



CLEAN ENERGY
FINANCE AND INVESTMENT AUTHORITY

Comprehensive Plan

FY 2013 through FY 2015

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OVERVIEW

Background

With the passage of Public Act 11-80 “An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut’s Energy Future,” the state’s clean energy efforts were dramatically changed. There were several major components of this legislation, including:

- **Behind the Meter Renewable Energy Credit Program** – the creation of a \$1 billion market-based mechanism that provides 15-year contracts to support the deployment of in-state behind-the-meter zero emissions renewable energy credit (ZREC) and low emissions renewable energy credit (LREC) projects
- **Grid Tied Renewable Energy Program** – the ability for the electric distribution companies to procure power from and own and operate up to 30 MW of grid tied zero emission renewable energy projects
- **Energy Savings Performance Contracts** – a “leading by example” effort to develop a standardized process for state agencies to engage in energy savings performance contracts (ESPC) and work with Connecticut’s municipalities to implement similar efforts

The legislation also created the nation’s first “green bank” in the Clean Energy Finance and Investment Authority (CEFIA). CEFIA is the successor organization to the Connecticut Clean Energy Fund (CCEF) – with a different organizational status as a quasi-public organization and a new focus on financing the deployment of clean energy in Connecticut. As clean energy is one of Governor Malloy’s key areas of priority, CEFIA provides the state a means to scale up its investments in the deployment of clean energy. Connecticut’s General Assembly has also indicated its firm support for clean energy. This was clearly indicative in the overwhelming non-partisan support of Public Act 11-80.

Connecticut’s energy future will provide cleaner, cheaper, and more reliable sources of energy for its residential, commercial and industrial customers. Additionally, this platform will realize benefits within government operations by taking advantage of energy savings opportunities.

Over 170 trillion Btus of residential energy consumption in Connecticut is comprised predominantly of fuel oil (43%), natural gas (26%) and electricity use (25%) – with wood and solar comprising a little more than two percent of consumption.¹ Per capita home energy use in Connecticut of natural gas, heating oil and other petroleum products is higher than New York, Massachusetts, and Vermont² and the state has had one of the highest electric rates in the country over the past ten years.³ Households emit 30 percent of the greenhouse gas (GHG) emissions from their energy consumption and pay on average over

¹ Residential energy consumption in Connecticut in trillion Btus. U.S. Energy Information Administration

² Housing Development Fund’s “Energy Smart Solutions: A Strategic Simulation (Residential Energy Efficiency in Connecticut)” (March 2012)

³ Data ('99-'09) from Connecticut’s High Electric Rates and the Legislative Response by Kevin E. McCarthy, Principal Analysts, Connecticut Office of Legislative Research.

\$3,600 per year in energy expenditures⁴ - nearly 70 percent of these expenditures were made through a utility. For electricity, there is an economic potential to reduce consumption by 30 percent.⁵

The commercial sector accounts for the largest share of electricity usage in Connecticut. The largest end use is lighting (46%), followed by cooling (26%) and refrigeration (10%). An aggregation of items, such as computers, vending machines and water heating, accounts for the remainder (18%).⁶

The industrial sector accounts for the smallest amount of energy consumption in Connecticut. In 2009, it consumed 83.6 trillion British thermal units (Btu), placing Connecticut 45th in the nation in industrial energy consumption.⁷

For electricity, there is an economic potential to reduce consumption by between 30 to 40 percent.⁸

CEFIA's role in Connecticut's energy future is to help realize the energy consumption reduction potential by attracting and deploying capital to finance the clean energy goals of the state.

Purpose of the Organization

The Clean Energy Finance and Investment Authority (CEFIA) was created through the passage of Public Act 11-80 to support financing or other expenditures that promote the deployment of clean energy in Connecticut in accordance with a comprehensive plan.

CEFIA's purposes are:

- Developing programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects and such other programs as CEFIA may determine;
- Supporting financing or other expenditures that promote investment in clean energy sources to foster the growth, development and commercialization of clean energy sources and related enterprises; and
- Stimulating demand for clean energy and the deployment of clean energy sources within the state that serves end-use customers in the state.

CEFIA's purposes are codified in Section 16-245n(d)(1) of the Connecticut General Statutes (C.G.S.) and its board approved Resolution of Purposes.

Clean Energy Defined

Clean energy has the meaning as provided in C.G.S. Section 16-245n(a), and includes (see Table 1):

⁴ U.S Energy Information Administration

⁵ *Connecticut Electric Residential, Commercial, and Industrial Energy Efficiency Potential Studies* by Kema (April 2010)

⁶ Kema 2010

⁷ U.S. Energy Information Administration

⁸ Kema 2010

Table 1. Clean Energy Technologies

- Solar photovoltaic energy
- Solar thermal
- Geothermal energy
- Wind
- Ocean thermal energy
- Wave or tidal energy
- Fuel cells
- Landfill gas
- Hydropower¹¹
- Hydrogen production
- Hydrogen conversion technologies
- Biomass conversion technologies⁹
- Alternative fuels¹⁰
- Waste heat recovery systems
- Thermal storage systems
- Financing of energy efficiency projects
- Storage technologies
- Distribution technologies
- Manufacturing technologies
- EV, HEV, and AFV and infrastructure projects

Clean energy also includes 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.

Governance

Pursuant to Section 16-245n of the Connecticut General Statutes, the powers of CEFIA are vested in and 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 (see Table 2).

Table 2. Board of Directors of CEFIA

Position	Status	Voting or Non-Voting	Name	Organization
State Treasurer (or designee)	Ex officio	Voting	Jonathan Harris	Treasurer's Office
Commissioner of DEEP ¹² (or designee)	Ex officio	Voting	Dan Esty ¹³	DEEP
Commissioner of DECD ¹⁴ (or designee)	Ex officio	Voting	Catherine Smith ¹⁵	DECD
Residential or Low Income Group	Appointed	Voting	Pat Wrice	Operation Fuel
Investment Fund Management	Appointed	Voting	Norma Glover	NJG Associates
Environmental Organization	Appointed	Voting	Matthew Ranelli ¹⁶	Shipman & Goodwin
Finance or Deployment	Appointed	Voting	(unfilled)	(unfilled)

⁹ Low emission

¹⁰ 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 the Department of Energy and Environmental Protection determines that such fuels provide net reductions in greenhouse gas emissions and fossil fuel consumption

¹¹ Must meet the low-impact standards of the Low Impact Hydropower Institute

¹² Department of Energy and Environmental Protection

¹³ Vice Chairperson of the Board of Directors and Chairperson of the Budget and Operations Committee

¹⁴ Department of Economic and Community Development

¹⁵ Chairperson of the Board of Directors

¹⁶ Secretary of the Board of Directors

Finance of Renewable Energy	Appointed	Voting	Mark Cirilli	Mission Point Capital
Finance of Renewable Energy	Appointed	Voting	Reed Hundt ¹⁷	Coalition for Green Capital
Labor	Appointed	Voting	John Olsen ¹⁸	AFL-CIO
R&D or Manufacturing	Appointed	Voting	Mun Choi	University of Connecticut
President of CEFIA	Ex officio	Non	Bryan Garcia	CEFIA
Board of Connecticut Innovations	Ex officio	Non	(unfilled)	(unfilled)

CEFIA is governed through its bylaws adopted August 3, 2011, revised September 29, 2011, and as amended from time-to-time. There are currently three committees of the Board of Directors, including:

- Audit, Compliance and Governance
- Budget and Operations
- Deployment

These committees carry out the purposes of CEFIA. As required in P.A. 11-80 a joint-standing committee of CEFIA and the Connecticut Energy Efficiency Fund (CEEF) is being established to coordinate programs and activities.

KEY ELEMENTS OF THE COMPREHENSIVE PLAN

Vision

The vision of the Clean Energy Finance and Investment Authority is to help ensure Connecticut's energy security and community prosperity by realizing its environmental and economic opportunities through clean energy finance and investments.

Mission

To assist in the implementation of the Department of Energy and Environment Protection's (DEEP) Comprehensive Energy Plan and Integrated Resource Plan and the Department of Economic and Community Development's (DECD) economic development plans, the mission of CEFIA is to support the Governor's energy strategy to achieve cleaner, cheaper and more reliable sources of energy through clean energy finance.

Goals

In order to achieve the vision and mission of CEFIA, the following are a set of goals for clean energy in Connecticut:

- Attract and deploy capital to finance the clean energy goals for Connecticut
 - Assist Connecticut in becoming the most energy efficient state in the nation
 - Scale-up the deployment of renewable energy in the state

¹⁷ Chairperson of the Deployment Committee

¹⁸ Chairperson of the Audit, Compliance and Governance Committee

- Support the infrastructure needed to lead the clean energy economy
- Develop and implement strategies that bring down the cost of clean energy in order to make it more accessible and affordable to consumers
- Reduce reliance on grants, rebates and other subsidies and move towards innovative low-cost financing of clean energy deployment

Measures of Success

In order to determine the success of CEFIA's programs, the following are a core set of measures:

- Amount of clean energy deployed (i.e. MW and MWh)
- Total dollars of investment in clean energy
- Ratio of private capital to public and ratepayer funds
- Deploy X amount of private capital leveraged by Y amount of public funds by year Z
- Ratio of public and ratepayer funds invested in subsidies (i.e. grants and credit enhancements) versus financing programs (i.e. loans)
- Installed and levelized cost of clean energy resources (i.e. \$/kW and \$/kWh)

PROGRAMS

CEFIA's programs will reflect the strategic transition away from technology innovation, workforce development, formal education and subsidies towards a focus on low-cost financing of clean energy deployment. Existing technology innovation, formal education, workforce development, and subsidy-based programs will either move towards a financing model or be transitioned to another public or quasi-public organization. CEFIA's new and statutorily required programs will all seek to leverage ratepayer dollars to deploy clean energy in Connecticut.

Programs in Transition

As a result of Public Act 11-80, new policy approaches have been instituted to support the deployment of clean energy in Connecticut, including the ZREC-LREC policies. Also, as CEFIA transitions from a subsidy-driven model towards a low-cost financing and credit enhancement model, there are a number of existing programs that will be either phased out or transitioned to another organization over time.

ON-SITE DISTRIBUTED GENERATION "BEST OF CLASS" PROGRAMS

OSDG is a grant program that promotes the installation of a range of behind the meter clean energy generation systems in the commercial, industrial, institutional, not-for-profit, government and affordable housing sectors. The program requires that host sites undertake a reasonable level of energy efficiency upgrades (e.g. measures with less than a 5-year simple payback). Through the implementation of the ZREC and LREC policies in Q3 of 2012, the OSDG program will be phased out by July 1, 2012.

Objectives

CEFIA is currently supporting a final round of the OSDG program to ensure clean energy market continuity as the state transitions to the ZREC-LREC policy.

Financing Strategies

CEFIA is providing its last grants to commercial, industrial and institutional ratepayers:

- \$4.5 million competitive RFP to support transition to the ZREC market with a focus on solar PV
- \$3.5 million open solicitation to support transition to the LREC market

ALPHA PROGRAM

The Alpha Program invests in technologies beyond the stage of basic research and development, which requires further testing in a laboratory or simulated environment. As CEFIA focuses on financing the deployment of commercially available technologies as opposed to supporting technology innovation, the Alpha Program may be transitioned to another governmental entity or CEFIA will wind down activity in an orderly fashion by July 1, 2012.

Objectives

Invest in early-stage, high-potential renewable energy companies and technologies that employ advanced energy methods including renewable energy, energy efficiency, and advanced energy storage techniques to address Connecticut's energy issues.

Financing Strategies

CEFIA is providing a combination of grants and nonrecourse loan financing for the Alpha Program:

- \$1.2 million competitive RFP has been completed and select bids are awaiting external technical review and staff recommendation for funding to the Board of Directors
- \$200,000 made available to individual projects through a competitive RFP process - \$50,000 grant and \$150,000 nonrecourse loan
- Requirement that a minimum cash cost share of twenty-five percent (25%) on the grant and one-third on the loan applies to each project

OPERATIONAL DEMONSTRATION PROGRAM

The Operational Demonstration Program supports the demonstration of individual technologies or integrated technology solutions that employ advanced energy methods. The program is not intended to support research and development or alpha-stage projects. As CEFIA focuses on financing the deployment of commercially available technologies as opposed to supporting technology innovation, the Operational Demonstration Program may be transitioned to another governmental entity or CEFIA will wind down activity in an orderly fashion by July 1, 2012.

Objectives

Encourage the commercialization and deployment of innovative clean energy technologies in Connecticut to help create and grow a vibrant clean energy industry with accompanying jobs in the state.

Financing Strategies

CEFIA is providing unsecured loan financing for the Operational Demonstration Program:

- \$1.5 million competitive RFP has been completed and bids are awaiting external technical review and staff recommendations for funding to the Board of Directors
- Maximum loan amount for any individual project is \$500,000
- Requirement that a minimum cash cost share of one-third applies to each project

CLEAN TECH FUND

The Clean Tech Fund invests in early-stage clean energy companies that employ advanced energy methods including renewable energy, energy efficiency, and advanced energy storage technologies. DECD, Connecticut Innovations (CI) and CEFIA pledged funds to make equity investments in promising clean energy technologies and ventures. As CEFIA focuses on financing the deployment of commercially available technologies as opposed to supporting technology innovation, the Clean Tech Fund has been transitioned to CI.

Objectives

Provide equity funding for high growth potential companies in Connecticut to support manufacturing and commercial deployment to help grow the clean energy industry in Connecticut.

Financing Strategies

CEFIA is no longer providing equity capital to the Clean Tech Fund.

TECHNOLOGY AND RESOURCE ASSESSMENTS

The Technology Assessment programs monitor the performance of (1) Connecticut-deployed fuel cell projects and (2) small wind projects deployed by the Clean Energy Fund. A Waste Heat Resource Assessment is underway to assess Connecticut's potential for power generation from waste heat. As CEFIA focuses on financing the deployment of commercially available technologies, the Technology & Resource Assessment Programs may be transitioned to another governmental entity or CEFIA will wind down activity in an orderly fashion by July 1, 2012.

Objectives

For the fuel cell program, to substantiate the value proposition for fuel cell technologies. For the small wind program, to determine the feasibility of establishing a small wind rebate program. Both projects disseminate performance data and analysis to stakeholders. The Waste Heat Resource Assessment will determine the amount of waste heat that could be viably converted into electricity.

Financing Strategies

CEFIA is no longer providing funding for the technology assessments.

WORKFORCE DEVELOPMENT PROGRAMS

The post-secondary green job training programs offered by the Connecticut Technical High School System offers solar photovoltaic (PV) and solar thermal education and training. The program provides teacher professional development, curriculum materials, hands-on solar PV and solar thermal systems, diagnostic and troubleshooting equipment and materials to construct "E-houses". As CEFIA focuses on financing the deployment of commercially available technologies, the workforce development programs will be transitioned to another governmental entity and/or the CEEF.

Objectives

Increase the knowledge and awareness of clean energy technologies and its benefits to society among Connecticut Technical High School faculty and students and prepare students for emerging employment opportunities in renewable energy and energy efficiency fields.

Financing Strategies

CEFIA will complete its existing funding obligations (\$400,000) with matched funds from the CEEF.

FORMAL EDUCATION PROGRAMS

The Learning for Clean Energy Innovation program is a professional development opportunity for Connecticut teachers focused on renewable energy sources. Developed in consultation with the Connecticut Department of Education the program is offered statewide and provides education for teachers on how to incorporate specially designed alternative energy lessons into their existing curriculum, provides teacher training workshops, curriculum materials, and clean energy classroom toolkits. As CEFIA focuses on financing the deployment of commercially available technologies, the formal education programs will be transitioned to the eesmarts program of the CEEF.

Objectives

The LCEI program seeks to provide resources to support educators and students throughout the state of Connecticut in an effort to educate them about smart energy usage, the impact of their energy usage on the environment and the economics of clean energy.

Financing Strategies

CEFIA will complete its funding obligation (\$15,000) for the development of curriculum and the Summer Institute workshops in conjunction with the CEEF's eesmarts program.

Programs Required by Statute

Public Act 11-80 directs CEFIA to develop and implement the following clean energy programs.

COMBINED HEAT AND POWER AND ANAEROBIC DIGESTER PILOT PROGRAMS

Section 103 of Public Act 11-80 directs CEFIA to establish two 3-year pilot programs (1) to promote the development of new combined heat and power (CHP) projects in Connecticut and (2) create a program to support on-site anaerobic digestion (AD) facilities to generate electricity and heat from organic waste.

Objectives

For CHP, each individual project must be below 2 MW in capacity size and the overall program cannot exceed 50 MW. For anaerobic digesters, up to 5 projects are to be supported each with a maximum size of 1,500 KW.

Financing Strategies

CEFIA will provide loans, power purchase agreements, and/or subsidies for these test pilot programs:

- CHP – incentives are capped at \$350 per kilowatt (KW) and a total budget of \$2 million per year for three (3) years for the test pilot

- AD – incentives are capped at \$450 per kilowatt (KW) and a total budget of \$2 million per year for three (3) years for the test pilot

RESIDENTIAL SOLAR INVESTMENT PROGRAM

Per Section 106 of Public Act 11-80, CEFA has established the Residential Solar PV Investment Program. Pursuant to the Act, CEFA has published the first two steps of a schedule of declining incentives, in the form of performance-based incentives and expected performance-based buydowns. Given the new focus on finance rather than subsidies, CEFA, will look to transition the program to a financing mechanism over time.

CEFA will also develop a pilot program, the New England Solar Challenge, leveraging funding from philanthropic foundations in partnership with the Massachusetts Clean Energy Center. This program will use a proven community-based approach featuring trusted messengers (i.e., Solar Coaches and Ambassadors) along with a “Solarize” aggregation strategy to lower costs and accelerate adoption of solar.

Objectives

The Residential Solar Investment Program will result in at least 30 megawatts of solar residential installations by December 31, 2022

Financing Strategies

CEFA will initially offer incentives in the form of performance-based incentives, expected performance-based buy-downs, credit enhancements and loans, with the goal of completely replacing direct incentives with loans.

CONDOMINIUM RENEWABLE ENERGY GRANT PROGRAM

The Condominium Renewable Energy Grant Program will provide incentives and financing for clean energy sources, including solar energy, geothermal energy and fuel cells or other energy-efficient hydrogen-fueled energy, for residential condominium associations and residential condominium owners per Section 111 of P.A. 11-80.

Objectives

The Condominium Renewable Energy Grant Program will provide financial support to residential condominium associations and residential condominium owners to purchase or lease clean energy sources.

Financing Strategies

Per section 111 of Public Act 11-80, CEFA will provide financial support in the form of grants to help residential condominium associations and residential condominium owners purchase or lease clean energy sources.

GREEN LOAN GUARANTY FUND

Per section 124 of Public Act 11-80, CEFA will establish the Green Loan Guaranty Fund (GLGF) to guarantee loans made by participating lending institutions to individuals, non-profits and businesses with less than 50 employees.

Objectives

Together with existing financing programs of the Energy Efficiency Board and the Connecticut Health and Educational Facilities Board, the GLGF will enable at least 15 percent of single family homes in Connecticut to receive efficiency improvements by 2020. Loan guarantees will support clean energy generation systems, energy conservation measures, replacement furnaces and boilers, and advanced energy-conserving equipment. Approval from the Bond Commission will be required for any investment made through the Green Loan Guaranty Fund.

Financing Strategies

Through the Winn Program, which creates a subsidy which is intended to attract smaller performance contractors to the multifamily (40 – 300 unit) housing market by making available low-interest debt capital to finance energy efficiency projects in this underserved market, CEFIA will commit \$2.5 million as a loan loss reserve for some fraction (70-90%) of the first losses due to loan repayment default for projects in Connecticut.

New Programs

CEFIA's new programs will use innovative financing techniques to leverage ratepayer dollars and attract private capital to finance clean energy in Connecticut.

RESIDENTIAL CLEAN ENERGY FINANCING PROGRAM

The Residential Clean Energy Financing Program shall be a long-term comprehensive low interest loan and/or leasing program for clean energy installations (i.e. energy efficiency and renewable energy systems).

Objectives

The objectives of the program are to create a loan and/or credit enhancement program(s) that are both attractive to consumers and capital providers. Through low cost financing, the need for subsidies will be reduced over time if not eliminated. Through proper marketing to contractors and consumers, the financial products developed will create additional demand.

Financing Strategies

Through the use of a combination of repurposed American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) grant funds and ratepayer funds through the Connecticut Clean Energy Fund, residential clean energy financing programs will be developed.

COMMERCIAL CLEAN ENERGY FINANCING PROGRAM

The Commercial Clean Energy Financing Program, developed with the Connecticut Development Authority, will finance clean energy projects in the private and public sector. The program consists of several elements, including, but not limited to:

- Support for the implementation of Commercial Property Assessed Clean Energy (PACE) should the legislature approve of it in the Spring 2012 session

- Creation of a Clean Energy Solutions initiative to provide technical assistance and low interest loans to businesses that have a strategic importance for the Department of Economic and Community Development

Objectives

CEFIA will offer the public and private commercial sector support to address their energy problems with energy efficiency and renewable energy solutions.

Financing Strategies

CEFIA will provide loans and loan enhancements at attractive terms and conditions.

SOLAR THERMAL INVESTMENT PROGRAM

The Solar Thermal Investment Program will bridge the transition from the American Recovery and Reinvestment Act solar thermal program that CEFIA administered to a future, financing only program.

Objectives

The Solar Thermal Investment Program will maintain and grow the contractor infrastructure in Connecticut for solar thermal installations and increase demand for these systems, while moving from an incentive towards a more sustainable financing program.

Financing Strategies

The program will offer rebates that will decline rapidly from the current levels, which will only cover applications received through March 1, 2012. The program will then transition to a more sustainable approach designed to allow a reasonable payback.

FEASIBILITY STUDIES

Feasibility Studies provide financial support for assessing the technical and economic feasibility of using complex clean energy systems.

Objectives

Assist commercial and industrial end-users and developers to make informed decisions about using complex clean energy systems by understanding and solving technical and economic uncertainties.

Financing Strategies

CEFIA provides direct grants or indirect technical assistance support for Feasibility Studies:

- \$750,000 combined total budget with Feasibility Studies program
- Up to \$50,000 in grants or technical assistance for each project
- Must support the economic development goals of DECD and/or the energy goals of DEEP

PREDEVELOPMENT LOANS

Predevelopment Loans support projects at the earliest stages of their development (i.e. siting, permitting, or feasibility analyses) to position them for follow-on investments from financial institutions.

Objectives

Support projects that are deploying commercially available and proven technologies for power production with a high likelihood of successful development and commercialization.

Financing Strategies

CEFIA provides unsecured loan financing for the Predevelopment Loan Program:

- \$2,500,000 combined total budget with Predevelopment Loan program
- Maximum loan amount for any individual project is \$500,000

STRATEGIC INVESTMENTS

Strategic Investments are unique opportunities that arise that aren't directly associated with any existing program, but that the Board of Directors determines are deserving of financial support. Such investments must meet at least three (3) of five (5) key criteria to be considered as a strategic investment.

Objectives

Support unique project opportunities that have important strategic reasons for investment.

Financing Strategies

CEFIA will provide grants and loan financing for the Strategic Investments Program.

Marketing and Outreach Programs**CLEAN ENERGY COMMUNITIES**

The Clean Energy Communities program serves as a platform for municipalities to lead by example in their support of energy efficiency and renewable energy and thereby encourage residents, businesses and institutions within the community and other cities and towns throughout the state to adopt similar measures. Key changes will include the formal partnership with the Energy Efficiency Fund as co-administrator of the program, performance-based incentives for meeting both renewable energy and energy efficiency milestones and bonuses for additional actions that demonstrate that a community is "investment ready" for clean energy (e.g., adoption of streamlined permitting and planning and zoning processes, commercial PACE, high performance building codes, finance seminars in conjunction with strategic partners such as realtor groups and chambers of commerce).

COMMUNITY INNOVATION GRANTS

The Community Innovation Grants program provides micro-grants to qualifying communities to support projects that expand the market for clean energy. The program guidelines will be modified to provide assistance with energy benchmarking efforts as well as support for the "investment ready" initiatives described above including education and outreach on new energy financing mechanisms.

NEIGHBOR TO NEIGHBOR ENERGY CHALLENGE

The Neighbor to Neighbor Energy Challenge is a U.S. Department of Energy (DOE) grant program administered by CEFIA in partnership with various public and private entities and 14

municipalities. CEFIA will incorporate lessons learned over the course of the three-year project (as well as through other Better Buildings projects) into its deployment, outreach and financing programs.

SUN RISE NEW ENGLAND – OPEN FOR BUSINESS

Sun Rise New England – Open for Business project is a DOE grant program administered by CEFIA in partnership with various public and private entities, academic institutions, non-profits and 12 municipalities. The project partners will seek to improve processes for permitting, planning and zoning and interconnection processes, promote financing programs and test customer acquisition strategies with the goal of reducing the non-hardware costs associated with solar PV.

LEAD BY EXAMPLE

The Lead By Example Initiative is led by DEEP with support from CEFIA and through funding from three philanthropic foundations. It is designed to meet certain goals of Public Act 11-80, which calls for a 10 percent reduction in energy used by State facilities by 2013 and a further 10 percent reduction by 1018. Following an initial focus on state facilities, the initiative will provide assistance to municipalities to achieve similar goals particularly with regard to energy benchmarking and energy performance savings contracts. In addition to bond funds from the state, CEFIA will provide low-cost financing for state building projects identified by an Energy Service Company (ESCO) and backed with a performance guarantee.

MARKETING AND OUTREACH

CEFIA will provide full marketing and communications services and outreach for both end-use customers and financial audiences including website development and enhancements, program collateral, press releases, events, sponsorships, speaking engagements and social media. With respect to end-use customers, our strategy will be drawn from market research and national best practices as the organization transitions from rebate-driven programs to market-based programs that incorporate innovative financing opportunities. We will further utilize outreach programs to raise awareness and accelerate adoption of energy efficiency and renewable energy by promoting the full suite of financing tools authorized by Public Act 11-80.

CEFIA is also partnering with DEEP and the Energy Efficiency Fund on a statewide energy marketing initiative that will provide research-driven integrated branding, marketing, outreach and website development services in support of making Connecticut the nation's leading state in clean energy. This project will develop a brand platform, marketing materials, website, social media and other tools that resonate with core audiences (e.g., residential, large and small commercial and industrial, institutional, municipal, non-profits, agricultural) and drive action to adopt broader and deeper energy efficiency measures and renewable energy technologies. The objective will be to change the clean energy market from one which is driven largely by the suppliers and contractors to a "pull-through" market driven by consumer demand and financing. The work plan and timelines are currently under negotiation but the project partners are striving for an initial launch and public relations campaign in June 2012 and rollout of an expanded website in September 2012.

MONITORING AND EVALUATION

Robust monitoring and evaluation will be a part of all of CEFIA's major programs as we seek to improve program structures and delivery. These evaluations will consider, among other things, program metrics, measurement of performance, and process activities and improvements. Program plans for all major programs will include a budget allocation for monitoring and evaluation. CEFIA will rely on an open and competitive RFP process in selecting independence third-party evaluators.

BUDGET

The fiscal year 2013 budget is under development with the Budget and Operations Committee.