845 Brook Street, Rocky Hill, CT 06067
T 860.563.0015
ctgreenbank.com

CONNECTICUT
GREEN BANK

Legislative Testimony of the Connecticut Green Bank
Energy and Technology Committee
March 5, 2020

Regarding House Bill 5008
AN ACT CONCERNING THE ESTABLISHMENT OF HIGH PERFORMANCE GREEN BUILDING STANDARDS FOR VOLUNTARY ADOPTION BY MUNICIPALITIES

As the nation's first green bank, the Connecticut Green Bank ("Green Bank") leverages the limited public resources it receives to attract multiples of private investment to scale up clean energy deployment. Since its inception, the Green Bank has mobilized nearly $1.7 billion of investment into Connecticut's clean energy economy at nearly a 7 to 1 leverage ratio of private to public funds, supported the creation of over 20,000 direct, indirect and induced jobs, reduced the energy burden on over 40,000 families and businesses, deployed nearly 360 MW of clean energy, helped reduce over 5.8 million tons of CO2 emissions over the life of the projects, and generated nearly $90 million in individual income, corporate, and sales tax revenues to the State of Connecticut through fiscal year 2019.

The built environment consists of long-lived infrastructure, whose future energy needs are partially hardcoded into the property during construction or renovation. The Green Bank **supports HB 5008** as a proposal that helps address Connecticut's energy affordability on a property-by-property basis over long timescales. Importantly, the bill does this without imposing requirements on municipalities unless they voluntarily enter into them by opting into a "stretch code" – a concept implemented in other states as a means of allowing for local sustainability standards that exceed baseline code requirements.

Sustainability is becoming increasingly important for Connecticut's cities and towns. Connecticut's cities and towns that are pursuing sustainability may welcome an opportunity to voluntarily support such standards. There are now 102 registered cities and towns within the Sustainable CT framework – of which 47 of them are certified (i.e., 33 bronze and 14 silver).[1]

Please find attached the Green Bank's Impact Report for FY 2019 and in recognition of the 50th anniversary of Earth Day, a promotion on the Green Liberty Bonds to be marketed by the Green Bank this spring.

Questions on this document may be submitted to the Green Bank's Legislative Liaison Matt Macunas, reachable at matt.macunas@ctgreenbank.com or at (860) 257-2889.

[1] https://sustainablect.org/

FY 12 - FY 19

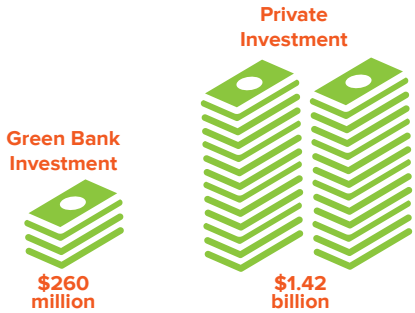
CONNECTICUT GREEN BANK℠

Green Bank Impact Report

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 from FY 2012 through FY 2019.

INVESTMENT IN CONNECTICUT

Investment Since inception, the Green Bank has mobilized ***$1.68 billion*** of investment 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, we attract $6.50 of private investment.

Tax revenues The Green Bank's activities have helped generate an estimated ***$87.1 million*** in state tax revenues.

$43.1 million individual income tax

$23.0 million corporate taxes

$21.1 million sales taxes

ECONOMIC DEVELOPMENT

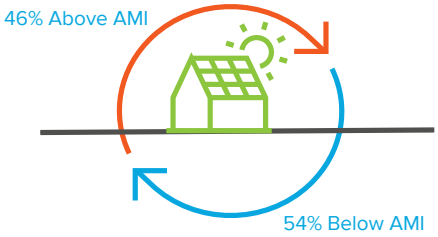
Jobs The Green Bank has supported the creation of more than ***20,000*** direct, indirect, and induced job-years.

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

40,000+ *families*

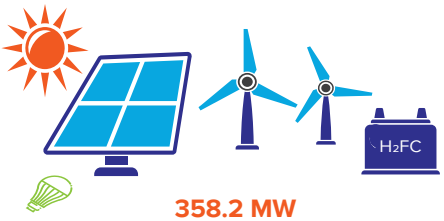
375+ *businesses*

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



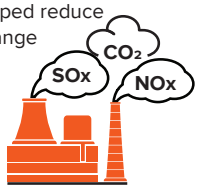
ENVIRONMENTAL PROTECTION

Deployment The Green Bank has accelerated the growth of clean energy to more than ***350 MW***.



358.2 MW of installed capacity

Pollution The Green Bank has helped reduce air emissions that cause climate change and worsen public health, including 5.1 million pounds of SOx and 6.3 million pounds of NOx.



5.8 million tons of CO_2

which equals

88 million tree seedlings grown for 10 years

or

1.1 million passenger vehicles driven for one year

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

$206.7 - $466.7 million of lifetime public health value created

Learn more by visiting ctgreenbank.com/strategy-impact/impact

Winner of the 2017 Harvard Kennedy School Ash Center Award for Innovation in American Government, the Connecticut Green Bank is the nation's first green bank. We're creating a thriving marketplace to accelerate green energy deployment in Connecticut by making green energy financing accessible and affordable for homeowners, businesses and institutions.

Sources: Connecticut Green Bank Comprehensive Annual Financial Reports

FY 12 - FY 19

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Lenders on Connecticut Green Bank

"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

"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 Key Bank 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

"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."

Chandler Howard, President and CEO, Liberty Bank

"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

"The CT Solar Loan program was a game-changer for solar financing and Sungage Financial. Our partnership with the Green Bank in Connecticut helped our company grow and become a national leader in helping families finance solar and realize the important benefits it provides."

Sara Ross, Co-Founder and CEO, Sungage Financial

Learn more by visiting ctgreenbank.com/strategy-impact/impact

RENEWABLE ENERGY OF COMMUNITY

GREENBONDSUS.COM

In April 2020, as part of the celebration of the 50th anniversary of Earth Day, the Connecticut Green Bank is planning to launch its first Green Liberty Bonds, a new offering designed to allow more people to get involved in investing to confront climate change. Unlike many other bonds, Green Liberty Bonds will be available in minimum denominations of $1,000.*

How to Buy a Green Liberty Bond

Step 1 - Learn about the bonds. Read the Preliminary Official Statement (POS) when posted to www.greenlibertybonds.com (you can sign-up for email notifications regarding the sale) or obtain the POS from your investment professional to learn more about the bonds to help you make an informed investment decision.

Step 2 - Open a brokerage account. To invest in a bond, you must have an account with one of the brokerage firms participating in the bond sale, or with another firm that can place an order through a brokerage firm participating in the bond sale. While we anticipate issuing Green Liberty Bonds in late April, investors are encouraged to begin the new account process early because internal new account procedures may take some time to process.

If you do not have a brokerage account, you can contact our lead underwriters to begin the process of opening a new account:

Ramirez & Co.
(855) RAMIREZ
https://ramirezco.com/ContactUs

Stifel Financial Corp
(800) 679-5446
https://www.stifel.com/fa/search?state=ct

Step 3 - Submit your order. Contact your broker to get more information about how to buy bonds during the retail order period. Discuss with the broker the number of bonds, the maturity date and the price at which you are willing to purchase the bonds, as well as any other questions.

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** Remember – all investments involve risk; your investment professional can assist you in this process. This document is not an offer to sell any bonds or a solicitation of an offer to buy any bonds. Green Bank employees are not investment professionals and are strictly prohibited under Federal law and rules and regulations of the Securities and Exchange Commission from engaging in or advising on any purchases of securities, including Green Liberty Bonds. Any calls to the Green Bank for assistance with purchasing Green Liberty Bonds will be directed to our lead underwriters – noted above.*

To learn more, visit www.greenlibertybonds.com