



Legislative Testimony of the Connecticut Green Bank
Energy, Utilities and Technology Committee
May 12, 2021

Legislative Document No. 1659
AN ACT TO CREATE THE MAINE CLEAN ENERGY & SUSTAINABILITY ACCELERATOR

The Connecticut Green Bank expresses its **support of LD 1659 regarding the creation of the Maine Clean Energy & Sustainability Accelerator.**

By way of background, 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 \$2.0 billion of investment into Connecticut's clean energy economy at a 7 to 1 leverage ratio of private to public funds, supported the creation of over 23,000 direct, indirect and induced jobs, reduced the energy burden on over 55,000 families and businesses, deployed over 430 MW of clean renewable energy, helped avoid nearly 9.0 million tons of CO₂ emissions over the life of the projects, and generated nearly \$100 million in individual income, corporate, and sales tax revenues to the State of Connecticut.¹

The Green Bank's mission is to "confront climate change and provide all of society a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy," through the following three goals:

1. To leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.
2. To strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.
3. To pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

The Comprehensive Plan of the Green Bank – Green Bonds US – provides further detail on the Connecticut Green Bank.²

With respect to LD 1659, the Green Bank provides the following testimony:

¹ Comprehensive Annual Financial Report for FY2020

² https://www.ctgreenbank.com/wp-content/uploads/2021/01/Comprehensive-Plan_FY-2020-and-Beyond_Final_012521.pdf

- **Abundance of Natural Resources and Beauty** – as someone who once owned a home in Greenville, Maine on Moosehead Lake, I can truly appreciate the wonders of Maine’s coastal and inland natural resources and beauty. Enabling further investment in those resources - by catalyzing and mobilizing greater private investment in mitigation and adaptation projects that balance the needs of Mainer families and businesses - will help the state combat the causes and effects of climate change.

In Connecticut, we are nearing our 10th anniversary since the bipartisan creation of the Green Bank. To acknowledge the impact of the green bank model, like the Maine Climate Council, our Governor’s Council on Climate Change recommended – and Governor Lamont is supporting – a public policy expansion³ of the scope of the Green Bank beyond “clean energy” to include “environmental infrastructure”.⁴ The inclusion of water, agriculture, land conservation, parks and recreation, and ecosystem services within the scope of the Green Bank will seek to preserve and protect Connecticut from the impacts of climate change.

- **Expression of Appreciation** – as fellow New Englanders, our regional economies, energy systems, and environments are interconnected. It is no small fact that the work of several Mainers was responsible for enabling the public policy mechanism that provides ratepayer capital that the Green Bank invests to support its mission today. Dan Sosland (President of the Acadia Center) and Michael Stoddard (Executive Director of Efficiency Maine) led efforts in New England states back in the late 1990’s on electric deregulation that resulted in the system benefit funds for energy conservation and renewable energy development that we see and benefit from today.

As a quasi-public organization, the Green Bank appreciates their vision then, and stands ready today to provide technical assistance and support to the Efficiency Maine Trust in developing and implementing the Maine Clean Energy & Sustainability Accelerator (Accelerator).

- **Technical Assistance** – as state and local governments prepare for the passage of the American Jobs Plan, and the \$27 billion Clean Energy & Sustainability Accelerator that sits within it, the Green Bank stands ready to provide technical assistance to the Accelerator as appropriate. As a member of the American Green Bank Consortium (Consortium), the Green Bank has learned and shared many lessons for how to engage private capital partners to invest in and meet the public policy and market needs of our state’s growing green economy. From credit enhancements that engage local community banks and credit unions to provide families with the affordable capital they need for clean energy and resiliency improvements for their homes, to assembling innovative capital structures of diverse funding sources that provide businesses with the low cost funding they need for similar improvements for their buildings and for more efficient industrial processes, the Green Bank, along with our Consortium partners, can help the leadership of the Accelerator deploy the green bank model more efficiently and effectively for Maine.

³ HB 6441 “An Act Concerning Climate Change Adaptation” – [click here](#)

⁴ “Environmental infrastructure” means structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to, carbon offsets and ecosystem services.

Connecticut is excited to see Maine's public policy consideration of LD 1659 "An Act to Create the Maine Clean Energy & Sustainability Accelerator". The potential to catalyze and mobilize private investment through the quasi-public Accelerator, to finance mitigation and adaptation projects, will address Maine's public policy and market needs in combatting climate change through the efficient use of public resources.

Please find attached to this testimony the Green Bank's Impact Report for FY2020.

Respectfully submitted,

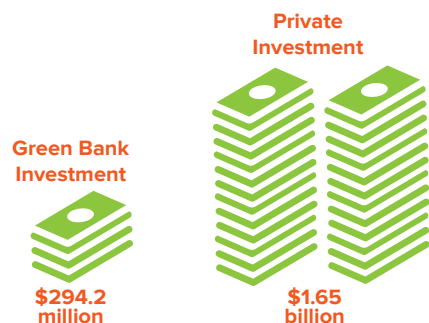
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Green Bank Impact Report

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 2020.

INVESTMENT IN CONNECTICUT

Investment Since inception, the Green Bank has mobilized **\$1.94 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 \$6.60 of private investment.

Tax revenues The Green Bank's activities have helped generate an estimated **\$96.7 million** in state tax revenues.

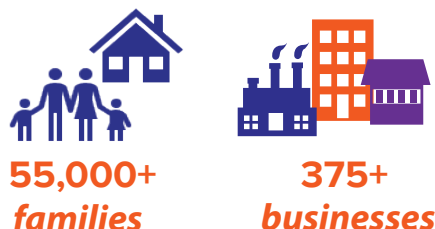


ECONOMIC DEVELOPMENT

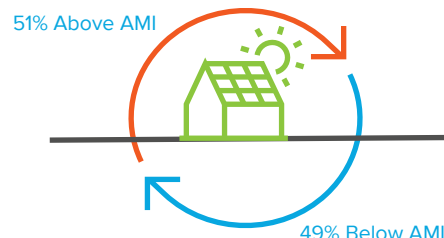
Jobs The Green Bank has supported the creation of more than **23,000** direct, indirect, and induced job-years.



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

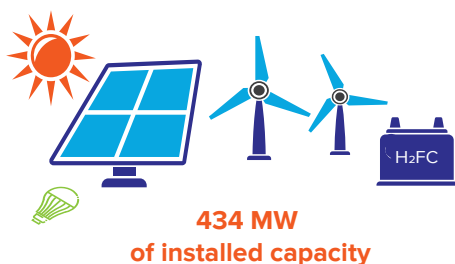


Accessible and affordable The Green Bank has supported residential solar PV installations to achieve income parity against area median income (AMI).

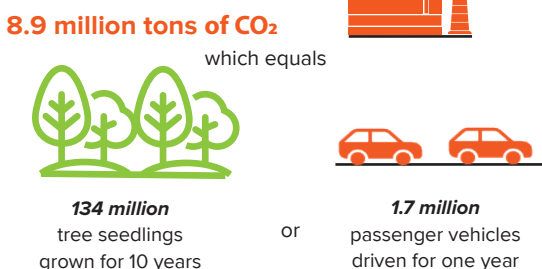


ENVIRONMENTAL PROTECTION

Deployment The Green Bank has accelerated the growth of clean energy to more than **434 MW**.



Pollution The Green Bank has helped reduce air emissions that cause climate change and worsen public health, including 8.4 million pounds of SOx and 9.7 million pounds of NOx.



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



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