



CONNECTICUT GREEN BANK

RISING TOGETHER

2018 ANNUAL REPORT



Rising Together

Projects, Partners, People, Performance

In a 1963 speech, President John F. Kennedy made famous the phrase “a rising tide lifts all boats.” In the years since, some have said that this tide is not lifting all boats equally, or isn’t lifting some boats at all.



Bryan Garcia, President and CEO
Connecticut Green Bank

At the Green Bank, we believe that the growing green economy is a rising tide that should lift all boats. We have come to use the phrase “inclusive prosperity” to speak about this belief that everyone should have access to and benefit from green energy deployment, especially families with a high energy burden or underserved credits like nonprofits and small businesses. To accomplish this, we utilize a small amount of public dollars to attract and leverage multiples of private investment.

In FY18, the Green Bank continued to support Connecticut’s energy strategy and engaged more families, businesses, and institutions with our products and programs, helping to create good paying jobs. Guided by our pillars (innovation, education, activation, and acceleration), we provided green energy to those who need it most, through public-private partnerships (PPP or P3) with the utilities (i.e., Avangrid and Eversource Energy), a network of contractors, and local and regional lenders (banks, credit unions, and CDFIs).

Throughout this report, we share stories of the people and organizations we’ve empowered and the partnerships that allow our projects to be effective. You could consider these to be our four Ps: people, partners, projects, performance. And from this vantage point, FY18 was another successful year. On the following pages, we offer data that gives insight into our accomplishments.

We also reached several milestones: the closing of our 200th C-PACE transaction; exceeding 200 megawatts (MW) of the public policy target

of 300 MW of approved projects through the Residential Solar Investment Program (RSIP); and winning the prestigious Innovations in American Government Award from the Ash Center at the John F. Kennedy School of Government at Harvard University. (See next page for more)

However, FY18 was not without its setbacks. In October, we faced our greatest challenge when the Connecticut General Assembly passed a two-year budget that swept more than 50 percent of the funds administered by the Green Bank. The fallout was significant: potential deals were lost as investor confidence was shaken, operating expenses were cut, and plans for the future were altered. It was a difficult time for the Green Bank, our partners, and our friends.

We’ve emerged with a Board-backed financial sustainability plan, which among its directives enabled our role in the co-creation with the Connecticut Department of Energy and Environmental Protection (DEEP), Kresge Foundation, and Hewlett Foundation of a mission-aligned nonprofit organization. (This organization, Inclusive Prosperity Capital, Inc., officially launched in early FY19.)

Overall, in FY18, we continued to show the societal benefits of our model across economic, environmental, and health measurements, and we still see much opportunity to spread inclusive prosperity to more families, businesses, and institutions in Connecticut.

OUR MISSION

To support Connecticut’s energy strategy to achieve cleaner, cheaper and more reliable sources of energy while creating jobs and supporting local economic development.



Milestones & Challenges

In our seventh year, the Green Bank continued to reach programmatic milestones despite a challenging budget setback in October 2017 that forced the redefinition of the way we operate going forward.

- July 2017: The Green Bank wins the prestigious “Innovations in American Government Awards” for 2017 from the Harvard Kennedy School’s Ash Center for Democratic Governance and Innovation. (see p. 16)
- October - December 2017: The Connecticut General Assembly’s approved FY18 - FY19 budget sweeps of \$16.3 million a year – \$32.6 million in total – from funds administered by the Green Bank. In response, our Board of Directors approved a sustainability plan that reduced operating expenses, outlined a path to breakeven through our incentive and investment businesses, and supported the creation of a nonprofit organization.
- December 2017: We issued Clean Renewable Energy Bonds (CREBS) in support of the state’s Lead by Example Initiative to install solar panels on Connecticut State Colleges and Universities, and reduce energy costs for the state. (see p. 14)
- January 2018: The C-PACE program closed its 200th transaction with investment totaling nearly \$115 million to finance clean energy improvements on commercial, industrial, nonprofit, and multifamily properties. (see p. 8)
- April 2018: The Residential Solar Investment Program (RSIP) passed 200 MW of approved projects, moving closer to the 300 MW public policy target. (see p. 15)
- May 2018: We were awarded a State Leadership in Clean Energy (“SLICE”) award for our partnership with PosiGen and the “Solar for All” program. (see p. 16)

Who We Are

The Connecticut Green Bank is a quasi-public state agency that promotes green energy deployment in Connecticut by using public dollars to attract private investment. Launched in 2011, we are the nation’s first green bank, and we continue to be a leader in America’s clean energy movement.

We work to enhance Connecticut’s prosperity and protect the environment by **accelerating** the growth of green energy. We do this through:

INNOVATION: Using a groundbreaking financing model to make green energy investment safer, more affordable and more accessible

EDUCATION: Increasing awareness of green energy’s benefits to stimulate interest

ACTIVATION: Inspiring people to take action to make green energy part of their lives

OUR VISION

To lead the green bank movement by accelerating private investment in green energy deployment to help Connecticut achieve economic prosperity, create jobs, promote energy security and address climate change.

Our Economic Development Engine

INVESTMENT

Connecticut Green Bank attracts philanthropic institutions, banks, and other capital to directly invest in our programs.

CO-INVESTMENT

Connecticut Green Bank initiates public-private partnerships that co-invest in clean energy projects and programs.

CREDIT SUPPORT

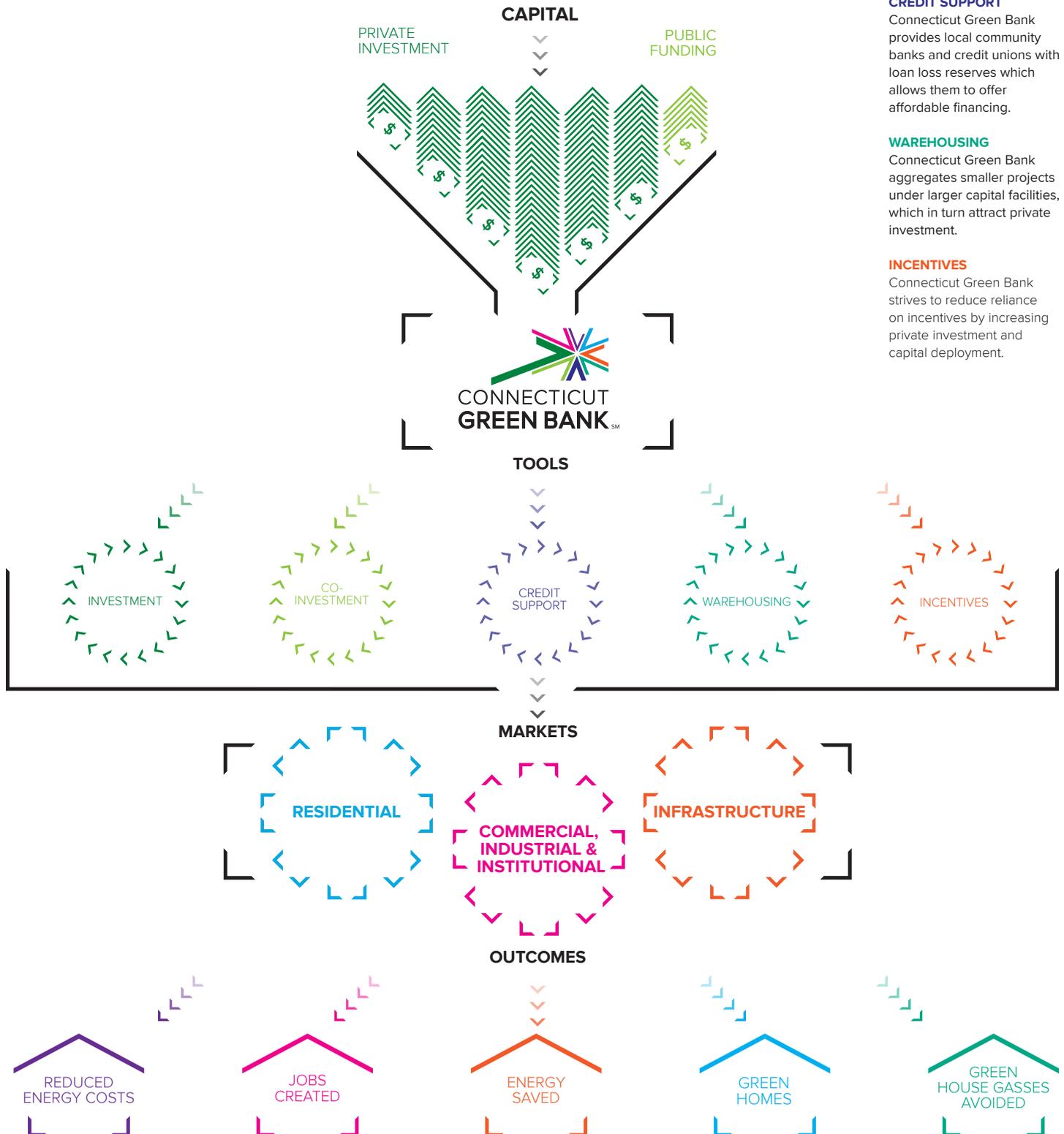
Connecticut Green Bank provides local community banks and credit unions with loan loss reserves which allows them to offer affordable financing.

WAREHOUSING

Connecticut Green Bank aggregates smaller projects under larger capital facilities, which in turn attract private investment.

INCENTIVES

Connecticut Green Bank strives to reduce reliance on incentives by increasing private investment and capital deployment.

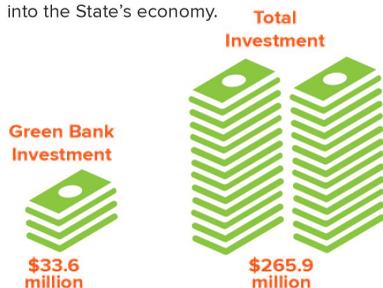


FY18 By the Numbers

Since the Connecticut Green Bank's inception through the bipartisan passage of Public Act 11-80 on July 1, 2011, we have accelerated the deployment of clean energy to benefit families, businesses, and our communities. The impact of our green bank innovation is shown below in terms of investment, economic development, and environmental protection in FY18.

INVESTMENT IN CONNECTICUT

Investment In FY18, the Green Bank used \$33.6 million to attract \$232.3 million in private investment (a total of \$265.9 million) into the State's economy.



Leverage ratio The Green Bank's leverage ratio is the relationship between private investment and Green Bank investment.



For every \$1 of Green Bank investment, in FY18 we attracted nearly \$8 of private investment.

Tax revenues The Green Bank's activities have helped generate an estimated **\$11.1 million** in state tax revenues.

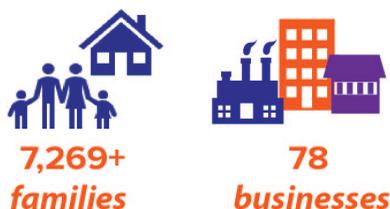


ECONOMIC DEVELOPMENT

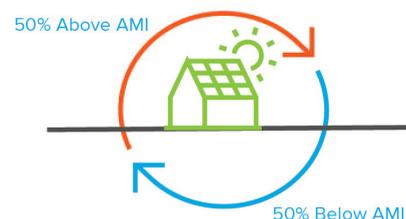
Jobs Since our inception, the Green Bank has supported the creation of nearly **16,000** direct, indirect, and induced job-years.



Energy burden The Green Bank has reduced the energy costs on over 7,000 families and businesses in our communities.



Accessible and affordable The Green Bank has supported residential solar PV installation to reach income parity and pursuing beyond.

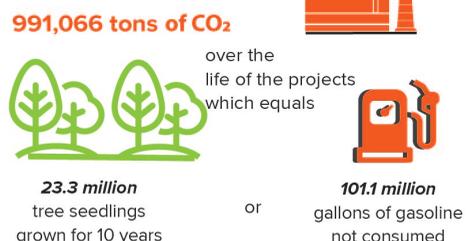


ENVIRONMENTAL PROTECTION

Deployment The Green Bank has accelerated the growth of clean energy to nearly **300 MW** in total, with 57.8 MW of solar PV installed in FY18 accompanied by over 5,900 home energy efficiency audits through Energize CT.



Pollution The Green Bank has helped reduce air emissions that cause climate change and worsen public health. In FY18, this equaled 869,723 pounds of NOx, 578,326 pounds of SOx and



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



* More data can be found in the Connecticut Green Bank Comprehensive Annual Financial Report for FY18

Prosperity for People

Working with internal and external subject matter experts, we have established frameworks to guide the measurement of the performance of our programs through a lens of the societal benefits, such as jobs, tax revenue, and environmental impacts, which benefit every Connecticut resident.

These benefits are presented throughout this report across the sectors we serve: Commercial, Industrial & Institutional; Single-Family Residential; Multifamily Residential (more than four housing units); and Infrastructure.



*“The horizon leans forward,
Offering you space to place new steps of change.”*

Maya Angelou from *On the Pulse of Morning*

“We are not faced with two separate crises, one environmental and the other social, but rather with one complex crisis which is both social and environmental. Strategies for a solution demand an integrated approach to combatting poverty, restoring dignity to the excluded, and at the same time protecting nature.”

Pope Francis from *Laudato Si’:
Caring for our Common Home*



*On Earth Day, Green Bank President and CEO Bryan Garcia addressed the Unitarian Society of New Haven, presenting a guest sermon on climate change and Pope Francis’ Encyclical *Laudato si’*: Caring for our Common Home. Bryan’s related essay can be found [here](#).*

Green Energy is Good for Businesses and Non-Profits

The Green Bank's Commercial Property Assessed Clean Energy (C-PACE) program continues to be an important driver of clean energy deployment for Connecticut's business sector. In January 2018, the C-PACE program closed its 200th project and, by the end of the fiscal year, had surpassed \$127.2 million in clean energy investment into state businesses since 2013. Our program is a national leader, second only to California in dollars of clean energy investment.

In FY18, 66 C-PACE projects (energy efficiency, renewable generation, or both) were completed for a total investment of more than \$26.7 million. Of this amount, only \$5.7 million was Green Bank funds, which means for every \$1 in public money the Green Bank attracted \$4.70 in private capital. The projected lifetime energy costs savings of these projects is more than \$21.1 million, which is money that will help these businesses stay productive, create jobs, and continue to sustain Connecticut's economy.

A wide-range of properties can benefit from C-PACE financing, including industrial and manufacturing facilities, offices buildings, retail spaces, and non-profit institutions.

Making the "Makers" Stronger

The manufacturers in Connecticut have an impact well beyond our state's borders. They are part of complex supply chains, vital cogs in the economic wheel. C-PACE projects helped a number of these "makers" improve their energy efficiency and increase their cash flow.

One example is Metal Finishing Technologies of Bristol. This nationally recognized diversified metal finishing and surface preparation company is projected to save nearly \$2 million in energy costs over the effective useful life of the improvements they financed.

Another example is Plastonics in Hartford, a pioneer in the powder coating business, who installed a 99.7 kW solar photovoltaic (PV) system and made upgrades to their lighting, HVAC system and roof insulation. Projected savings over the effective useful life of the upgrades is expected to surpass \$775,000.

Glenbrook Industrial Park in Stamford also used C-PACE financing for the installation of a 135 kW solar PV system and upgrades to their roof. Projected savings over the effective useful life of the upgrades is expected to surpass \$1 million. The 181,216-square-foot facility houses various artisans and light manufacturing firms. These are only a few examples of the many manufacturing facilities taking advantage of C-PACE.



Investments



Improvements



Impact



The solar PV system at Glenbrook was installed by 64 Solar, a commercial solar photovoltaic contractor. The system is projected to produce 162,000 kWh per year.

Helping Non-Profit Institutions Help Others

The Green Bank has continued its focus on bringing solar and its associated savings to non-profit institutions to help them reduce their energy burden and fuel their missions. Three of these institutions are: the Klingberg Family Centers, whose goal is to heal children and families whose lives have been traumatized by abuse and/or neglect in its various forms, severe family problems and mental health issues; Wellspring, a therapeutic and educational center dedicated to healing through relational approaches; and the Daughters of Mary of the Immaculate Conception.



The Daughters of Mary added solar arrays at their New Britain property through an investment of \$2.8 million. The Daughters will benefit from \$1.3 million of energy savings over the next 20 years, and this savings will help them continue to provide tremendous service to domestic abuse victims as well as affordable senior housing and day care services for children and the elderly. Pictured is Green Bank President and CEO Bryan Garcia with Mother Jennifer at the ribbon cutting ceremony.

Contractors Boost Their Business & Create Jobs

C-PACE is not just a financing tool that helps property owners; it also helps contractors grow their businesses. More than 70 contractors have used C-PACE financing to complete at least one project, and some of these contractors rely on C-PACE as important driver of new projects.

One example is Green Earth Energy Photovoltaic in East Windsor. Their president, Chris Scyocurka, has seen C-PACE projects increase annual revenue and grow their team from a few employees to nearly a hundred.

“C-PACE financing is the ultimate funding source for renewable and energy efficiency projects,” said Scyocurka. “It provides 100% of the funding and the business gets 100% of the benefits.”



To hear more from Chris Scyocurka on how C-PACE has helped Green Earth Energy grow, watch our Contractor Case Study video at www.cpace.com/Contractor.

New Funding for Popular SBEA Program

For more than a decade, Eversource has financed thousands of energy efficiency projects for its small business customers through the popular Small Business Energy Advantage (SBEA) program. The Green Bank and Eversource worked together to recapitalize the SBEA program using private capital in order to redirect limited ratepayer resources into other programmatic needs. Amalgamated Bank and the Green Bank formed a public-private partnership to provide the SBEA program with a \$56 million funding facility that will provide ample capital for several years.

Homeowners, Lenders, Contractors Get *Smart* Together

The Smart-E Loan program is a perfect example of how our four Ps (people, partners, projects, and performance) work together for everyone's benefit.

Connecticut's homeowners, across incomes and credit scores, are seeing benefits. The Smart-E Loan is helping make homes more comfortable and energy efficient. Lower energy costs from energy efficiency and renewable energy puts money back into homeowners' pockets. For example, for the 25 percent of Smart-E customers who used the loan to install solar, we estimate the annual cost savings to be more than \$1.2 million.

Our partners also receive great value from Smart-E loans. Our network of local banks and credit unions add loans to their portfolio and strengthen their relationship with their borrowers. We also work with more than 400 HVAC, solar, and home performance contractors, who employ a robust workforce that meets with homeowners and implements projects.

Sharing in the Smart-E Success

In FY18, the Smart-E program had a stellar year, financing 1,762 projects across the state. This was the single most successful year in terms of loans closed and total dollars invested, with \$4.2 million in Green Bank investment leveraging private capital surpassing \$30.1 million. In other words, more than \$34 million was loaned to homeowners reducing their energy burden by making their homes more energy efficient, adding solar PV, and addressing the overall comfort of their homes.

This strong performance was encouraged by an aggressive special interest rate through the use of Federal stimulus funds for special bundled projects (two or more simultaneously implemented measures), heat pump installations, and natural gas conversions. This rate offered a boost in volume in the first half of the fiscal year, and we sustained a significant volume increase through the rest of the year.

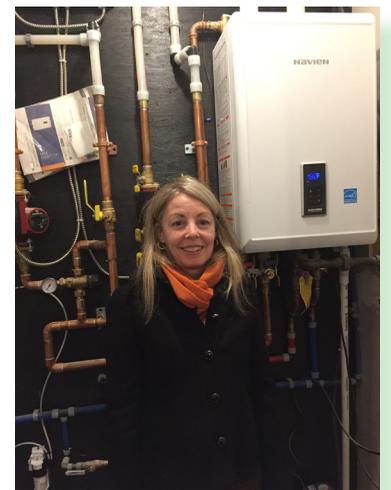
"The Smart- E Loan offers great response time by lenders and has been a huge help in our company's success this past year. We love the program and look forward to many more years of working together."

Salvatore Marino, Owner, SM Mechanical Services LLC, Wethersfield, CT



"We are feeling warm and cozy at winter time. We especially love the humidifier in our unit that prevents the air from getting too dry and the purifier that keeps the air clean. We will be healthy and happy this season."

Kim, Meriden



"I can confidently say that without the program (and program staff's patience and help), I would not have been able to afford the energy upgrades to my home that have resulted in energy efficiency, exceptional cost savings and a more comfortable home."

Mary Ann, Norwalk

Increasing Access for All

We do not want families to miss out on the benefits of the green energy economy due to credit or income levels, and we are dedicated to ensuring clean energy deployment to low to moderate (LMI) households across the state. We define LMI as 100 percent or less of the Area Median Income (AMI).

For example, in FY18, 50 percent of projects were completed in homes at or below 100 percent AMI, and 44 percent of the solar megawatts installed were on these households. Total residential investment in AMI segments at 100 percent and below was more than \$115.0 million; in segments above 100 percent, investment was \$116.1 million.

For these efforts, Connecticut was identified as a “parity” state by the Lawrence Berkeley National Laboratory for LMI households installing solar PV proportionally to non-LMI households. We are proud of this accomplishment, and intend to go “beyond parity.”

PosiGen Shines into Hamden

Our partnership with PosiGen has been a key factor in our ability to reach LMI communities. In FY18, PosiGen began a new outreach campaign in Hamden, their fifth in the state. The Solar for All program combines a solar lease with energy efficiency upgrades to lower the energy burden of participating households.

In FY18, PosiGen completed 612 solar installations for LMI households, which are projected to save more than \$730,000 annually for these residents.

The Solar For All initiative has helped nearly 1,500 households statewide get solar panels, including 538 in Bridgeport, New Haven, New London, and Hartford.

“Liberty Bank has been a partner with the Connecticut Green Bank from the start. Liberty Bank recently provided a financing facility for the Green Bank’s capital needs for solar on homes across the state, which is supporting the state’s growing green economy.”

“Our partnership with the Green Bank has helped us to invest in our local communities, while assisting the State of Connecticut in achieving its important energy, environment, and economic goals.”

Larry Holderman
President and CEO
Mutual Security Credit Union



In May 2018, when a tornado ripped through Hamden, the Ankner family suffered major tree and property damage. The silver lining was that their home now receives plenty of sunshine, making it a great candidate for solar. Here, the Ankners host a solar open house with members of the PosiGen staff and representatives from the town.

Chandler Howard
President and CEO
Liberty Bank

Helping Multifamily Property Owners Make Improvements

The shortage of affordable housing in the U.S. is significant, with a need of more than 7.2 million affordable rental homes for low income populations. This holds true in Connecticut, where rental costs continue to rise and properties continue to age, which means many residents pay too much for substandard, energy inefficient housing. It also discourages residency by price sensitive population segments such as millennials and seniors citizens.

While our multifamily programs can fund energy-related upgrade solutions to improve market rate properties, our mission is primarily to support properties serving low- and moderate-income residents. These include state- and federally-funded affordable housing, condominiums, cooperatives, and senior and assisted living, as well as unsubsidized, privately owned properties.

Preserving Affordable Housing for Seniors

Through the Green Bank's Multifamily Program, we are helping property owners use energy savings to fund energy-related and other improvements to affordable housing for seniors. One FY18 example was a \$2.6 million Low-Income Multifamily Energy (LIME) Loan for Plaza on the Green, an iconic, privately-owned 157-unit apartment complex adjacent to downtown Waterbury green. This property, which predominantly serves elderly, low-income residents, was challenged with excessively high utility costs (27 percent of their total operating expenses). While the property owners were paying these bills, the residents were dealing with comfort, health and safety issues.

A building assessment and energy audit of the property identified energy improvements, including conversion of the building's heating source from electricity to natural gas, replacement of the domestic hot water system, and installation of gas-fired boilers and a back-up generator. The combination of these improvements is projected to reduce energy costs by more than 50 percent. Inclusive of debt service, the energy and other operating cost savings will enhance the property's cash flow.

The improvements were funded by a \$2.6 million LIME Loan from Capital for Change, with capital



participation by the Housing Development Fund (HDF) and the Connecticut Green Bank using a MacArthur Foundation program-related investment, and \$200,000 in energy efficiency incentives from Eversource.

The loan for this project is unsecured and underwritten based on using cash flow from energy, water and maintenance savings to service the debt. This is an important and necessary financing solution for many multifamily properties seeking to make similar capital improvements. This financial structure is necessary because the requirements of existing multifamily debt often prevent additional secured debt to be placed on a property. However, unsecured loans, like the LIME Loan, may be permitted.

More than \$26.8 million in total investment was made in FY18 to serve nearly 1,700 housing units

Designed for properties with five or more units, our multifamily suite of financing options encourages property owners to look holistically for opportunities to improve energy performance and address health and safety issues.

With a technology and fuel agnostic approach, we offer technical assistance and simple financing options for designing, funding and implementing green energy upgrades.

Since the program's inception in 2014, more than 5,400 housing units have benefited from the more than \$72.6 million invested. It's worth noting that \$66.8 million of that total was private investment, meaning the leverage ratio for this program is \$12 private for every \$1 in Green Bank money.

"At Bank of America, we are deploying \$125 billion in capital toward low-carbon, sustainable business activities and helping to develop solutions to climate change and other environmental challenges. In prior years, our company has financed the Connecticut Green Bank's solar installations at housing authorities and nonprofit housing providers. In 2018, through a financing structured using the last available Clean Renewable Energy Bonds allocation, we helped the Green Bank and its partners add solar energy units to the Connecticut State Colleges & Universities system."

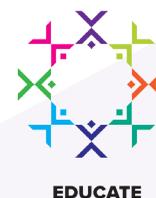
Chris Giuliano
Head of Banc of America Public Capital Corp

Cooperative Housing Conference

Cooperatives are a type of housing where residents "share" ownership of the property and must work together to reach goals based on democratic control and leadership. In Connecticut, there are 65 co-ops serving nearly 6,000 households. Many of these properties are older, have significant need for renovations and energy upgrades, and serve low- and moderate-income residents. In FY18, the Green Bank provided loans and technical assistance to co-ops in Norwalk, New Haven, and Bridgeport, helping to deploy more than \$4.6 million for needed improvements.

In March 2018, the Green Bank hosted the cooperative housing community at the University of New Haven for a day-long event, "CT Cooperative Housing Conference: Keeping Our Homes Affordable." For this unique event, members of different housing cooperatives from around the state, as well as housing professionals, came together to exchange resources and strategies to strengthen this crucial sector of affordable home-ownership in Connecticut.

This conference, which was organized in partnership with the Urban Homesteading Assistance Board (UHAB) and Connecticut Housing Coalition, included workshops, presentations (including discussions on energy efficiency and available State resources), awards and an afternoon networking session.



Teachable Moments: Solar Savings for Educational Institutions

State Colleges & Universities Install Solar Systems

In September 2017, the Connecticut State Colleges & Universities (CSCU) announced a partnership with Current powered by GE, SunLight Solar Energy and the Connecticut Green Bank to install solar energy systems at eight campuses, producing more than 7 MW in total, to reduce energy consumption and decrease operating expenses. Enabled through the financial backing of Bank of America Merrill Lynch, the Green Bank secured the last available federal Clean Renewable Energy Bonds (CREBs) for this project before U.S. tax reform eliminated them.



The solar array at Manchester Community College.

The project is estimated to save CSCU more than \$10 million within the first 20 years, and cover 8.5 percent of their electricity usage. The first system went online at Manchester Community College in October 2018.

Primary Schools (& Municipalities) Benefit Too

Schools use lots of electricity. Reed Intermediate School in Newtown was using nearly 2 million kWh a year in their fifth and sixth grade classrooms. Now, thanks to a team effort from the Newtown Sustainable Energy Commission, solar installer Direct Energy Solar and a Power Purchase Agreement (PPA) from the Green Bank, the school will reduce their energy consumption and electricity costs by more than 40 percent. Over the next 25 years, the school will save a projected \$1.5 million because of the 617 kW roof mounted solar system.



Drone photo of Reed Intermediate School courtesy of Direct Energy Solar.

Beyond the savings, the solar system has shown students, parents, faculty, staff, and other members of the community the value of renewable energy.

“The importance of public-private partnerships, like the one between KeyBank and the Connecticut Green Bank, cannot be overstated, especially when it comes to the financing of renewable and other clean energy projects. Our partnership with the Green Bank through the CT Solar Lease led to over \$100 million of investment to reduce the energy burden on nearly 1,200 families and 75 businesses in our communities. Additionally, it was the involvement of the Green Bank that helped attract financing from KeyBank toward microgrid construction at critical facilities in Bridgeport, and a first-of-its-kind ‘micro-hydro’ generator at Hanover Pond in Meriden.”

Christopher Gorman, Vice Chairman and President of Banking, KeyBank

Approaching 300MW: Residential Solar Investment Program Update

In April 2018, the Residential Solar Investment Program (RSIP) passed 200 MW of approved projects, putting the program on course to meet the 300 MW public policy target three years ahead of schedule. In FY18, 5,971 RSIP projects were approved, putting the total number of approved projects over 27,700, and total approved capacity more than 215 MW. At each RSIP home, an energy efficiency audit is also completed to make further recommendations on ways to reduce demand.

The Green Bank is committed to the sustained orderly development of a stable, resilient residential solar PV market not dependent on incentives. We strive to support a committed, local installer base as well as a “solar plus” model of adoption of solar PV in combination with energy efficiency and complementary technologies, such as storage and electric vehicles.

Recognized for Reducing Barriers to Solar Installation

The Green Bank is also committed to continuing to reduce the barriers to solar adoption. When the U.S. Department of Energy’s SunShot Prize: Race to 7-day Solar, a national competition intended to reduce the time it takes to “go solar” across the country, ended in FY18, the Connecticut Permit to Plug-in Challenge team was among the last two teams standing.

The team, comprised of the Green Bank, the investor-owned utilities, solar installers, and municipalities, earned an award of distinction for their multi-pronged strategic approach to reducing solar installation times, which relied on detailed project tracking and evaluation.

The competition enabled the team to create resources that walk residents through the permit to plug-in process, standardize aspects of municipal solar permitting processes, and support utility interconnection process improvements for solar PV.

“As America’s socially responsible bank, Amalgamated Bank is on a mission to align our investments with our values. We are committed to sustainability and environmental protection, and we want to help increase accessibility to the benefits of clean energy. Working with the Connecticut Green Bank, we have found a partner driven by the same mission. Together, we are making investments to fuel the green energy revolution.”

Keith Mestrich
President & CEO
Amalgamated Bank



Green Bank President and CEO Bryan Garcia attended a chilly April ribbon cutting for an electric vehicle charging station installed at the Westfield Trumbull mall. First Selectwoman Vicki Tesora said this was the town’s first publicly accessible charging station, and more were planned. Others in attendance were State Representatives Laura Devlin and David Rutigliano, town staff and mall officials.

The Connecticut Permit to Plug-in Challenge team reported the installation of 1,501 systems in 49 participating municipalities covering 141 different zip codes. The PV systems installed PV has an average size of 8.74 kW and 13 MW of total installed solar capacity. The median total time from permit to plug-in was 89 days with 78.6% of its total installed capacity in the competition completed in 56 days or less.

Accolades

“Solar For All” Recognized

In May 2018, the Connecticut Green Bank was honored by the Clean Energy States Alliance (CESA) as a recipient of a 2018 State Leadership in Clean Energy Award for its Connecticut “Solar for All” program, a partnership with PosiGen Solar and Energy Efficiency. This was one of only six programs nationwide to win a 2018 “SLICE” Award for its outstanding accomplishments.

The Connecticut “Solar for All” partnership is a groundbreaking public-private effort between the Green Bank and PosiGen, who offers a low-to-moderate income (LMI) targeted solar lease paired with energy efficiency measures for homeowners, regardless of income or traditional measures of creditworthiness.

Pictured are (from left to right) Warren Leon, Executive Director, CESA; Green Bank employees Sara Pyne, Associate Manager, Statutory & Infrastructure Programs, and Selya Price, Associate Director, Statutory &



Infrastructure Programs, Beth Galante, Vice President of Business Development & Government Relations at PosiGen, and CESA Board Chairperson and Program Manager at the Sacramento Municipal Utility District (SMUD) Tim Tutt.

State Leadership
in Clean Energy
AWARDS

Winner 2018



Since the partnership launched, solar penetration in Connecticut’s low-income communities has increased 188% and over 800 low-income verified households have signed up to go solar with PosiGen.

Innovations in American Government Award

The Ash Center for Democratic Governance and Innovation, a leading research center at the John F. Kennedy School of Government at Harvard University, held a ceremony honoring the Connecticut Green Bank for receiving their 2017 Innovations in American Government Award. The Green Bank was chosen from among 500 nominations from all 50 states for the “Sparking a Green Bank Movement” entry.

A crowd of supporters filled the Old State House in Hartford for the event, where many dignitaries spoke including Stephen Goldsmith (pictured), Director of the Innovations in American Government Program at Harvard’s Kennedy

School of Government, who said, “The success of Connecticut’s Green Bank illustrates how Hartford’s innovative approach to green energy financing can create jobs, reduce harmful greenhouse gas emissions, and lower energy bills.”



[Read more at ctgreenbank.com/news-events/media-coverage/](http://ctgreenbank.com/news-events/media-coverage/)

From the Governor

Dear friends,

As cities and states across this country confront climate change, green banks can help mobilize private investment and accelerate the growth of their local green energy economies. Since 2011, Connecticut has experienced firsthand the positive effects of the Connecticut Green Bank – the first of its kind in the U.S. It drives the critical transition to green energy, creates good jobs, and helps state residents and businesses save on energy costs.

The innovative, successful way the Connecticut Green Bank operates, by utilizing public funding to attract private investment, has gained nationwide attention. Other states and some of America’s most innovative and forward-looking cities are looking toward replicating the green bank model in their respective communities.



As you see by this annual report, the Connecticut Green Bank’s original promise continues to evolve in the interest of achieving inclusive prosperity for all in our state. I congratulate the Connecticut Green Bank, its people, and its partners on their success in 2018.

A handwritten signature in black ink, appearing to read "D. Malloy".

Welcoming A New Board Member

In FY18, we welcomed a new member to our Board of Directors. Eric Brown is VP, Manufacturing Policy & Outreach at the Connecticut Business & Industry Association (CBIA). Previously, he served as their senior counsel.

At CBIA, Brown’s primary responsibilities include developing policy positions on energy, environment, land use, and manufacturing issues and advocating those positions before



regulatory agencies and the state legislature. He also directs E2: CBIA’s Energy & Environment Council, a group of approximately 200 Connecticut companies that assist in developing and advocating public policy positions on environmental and energy issues. He is also the Chair of the Joint Committee of the Energy Efficiency Board and the Green Bank.

Brown was appointed by House Republican Leader Themis Klarides (114th General Assembly District).

Board of Directors

Catherine Smith, Board Chair

Commissioner, Connecticut Department of Economic and Community Development

Robert Klee, Board Vice Chair

Commissioner, Connecticut Department of Energy and Environmental Protection

Matthew Ranelli, Board Secretary

Partner, Shipman & Goodwin, LLP

Eric Brown

VP, Manufacturing Policy & Outreach, Connecticut Business & Industry Association (CBIA)

Betsy Crum

Executive Director of the Women’s Institute for Housing & Economic Development

Thomas M. Flynn

Managing Member, Coral Drive Partners

John Harrity

President, Connecticut State Council of Machinists

Gina McCarthy

Former Administrator of the Environmental Protection Agency

Denise Nappier

Treasurer, State of Connecticut

Kevin Walsh

Managing Director and Group Head, Power and Renewable Energy, GE Capital, Energy Financial Services

Connecticut Green Bank

STATEMENTS OF NET POSITION

	2018	2017 ¹	Increase (Decrease)
Cash and cash equivalents - unrestricted	\$19,830	\$37,148	(\$17,318)
Other current assets	\$9,932	\$16,475	(\$6,543)
Program loans & other long term assets	\$56,859	\$54,057	\$2,802
Capital assets, net	\$73,417	\$61,510	\$11,907
Cash and cash equivalents - restricted	\$24,368	\$22,064	\$2,304
Total assets	\$184,406	\$191,254	(\$6,848)
Deferred amount for pensions	\$8,779	\$9,978	(\$1,199)
Deferred amount for OPEB	\$1,999	\$1,856	\$143
Deferred payments to State of Connecticut	\$14,000	--	\$14,000
Total deferred outflows of resources	\$24,778	\$11,834	\$12,944
Current liabilities	\$13,429	\$14,025	(\$596)
Long term liabilities	\$42,192	\$32,757	\$9,435
Fair value of interest rate swap	--	\$541	(\$541)
Pension liability	\$24,636	\$25,245	(\$609)
OPEB liability	\$24,876	\$23,804	\$1,072
Payable to State of Connecticut	\$14,000	--	\$14,000
Total liabilities	\$119,133	\$96,372	\$22,761
Deferred amount for pensions	\$47	--	\$47
Deferred amount for OPEB	\$625	--	\$625
Total deferred inflows of resources	\$672	--	\$672
Net position, unadjusted			
Invested in capital assets	\$2,251	\$1,388	\$863
Restricted Net Position:			
Non-expendable	\$66,496	\$55,975	\$10,521
Restricted - energy programs	\$19,250	\$16,844	\$2,406
Unrestricted Net Position	\$1,382	\$32,509	(\$31,127)
Total net position, unadjusted	\$89,379	\$106,716	(\$17,337)
Net position, adjusted			
Unrestricted Net Position	\$1,382	\$32,509	(\$31,127)
Contingent liabilities - programs and projects ²	(\$62,457)	(\$76,874)	\$14,417
Total net position, adjusted	(\$61,075)	(\$44,365)	(\$16,710)

¹2017 has been restated to agree to the 2018 Comprehensive Annual Financial Report (June 30, 2018).

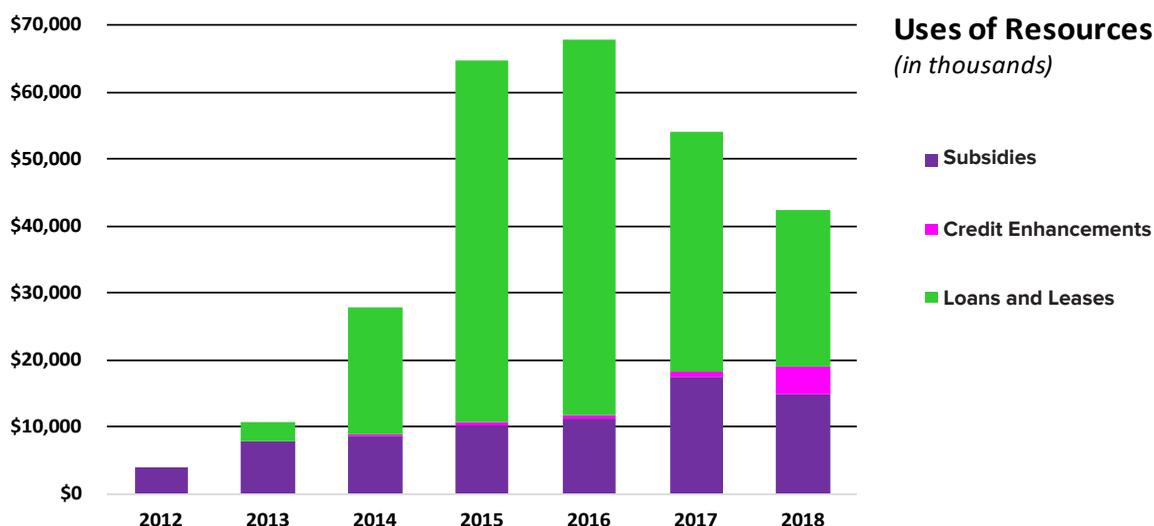
² See Note 13 to CGB's 2018 audited financial statements for further detail.

For the years ended June 30, 2018 and 2017:
(in thousands)

STATEMENTS OF REVENUE, EXPENSE
AND CHANGE IN NET POSITION

	2018	2017	Increase (Decrease)
Revenues	\$36,882	\$33,967	\$2,915
Operating Expenses:			
Grants and incentive programs	\$17,930	\$17,084	\$846
Program administration expenses	\$17,380	\$16,824	\$556
Cost of Goods Sold - Energy Systems	\$2,998	--	\$2,998
General and administrative expense	\$5,630	\$5,726	(\$96)
Total Operating Expenses	\$43,938	\$39,634	\$4,304
Operating Income:	(\$7,056)	(\$5,667)	(\$1,389)
Non-operating revenue (expense)	\$2,445	\$1,916	\$529
Payments to State of Connecticut	(\$14,000)	--	(\$14,000)
Provision for loan losses	(\$362)	(\$957)	595
Capital contributions	\$2,176	\$6,446	(\$4,270)
Distributions	(\$540)	(\$436)	\$104
Total Non-Operating Revenue (Expenses)	(\$10,281)	\$6,969	(\$17,250)
Net Change	(\$17,337)	\$1,302	(\$18,639)

For more details on the financial statements, please access the Comprehensive Annual Financial Report (June 30, 2018) at <https://ctgreenbank.com/strategy-impact/reporting-transparency/>



845 Brook Street, Rocky Hill, CT 06067
300 Main Street, 4th Floor, Stamford, CT 06901
(860) 563-0015



Find out more about how
Connecticut Green Bank is
accelerating the growth of green energy
for a stronger Connecticut at www.ctgreenbank.com