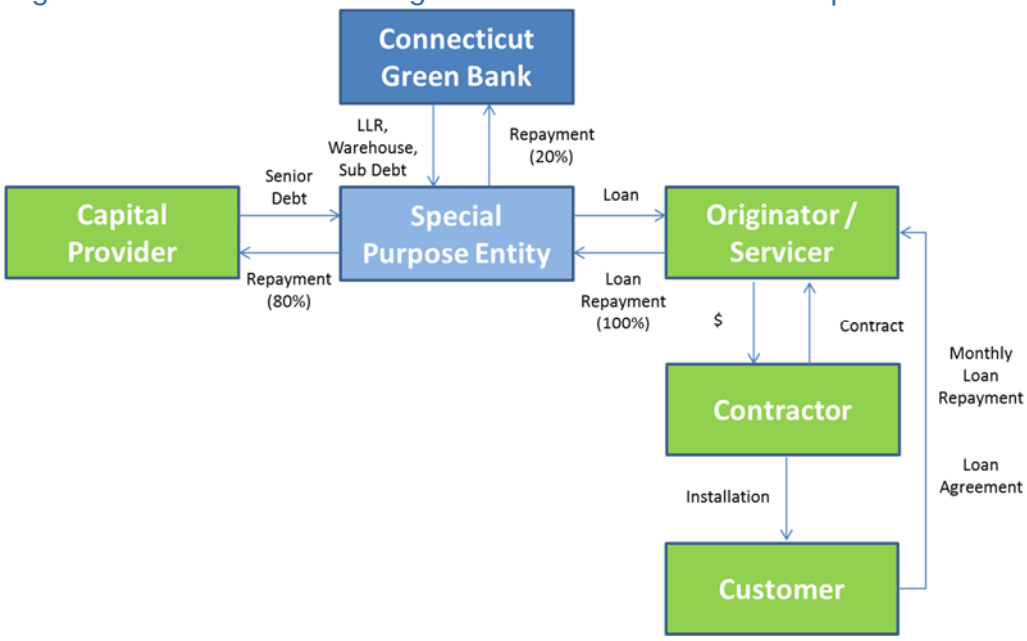
In 2017 we established a Multifamily Peer-to-Peer network where advanced practitioners, including owners, developers, architects, professional service providers and funders, gather on a monthly basis to exchange information and discuss their projects – with the goal of building greater professional capacity in the sector and awareness of Green Bank programs.

Case 7 – CT Solar Loan (Graduated)

Description

The Connecticut Solar Loan was a $5 million pilot public-private partnership between the Green Bank and Sungage Financial resulting in the first crowd-funded solar loan program in the country. It was the first of the Green Bank's ventures to be retired and graduated from the Green Bank's funding to a $100 million pool of capital from the Digital Federal Credit Union to enable citizens to own solar PV systems installed on their homes.

Figure 11. CT Solar Loan Legal Structure and Flows of Capital



The CT Solar Loan yields an appropriate rate of return to the capital providers commensurate with the risks they are taking, provided 19 contractors with an important sales tool, and gave nearly 300 customers the ability to own solar PV through low-interest and long-term financing along with access to the federal ITC and state incentives (i.e., the RSIP Expected Performance Based Buydown). Of the $6.0 million invested by the Connecticut Green Bank into the CT Solar Loan, $1.0 million has been sold to the crowd-funding platform Mosaic, $2.6 million to a Community Development Financial Institution in The Reinvestment Fund, and the remaining is on the balance sheet of the Connecticut Green Bank.

In structuring the solar loan product, the Green Bank's objective was to enable homeowners of varying financial means to own their own solar PV systems. Prior to the CT Solar Loan's creation, a homeowner would need to use their own savings or their own home equity (most often though a home equity line of credit) to pay for the system, which, at that time, often required an investment exceeding $25,000. The requirement for such a level of personal financial resources dramatically constrained the "ownership" market for solar PV. So, the Green Bank with its partner Sungage Financial, developed the CT Solar Loan which made 15-year financing available at affordable interest rates without the need to have a lien on the home or limit the purchase to certain manufacturers who offered financing solely for their panels. In

developing the CT Solar Loan, the Green Bank had to overcome the risk of being unable to sell the loans to private investors which would have tied up capital resources of the Green Bank and limited its ability to deploy investment of additional clean energy. Ultimately, the Green Bank became confident that a sufficient rate of return could be offered to enable the investments to "clear" the market without a discount (or loss) to the Green Bank. The combination of crowdsourced funding and a structured private placement enabled the Green Bank to sell the investments with recourse limited to the underlying consumer loans as well as a limited loan loss reserve using American Recovery and Reinvestment Act funds from the US Department of Energy.

The CT Solar Loan was the Connecticut Green Bank's first residential product graduation. It started off being the first crowd-funded residential solar PV transaction with Sungage Financial through Mosaic.[144] And then it graduated to a partnership between Sungage Financial and Digital Federal Credit Union – with no resources from the Connecticut Green Bank.[145] The loan offering from Sungage Financial now includes 5, 10, and 20 year maturity terms at affordable interest rates and is being offered in California, Florida, Massachusetts, New Jersey, New York, and Texas – along with solar PV contractors in Connecticut.

Key Performance Indicators

The Key Performance Indicators for the CT Solar Loan closed activity are reflected in Tables 108 through 111. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 108. CT Solar Loan Project Types and Investment by FY Closed

Fiscal Year Closed	EE[146]	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[147]	Green Bank Investment[148]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-
2013	-	3	-	3	3	$86,899	$5,025	$86,899	17.3
2014	-	140	-	140	140	$4,229,733	$232,100	$4,229,733	18.2
2015	-	136	-	136	136	$4,279,512	$222,549	$4,279,512	19.2
2016	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
Total		**279**		**279**	**279**	**$8,596,143**	**$459,674**	**$8,596,143**	**18.7**

[144] http://www.businesswire.com/news/home/20140206005031/en/Sungage-Financial-CEFIA-Mosaic-Announce-5-Million#.VgRTgVIXL4Y
[145] http://www.ctgreenbank.com/ct-solar-loan-partner-graduates-connecticut-green-bank/
[146] All projects that receive an RSIP incentive are required to do an energy audit/assessment.
[147] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[148] Includes incentives, interest rate buydowns and loan loss reserves.

Table 109. CT Solar Loan Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Cost Savings	Lifetime Cost Savings
2012	-	-	-	-	-	-	-
2013	17.0	19,407	485	66	1,655	$3,596	$89,910
2014	1,107.9	1,261,626	31,541	4,305	107,617	$167,832	$4,195,800
2015	1,068.2	1,216,503	30,413	4,151	103,768	$163,037	$4,075,920
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
Total	**2,193.1**	**2,497,536**	**62,438**	**8,522**	**213,040**	**$334,465**	**$8,361,630**

Table 110. CT Solar Loan Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)	Average Finance Term (months)	Average Finance Rate	Average DTI	Average FICO Score
2012	-	-	-	-	-	-	-	-
2013	$28,966	$19,658	5.7	22	180	5.58	0	758
2014	$30,212	$19,819	7.9	31	180	5.57	0	771
2015	$31,467	$22,942	7.9	31	180	3.34	0	771
2016	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-
Total	$30,811	$21,340	7.9	31	180	4.48	0	771

Table 111. CT Solar Loan Project Application Yield[149] by FY Received

Fiscal Year Received	Applications Received	Applications Approved	Applications Withdrawn	Applications Denied	Approved Rate	Denied Rate
2012	-	-	-	-	-	-
2013	14	12	5	2	86%	14%
2014	284	217	54	67	76%	24%
2015	164	146	37	18	89%	11%
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
Total	**462**	**375**	**96**	**87**	**81%**	**19%**

[149] Applications received are applications submitted to Sungage Financial (servicer of the CT Solar Loan) for credit approval. Applications approved are applications that have met the credit requirements for the program and can move to loan closing, pending formal technical approval of the solar equipment by the Residential Solar Investment Program. Applications withdrawn are applications that have been cancelled by the submitter due to the project not moving forward. Applications denied are applications that are not approved because the customer does not meet underwriting requirements.

Area Median Income Band Penetration

For a breakdown of the CT Solar Loan volume and investment by census tracts categorized by Area Median Income bands – see Table 112. It should be noted that the CT Solar Loan is not an income-targeted program.

Table 112. CT Solar Loan Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands by FY Closed[150]

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2012	<60%	0	0%	0	0%	0.0	0%	61,168	7%	0.0	$0.00	0.0
2012	60%-80%	0	0%	0	0%	0.0	0%	101,640	12%	0.0	$0.00	0.0
2012	80%-100%	0	0%	0	0%	0.0	0%	151,346	17%	0.0	$0.00	0.0
2012	100%-120%	0	0%	0	0%	0.0	0%	216,988	25%	0.0	$0.00	0.0
2012	>120%	0	0%	0	0%	0.0	0%	350,196	40%	0.0	$0.00	0.0
2012	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**881,338**	**100%**	**0.0**	**$0.00**	**0.0**
2013	<60%	0	0%	0	0%	0.0	0%	59,494	7%	0.0	$0.00	0.0
2013	60%-80%	1	33%	32,100	37%	0.0	31%	109,189	12%	0.0	$0.29	0.0
2013	80%-100%	0	0%	0	0%	0.0	0%	150,603	17%	0.0	$0.00	0.0
2013	100%-120%	1	33%	36,574	42%	0.0	47%	203,157	23%	0.0	$0.18	0.0
2013	>120%	1	33%	18,225	21%	0.0	22%	351,633	40%	0.0	$0.05	0.0
2013	**Total**	**3**	**100%**	**86,899**	**100%**	**0.0**	**100%**	**874,076**	**100%**	**0.0**	**$0.10**	**0.0**
2014	<60%	1	1%	8,273	0%	0.0	0%	57,673	7%	0.0	$0.14	0.0
2014	60%-80%	3	2%	84,771	2%	0.0	2%	103,934	12%	0.0	$0.82	0.2
2014	80%-100%	24	17%	597,628	14%	0.2	14%	149,038	17%	0.2	$4.01	1.1
2014	100%-120%	49	35%	1,542,441	36%	0.4	37%	209,561	24%	0.2	$7.36	2.0
2014	>120%	63	45%	1,996,620	47%	0.5	47%	348,270	40%	0.2	$5.73	1.5
2014	**Total**	**140**	**100%**	**4,229,733**	**100%**	**1.1**	**100%**	**868,476**	**100%**	**0.2**	**$4.87**	**1.3**
2015	<60%	1	1%	20,835	0%	0.0	0%	64,361	7%	0.0	$0.32	0.1
2015	60%-80%	10	7%	269,810	6%	0.1	6%	96,305	11%	0.1	$2.80	0.7
2015	80%-100%	18	13%	570,355	13%	0.1	13%	164,873	19%	0.1	$3.46	0.8
2015	100%-120%	30	22%	960,907	22%	0.2	23%	184,613	21%	0.2	$5.20	1.3
2015	>120%	77	57%	2,457,604	57%	0.6	58%	352,621	41%	0.2	$6.97	1.8
2015	**Total**	**136**	**100%**	**4,279,512**	**100%**	**1.1**	**100%**	**862,773**	**100%**	**0.2**	**$4.96**	**1.2**
2016	<60%	0	0%	0	0%	0.0	0%	64,361	7%	0.0	$0.00	0.0
2016	60%-80%	0	0%	0	0%	0.0	0%	96,305	11%	0.0	$0.00	0.0

[150] Excludes projects in unknown bands.

Fiscal Year Closed	MSA AMI Band	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	Total Households	% Total Household Distribution	Project Units / 1,000 Total Households	Investment / Total Household	Watts / Total Household
2016	80%-100%	0	0%	0	0%	0.0	0%	164,873	19%	0.0	$0.00	0.0
2016	100%-120%	0	0%	0	0%	0.0	0%	184,613	21%	0.0	$0.00	0.0
2016	>120%	0	0%	0	0%	0.0	0%	352,621	41%	0.0	$0.00	0.0
2016	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**862,773**	**100%**	**0.0**	**$0.00**	**0.0**
2017	<60%	0	0%	0	0%	0.0	0%	64,361	7%	0.0	$0.00	0.0
2017	60%-80%	0	0%	0	0%	0.0	0%	96,305	11%	0.0	$0.00	0.0
2017	80%-100%	0	0%	0	0%	0.0	0%	164,873	19%	0.0	$0.00	0.0
2017	100%-120%	0	0%	0	0%	0.0	0%	184,613	21%	0.0	$0.00	0.0
2017	>120%	0	0%	0	0%	0.0	0%	352,621	41%	0.0	$0.00	0.0
2017	**Total**	**0**	**0%**	**0**	**0%**	**0.0**	**0%**	**862,773**	**100%**	**0.0**	**$0.00**	**0.0**
Total	<60%	2	1%	29,108	0%	0.0	0%	64,361	7%	0.0	$0.45	0.1
Total	60%-80%	14	5%	386,681	4%	0.1	4%	96,305	11%	0.1	$4.02	0.9
Total	80%-100%	42	15%	1,167,983	14%	0.3	14%	164,873	19%	0.3	$7.08	1.8
Total	100%-120%	80	29%	2,539,922	30%	0.7	30%	184,613	21%	0.4	$13.76	3.6
Total	>120%	141	51%	4,472,449	52%	1.1	52%	352,621	41%	0.4	$12.68	3.2
Total	**Total**	**279**	**100%**	**8,596,143**	**100%**	**2.2**	**100%**	**862,773**	**100%**	**0.3**	**$9.96**	**2.5**

Table 113. CT Solar Loan Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed[151]

	# Project Units				MW				Investment (Gross Cost)			
Fiscal Year Closed	Total	Over 100% AMI	100% or Below AMI	% at 100% or Below	Total	Over 100% AMI	100% or Below AMI	% at 100% or Below	Total	Over 100% AMI	100% or Below AMI	% at 100% or Below
2012	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2013	3	2	1	33%	0.0	0.0	0.0	31%	$86,899	$54,799	$32,100	37%
2014	140	112	28	20%	1.1	0.9	0.2	16%	$4,229,733	$3,539,061	$690,671	16%
2015	136	107	29	21%	1.1	0.9	0.2	20%	$4,279,512	$3,418,511	$861,001	20%
2016	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
2017	0	0	0	0%	0.0	0.0	0.0	0%	$0	$0	$0	0%
Total	**279**	**221**	**58**	**21%**	**2.2**	**1.8**	**0.4**	**18%**	**$8,596,143**	**$7,012,371**	**$1,583,772**	**18%**

[151] Excludes projects in unknown bands.

Distressed Community Penetration

For a breakdown of the CT Solar Loan project volume and investment by census tracts categorized by Distressed Communities – see Table 114. It should be noted that the CT Solar Loan is not an income-targeted program.

Table 114. CT Solar Loan Activity in Distressed Communities by FY Closed

Fiscal Year Closed	Distressed	# of Project Units	% Project Distribution	Investment (Gross System Cost)	% Investment Distribution	Installed Capacity (MW)	% MW Distribution	2010 Census Population	% Population Distribution	Investment / Capita	Watts / Capita	2010 Census Households	% Household Distribution	Investment / Household	Watts / Household
2012	Yes	0	0%	$0	0%	0.0	0%	1,172,186	33%	$0.00	0.0	449,097	33%	$0.00	$0.00
2012	No	0	0%	$0	0%	0.0	0%	2,401,911	67%	$0.00	0.0	921,990	67%	$0.00	$0.00
2012	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2013	Yes	2	67%	$68,674	79%	0.0	78%	1,124,337	31%	$0.06	0.0	428,395	31%	$0.16	$0.03
2013	No	1	33%	$18,225	21%	0.0	22%	2,449,760	69%	$0.01	0.0	942,692	69%	$0.02	$0.00
2013	**Total**	**3**	**100%**	**$86,899**	**100%**	**0.0**	**100%**	**3,574,097**	**100%**	**$0.02**	**0.0**	**1,371,087**	**100%**	**$0.06**	**$0.01**
2014	Yes	26	19%	$713,759	17%	0.2	18%	1,104,894	31%	$0.65	0.2	420,721	31%	$1.70	$0.47
2014	No	114	81%	$3,515,973	83%	0.9	82%	2,469,203	69%	$1.42	0.4	950,366	69%	$3.70	$0.96
2014	**Total**	**140**	**100%**	**$4,229,733**	**100%**	**1.1**	**100%**	**3,574,097**	**100%**	**$1.18**	**0.3**	**1,371,087**	**100%**	**$3.08**	**$0.81**
2015	Yes	18	13%	$450,815	11%	0.1	11%	1,123,207	31%	$0.40	0.1	429,250	31%	$1.05	$0.27
2015	No	118	87%	$3,828,697	89%	1.0	89%	2,450,890	69%	$1.56	0.4	941,837	69%	$4.07	$1.01
2015	**Total**	**136**	**100%**	**$4,279,512**	**100%**	**1.1**	**100%**	**3,574,097**	**100%**	**$1.20**	**0.3**	**1,371,087**	**100%**	**$3.12**	**$0.78**
2016	Yes	0	0%	$0	0%	0.0	0%	1,167,312	33%	$0.00	0.0	445,638	33%	$0.00	$0.00
2016	No	0	0%	$0	0%	0.0	0%	2,406,785	67%	$0.00	0.0	925,449	67%	$0.00	$0.00
2016	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
2017	Yes	0	0%	$0	0%	0.0	0%	1,167,312	33%	$0.00	0.0	445,638	33%	$0.00	$0.00
2017	No	0	0%	$0	0%	0.0	0%	2,406,785	67%	$0.00	0.0	925,449	67%	$0.00	$0.00
2017	**Total**	**0**	**0%**	**$0**	**0%**	**0.0**	**0%**	**3,574,097**	**100%**	**$0.00**	**0.0**	**1,371,087**	**100%**	**$0.00**	**$0.00**
Total	Yes	46	16%	$1,233,248	14%	0.3	15%	1,167,312	33%	$1.06	0.3	445,638	33%	$2.77	$0.73
Total	No	233	84%	$7,362,895	86%	1.9	85%	2,406,785	67%	$3.06	0.8	925,449	67%	$7.96	$2.02
Total	**Total**	**279**	**100%**	**$8,596,143**	**100%**	**2.2**	**100%**	**3,574,097**	**100%**	**$2.41**	**0.6**	**1,371,087**	**100%**	**$6.27**	**$1.60**

Societal Impacts

Ratepayers in Connecticut continue to enjoy the societal benefits of the CT Solar Loan Program despite its closure. Over the course of its existence, the program has supported the creation of 132 job years, avoided the lifetime emission of 34,990 tons of carbon dioxide, 47,187 pounds of nitrous oxide, 53,746 pounds of sulfur oxide, and 3,133 pounds of particulate matter as illustrated by Tables 115 and 116.

Table 115. CT Solar Loan Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	1	25	25	0	0	51
Indirect and Induced	-	1	40	41	0	0	82
Total	-	1	65	66	0	0	132

Table 116. CT Solar Loan Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	11	700	689	-	-	1,400
Lifetime	-	278	17,497	17,215	-	-	34,990
NOx Savings (pounds)							
Annual	-	17	988	883	-	-	1,887
Lifetime	-	417	24,702	22,068	-	-	47,187
SOx Savings (pounds)							
Annual	-	21	1,180	948	-	-	2,150
Lifetime	-	537	29,504	23,705	-	-	53,746
PM 2.5 (pounds)							
Annual	-	1	63	61	-	-	125
Lifetime	-	24	1,583	1,526	-	-	3,133

Financing Program

The CT Solar Loan was a financing product developed in partnership with Sungage Financial[152] that used credit enhancements (i.e., $300,000 loan loss reserve and $168,000 interest rate buy-downs)[153] in combination with a $5 million warehouse of funds and $1 million of subordinated debt from the Connecticut Green Bank. Through this product, the Connecticut Green Bank lowered the barriers to Connecticut homeowners seeking to install solar PV installations thus increasing demand while at the same time reducing the market's reliance on subsidies being offered through the RSIP. The CT Solar Loan was the first dedicated residential solar loan product not secured by a lien on the home or tied to a particular PV equipment OEM supplier. As a loan, capital provided to consumers for the CT Solar Loan is returned to the Connecticut Green Bank – it is not a subsidy. In fact, approximately 80% of the loan value was sold to retail investors through a "crowd funding" platform or to institutional investors without recourse to the

[152] Sungage Financial (http://www.sungagefinancial.com/) won a competitive RFP through the Connecticut Green Bank's Financial Innovation RFP to support a residential solar PV loan program

[153] From repurposed American Recovery and Reinvestment Act funds

Connecticut Green Bank. The financial structure of the CT Solar Loan product includes origination,[154] servicing,[155] and financing features in combination with the support of the Connecticut Green Bank.

Launched in March of 2013, the CT Solar Loan provided up to $55,000 per loan, with 15-year maturity terms and affordable 6.49% interest rates (including 0.25% ACH payment benefit) to provide homeowners with the upfront capital they needed to finance residential solar PV projects.

Financial Performance

To date there have been no defaults and as of 6/30/2017 there are 2 delinquencies with original principle balances totaling $46,743 or 0.5% of the portfolio.

The household customers that accessed the CT Solar Loan since its launch in 2013 had varying credit scores – see Table 117.

Table 117. Credit Score Ranges of Household Customers Using the CT Solar Loan by FY Closed

	-639		640-679		680-699		700-719		720+		
Fiscal Year Closed	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**# Projects**	**% of Total**	**Total # Projects**
2013	-	0.0%	-	0.0%		0.0%		0.0%	3	100.0%	3
2014	-	0.0%	-	0.0%	5	3.6%	7	5.0%	128	91.4%	140
2015	-	0.0%	-	0.0%	6	4.4%	8	5.9%	122	89.7%	136
Total	**-**	**0.0%**	**-**	**0.0%**	**11**	**3.9%**	**15**	**5.4%**	**253**	**90.7%**	**279**

Marketing

To accelerate the deployment of residential solar PV through the RSIP and the uptake of the CT Solar Loan financing product, the Connecticut Green Bank implemented Solarize Connecticut. Green Bank Solarize programs are designed to use a combination of group purchasing, time-limited offers, and grassroots outreach, while local clean energy advocates volunteer and coordinate with their towns to help speed the process – see Table 118.

Table 118. Number of Projects, Investment, and Installed Capacity through Green Bank Solarize Connecticut for the CT Solar Loan Financing Product

	# of Projects	Investment (Gross Cost)	Installed Capacity (MW)
Solarize	168	$4,929,399	1.3
Not Solarize	111	$3,666,744	0.9
Total	**279**	**$8,596,143**	**2.2**
% Solarize	**60%**	**57%**	**59%**

[154] Sungage Financial in partnership with local contractors
[155] Concord Servicing Corporation

The Green Bank Solarize Connecticut program provided a significant marketing channel to catalyze origination for the CT Solar Loan comprising nearly 60 percent of the total projects, investment, and installed capacity.

Anaerobic Digestion and Combined Heat and Power Pilot Programs

Per Public Act 11-80 Section 103, the Green Bank is to develop a three-year pilot program for AD and CHP by setting aside $2 million a year for each pilot for three years – for a total of $12 million. Funds to support the pilot programs can be used as grants, power purchase agreements or loans. There are to be no more than five (5) AD projects, each no more than 3 MW in size, and no more than 50 MW of CHP projects each to not exceed 5 MW in size. Both pilot programs support projects at no more than $450 per kW on a grant basis.

Key Performance Indicators

The Key Performance Indicators for the AD and CHP Pilot Programs closed activity are reflected in Tables 119 through 121. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 119. AD and CHP Pilot Project Types and Investment by FY Closed

Fiscal Year Closed	EE	RE	RE/EE	# Projects	# Project Units	Investment (Gross Cost)[156]	Green Bank Investment[157]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-
2013		2		2	2	$3,189,000	$304,500	$2,884,500	10.5
2014		1		1	1	$6,300,000	$630,000	$5,670,000	10.0
2015		2		2	2	$642,578	$60,750	$581,828	10.6
2016		1		1	1	$10,500,000	$1,997,403	$8,502,597	5.3
2017		1		1	1	$3,401,392	$502,860	$2,898,532	6.8
Total		**7**		**7**	**7**	**$24,032,970**	**$3,495,513**	**$20,537,457**	**6.9**

Table 120. AD and CHP Pilot Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)	Annual Food/Organic Waste (tons/year)
2012	-	-	-	-	-	
2013	685.0	5,400,540	81,008	32,533	488,002	
2014	3,000.0	23,652,000	354,780	142,482	2,137,234	
2015	135.0	1,064,340	15,965	4,000	60,001	
2016	1,010.0	7,078,080	106,171	44,949	674,240	40,000
2017	795.0	6,267,780	94,017	304,445	4,566,675	
Total	**5,625.0**	**43,462,740**	**651,941**	**528,410**	**7,926,152**	**40,000**

[156] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[157] Includes incentives, interest rate buydowns and loan loss reserves.

Table 121. AD and CHP Pilot Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)
2012	-		-	
2013	$1,594,500	$0	342.5	16,267
2014	$6,300,000	$0	3,000.0	142,482
2015	$321,289	$0	67.5	2,000
2016	$10,500,000	$1,997,403	1,010.0	44,949
2017	$3,401,392	$502,860	795.0	304,445
Total	**$3,433,281**	**$357,180**	**803.6**	**75,487**

Societal Impacts

Ratepayers in Connecticut continue to enjoy the societal benefits of the AD and CHP Programs despite its closure. Over the course of its existence, these programs have supported the creation of 219 job years as illustrated by Table 122.

Table 122. AD and CHP Pilot Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	20	39	4	0	21	84
Indirect and Induced	-	32	62	7	0	34	135
Total	**-**	**51**	**101**	**11**	**0**	**55**	**219**

Strategic Investments

As opportunities present themselves, the Green Bank from time to time is part of the capital stack for projects that are outside any of the organization's existing programs. These projects are selected based on the opportunity to expand the organization's experience with specific technologies, advance economic development in a specific locale, or to drive adoption of clean energy that would otherwise not occur.

Key Performance Indicators

The Key Performance Indicators for the Strategic Program closed activity is reflected in Tables 123 through 125. These illustrate the volume of projects by year, investment, generation capacity installed, and the amount of energy saved and/or produced. It also breaks down the volume of projects by energy efficiency, renewable generation, or both.

Table 123. Strategic Project Types and Investment by FY Closed

Fiscal Year Closed	EE	RE	RE/EE	Other	# Projects	# Project Units	Investment (Gross Cost)[158]	Green Bank Investment[159]	Private Investment	Leverage Ratio
2012	-	-	-	-	-	-	-	-	-	
2013		1			1	1	$70,800,000	$5,800,000	$65,000,000	12.2
2014	-	-	-	-	-	-	-	-	-	
2015		1		1	2	2	$56,500,000	$3,227,000	$53,273,000	17.5
2016	-	-	-	-	-	-	-	-	-	
2017		1			1	1	$4,538,212	$3,900,000	$638,212	1.2
Total		**3**			**4**	**4**	**$131,838,212**	**$12,927,000**	**$118,911,212**	**10.2**

Table 124. Strategic Project Capacity, Generation and Savings by FY Closed

Fiscal Year Closed	Installed Capacity (kW)	Expected Annual Generation (kWh)	Expected Lifetime Savings or Generation (MWh)	Annual Saved / Produced (MMBtu)	Lifetime Saved / Produced (MMBtu)
2012	-	-	-	-	-
2013	14,800.0	116,683,200	1,166,832	398,123	3,981,231
2014	-	-	-	-	-
2015	5,000.0	136,494,997	118,260	465,850	403,503
2016	-	-	-	-	-
2017	193.0	825,052	20,626	2,815	70,377
Total	**19,993.0**	**254,003,249**	**1,305,718**	**866,788**	**4,455,111**

[158] Includes closing costs and capitalized interest for C-PACE and the Fair Market Value for Commercial/Residential Leases.
[159] Includes incentives, interest rate buydowns and loan loss reserves.

Table 125. Strategic Project Averages by FY Closed

Fiscal Year Closed	Average Gross System Cost	Average Amount Financed	Average Installed Capacity (kW)	Average Annual Saved / Produced (MMBtu)
2012	-	-	-	-
2013	$70,800,000	$5,800,000	14,800.0	398,123
2014	-	-	-	-
2015	$28,250,000	$1,613,500	2,500.0	232,925
2016	-	-	-	-
2017	$4,538,212	$3,900,000	193.0	2,815
Total	**$32,959,553**	**$3,231,750**	**4,998.3**	**216,697**

Societal Impacts

Ratepayers in Connecticut enjoy of the societal benefits of Strategic Investments. Over the course of its existence, the program has supported the creation of 1,119 job years, avoided the emission 153,004 tons of carbon dioxide, 689,616 pounds of nitrous oxide, 503,689 pounds of sulfur oxide, and 4,644 pounds of particulate matter as illustrated by Tables 126 and 127.

Table 126. Strategic Job Years Supported by FY Closed

	2012	2013	2014	2015	2016	2017	Total
Direct	-	340	0	0	0	0	340
Indirect and Induced	-	779	0	0	0	0	779
Total	**-**	**1,119**	**0**	**0**	**0**	**0**	**1,119**

Table 127. Strategic Avoided Emissions by FY Closed

	2012	2013	2014	2015	2016	2017	Total
CO2 Savings (tons)							
Annual	-	7,876	0	4,235	0	429	12,540
Lifetime	-	78,761	0	63,528	0	10,715	153,004
NOx Savings (pounds)							
Annual	-	63,009	0	3,377	0	355	66,741
Lifetime	-	630,089	0	50,658	0	8,869	689,616
SOx Savings (pounds)							
Annual	-	45,623	0	2,628	0	322	48,572
Lifetime	-	456,231	0	39,414	0	8,044	503,689
PM 2.5 (pounds)							
Annual	-	0	0	310	0	0	310
Lifetime	-	0	0	4,644	0	0	4,644

6. Appendix

Community Activity Table

See the Municipality Tables in here.[160]

Contractor Activity Table

See the Contractor Tables in here.[161]

Trained Contractor Table

See the Trained Contractor table in here.[162]

Calculations and Assumptions

Table 128. Capacity Factors and Expected Useful Life (EUL) By Technology

Technology	Capacity Factor	EUL
AD	0.80	15
CHP	0.90	15
EE	0	12
Fuel Cell	0.90	10
Geothermal	0	25
Hydro	0.49	25
PV	0.13	25
PV/Biomass	0.13	25
Solar Thermal	0	20
Wind	0.18	15

Table 129. Job Year Factors by Year Approved by Technology

	2009 Factors - Approved prior to 6/30/2016			2016 Factors - Approved after 7/1/2016		
	Direct Job Years	Indirect and Induced Jobs	Total Job Years per $1M Invested	Direct Job Years	Indirect and Induced Jobs	Total Job Years per $1M Invested
	Renewable Energy					
Fuel Cell Manufacturing	4.8	11.0	15.8	4.9	6.4	11.3
Fuel Cell R&D/Engineering[1]	0.0	0.0	0.0	2.9	3.8	6.7
Solar PV - Residential	5.9	9.5	15.4	3.9	5.1	9.0
Solar PV - Non-Residential	3.4	5.4	8.8	3.1	4.0	7.1
Ductless Split Heat Pump	0.0	0.0	0.0	6.7	8.7	15.4
Geothermal	8.3	13.3	21.6	6.7	8.7	15.4
Solar Thermal	7.6	12.2	19.8	5.6	7.3	12.9

[160] http://www.ctgreenbank.com/fy17-cafr-nfs-appendix/
[161] http://www.ctgreenbank.com/fy17-cafr-nfs-appendix/
[162] http://www.ctgreenbank.com/fy17-cafr-nfs-appendix/

	2009 Factors - Approved prior to 6/30/2016			2016 Factors - Approved after 7/1/2016		
	Direct Job Years	Indirect and Induced Jobs	Total Job Years per $1M Invested	Direct Job Years	Indirect and Induced Jobs	Total Job Years per $1M Invested
	Renewable Energy					
Wind Installation	0.0	0.0	0.0	6.2	8.0	14.2
Hydro Installation	0.0	0.0	0.0	6.2	8.0	14.2
EV Charging Stations - Installation	0.0	0.0	0.0	3.1	4.0	7.1
Storage Installation[1]	0.0	0.0	0.0	2.2	2.9	5.1
CHP[2]	6.2	9.9	16.1	6.2	8.1	14.3
	Energy Efficiency					
Residential	12.9	20.6	33.5	-	-	-
Residential Lighting[1]	0.0	0.0	0.0	7.7	10.0	17.7
Residential Home Energy Solutions (HES) - Audits[1]	0.0	0.0	0.0	7.8	10.2	18.0
Residential HES - Weatherization & HVAC	0.0	0.0	0.0	5.6	7.3	12.9
Residential Gas Conversion	0.0	0.0	0.0	5.6	7.3	12.9
Small Business Energy Advantage	9.1	14.6	23.7	6.2	8.0	14.2
Large Commercial and Industrial	7.6	12.2	19.8	5.6	7.3	12.9

1. Not currently being used.
2. Developed by Green Bank.

Table 130. Residential Single Family Annual and Lifetime MMBTUs and Cost Savings

Improvement Type	Average Annual Savings MMBTUs	Average Lifetime Savings MMBTUs	Average Annual $ Savings	Average Lifetime $ Savings	Average Expected Useful Life (EUL)
Air Source Heat Pump	10	190	$419	$8,374	20
Boiler	18	370	$372	$7,441	20
Central AC	3	58	$142	$2,552	18
Ductless Heat Pump	10	176	$443	$7,975	18
Furnace	15	295	$357	$7,136	20
Geothermal Heat Pump	5	104	$1,593	$31,860	20
Heat Pump Water Heater	6	78	$215	$2,584	12
Insulation	19	471	$413	$10,328	25
Other	7	138	$154	$3,075	20
Solar Hot Water Heater	6	157	$150	$3,740	25
Solar PV[1]	27	680	$1,199	$29,970	25
Water Heater	5	102	$78	$1,564	20
Windows	8	197	$134	$3,362	25

1. Used for other residential market programs.

Table 131. Average Emission Rates by Year Completed by Technology

	Year Completed				
	2016 [4]	**2015**	**2014**	**2013**	**2012** [5]
	CO2 tons				
AD	0.000	0.000	0.000	0.000	0.000
CHP	0.000	0.000	0.000	0.000	0.000
EE Only[1]	0.543	0.570	0.549	0.555	0.536
Fuel Cell[2]	0.068	0.068	0.068	0.068	0.068
Geothermal[2]	0.400	0.400	0.400	0.400	0.400
Hydro[2]	0.520	0.520	0.520	0.520	0.520
Solar PV[1]	0.562	0.575	0.551	0.572	0.558
Solar Thermal[2]	0.547	0.547	0.547	0.547	0.547
Wind[1]	0.537	0.575	0.562	0.558	0.523
	NOX pounds				
AD	0.000	0.000	0.000	0.000	0.000
CHP	0.000	0.000	0.000	0.000	0.000
EE Only[1]	0.480	0.648	0.739	0.741	0.548
Fuel Cell[2]	0.540	0.540	0.540	0.540	0.540
Geothermal[2]	0.335	0.335	0.335	0.335	0.335
Hydro[2]	0.430	0.430	0.430	0.430	0.430
Solar PV[1]	0.575	0.697	0.790	0.859	0.689
Solar Thermal[2]	0.453	0.453	0.453	0.453	0.453
Wind[1]	0.428	0.642	0.760	0.737	0.469
	SO2 pounds				
AD	0.000	0.000	0.000	0.000	0.000
CHP	0.000	0.000	0.000	0.000	0.000
EE Only[1]	0.340	0.665	0.890	0.952	0.732
Fuel Cell[2]	0.391	0.391	0.391	0.391	0.391
Geothermal[2]	0.297	0.297	0.297	0.297	0.297
Hydro[2]	0.390	0.390	0.390	0.390	0.390
Solar PV[1]	0.411	0.698	0.956	1.107	0.911
Solar Thermal[2]	0.411	0.411	0.411	0.411	0.411
Wind[1]	0.333	0.723	1.012	1.000	0.643
	PM2.5 pounds[3]				
AD	0.000	0.000	0.000	0.000	0.000
CHP	0.000	0.000	0.000	0.000	0.000
EE Only[1]	0.043	0.045	0.045	0.045	0.045
Fuel Cell[2]	0.000	0.000	0.000	0.000	0.000
Geothermal[2]	0.000	0.000	0.000	0.000	0.000
Hydro[2]	0.000	0.000	0.000	0.000	0.000
Solar PV[1]	0.049	0.050	0.050	0.050	0.050
Solar Thermal[2]	0.000	0.000	0.000	0.000	0.000
Wind[1]	0.039	0.044	0.044	0.044	0.044

1. Average Emission Rates from AVERT Model.
2. Average Emission Rates from 2007 New England Marginal Emission Rate Analysis.
3. PM 2.5 Rates for 2010 - 2014 are unavailable and use the 2015 rates.
4. 2016 rates are used for projects completed in 2017 and those pending completion.
5. 2012 rates are used for projects completed prior to 2012.

Index of Figures and Tables

Table 132. Figures

Table 133. Tables