

PANEL DISCUSSION:
CONNECTICUT'S RESPONSE TO CLIMATE CHANGE

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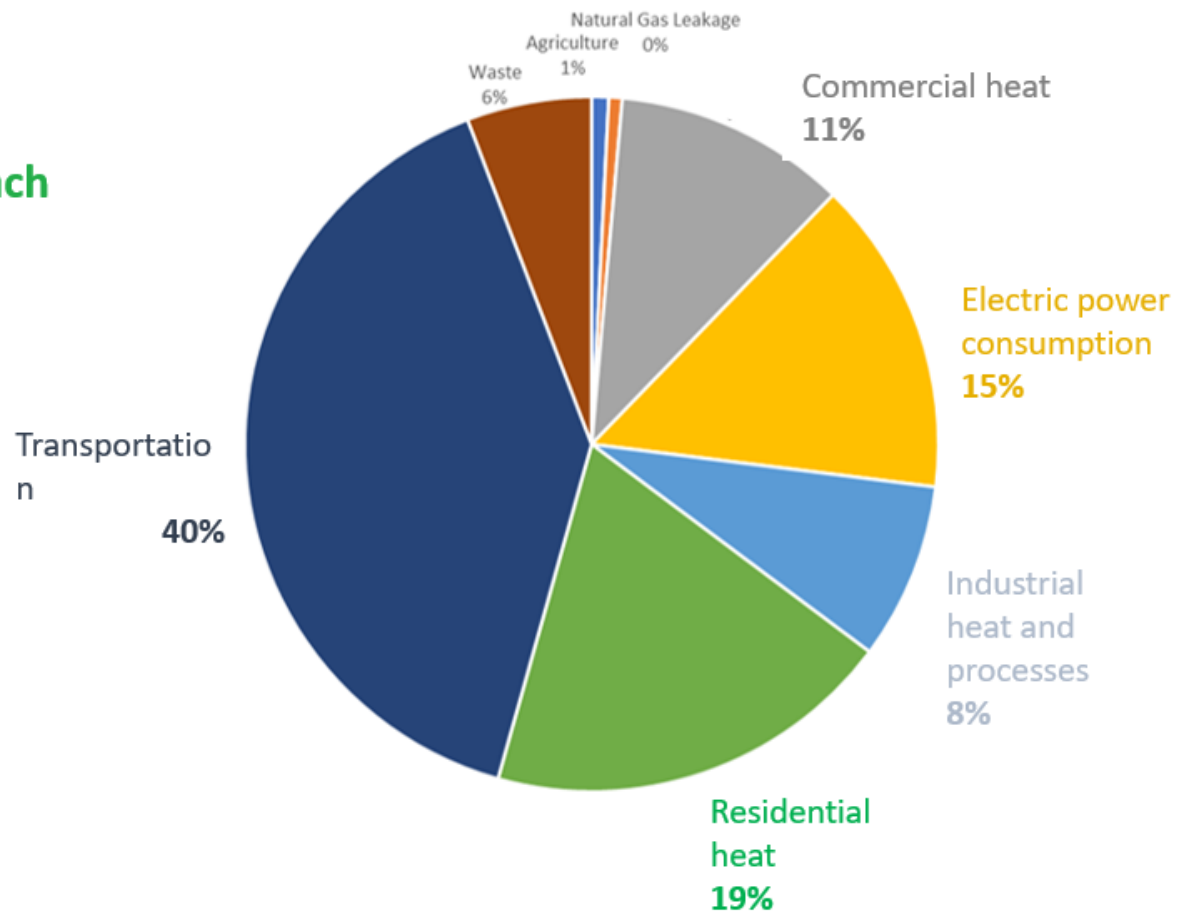
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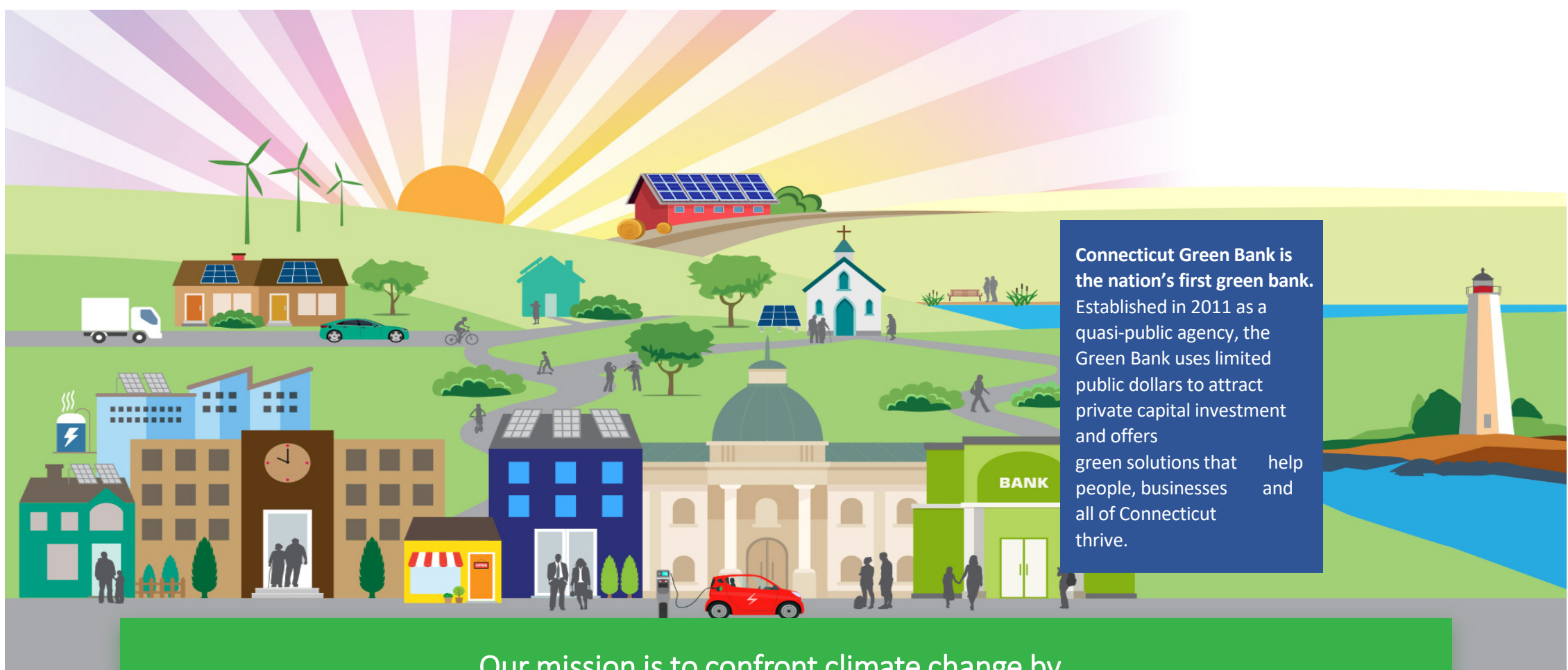
Connecticut's Climate Leadership

Relative contribution of each economic sector to GHG emissions in 2019



ADAPTING AND BECOMING RESILIENT TO THE IMPACTS OF CLIMATE CHANGE





Connecticut Green Bank is the nation's first green bank.

Established in 2011 as a quasi-public agency, the Green Bank uses limited public dollars to attract private capital investment and offers

green solutions that help people, businesses and all of Connecticut thrive.

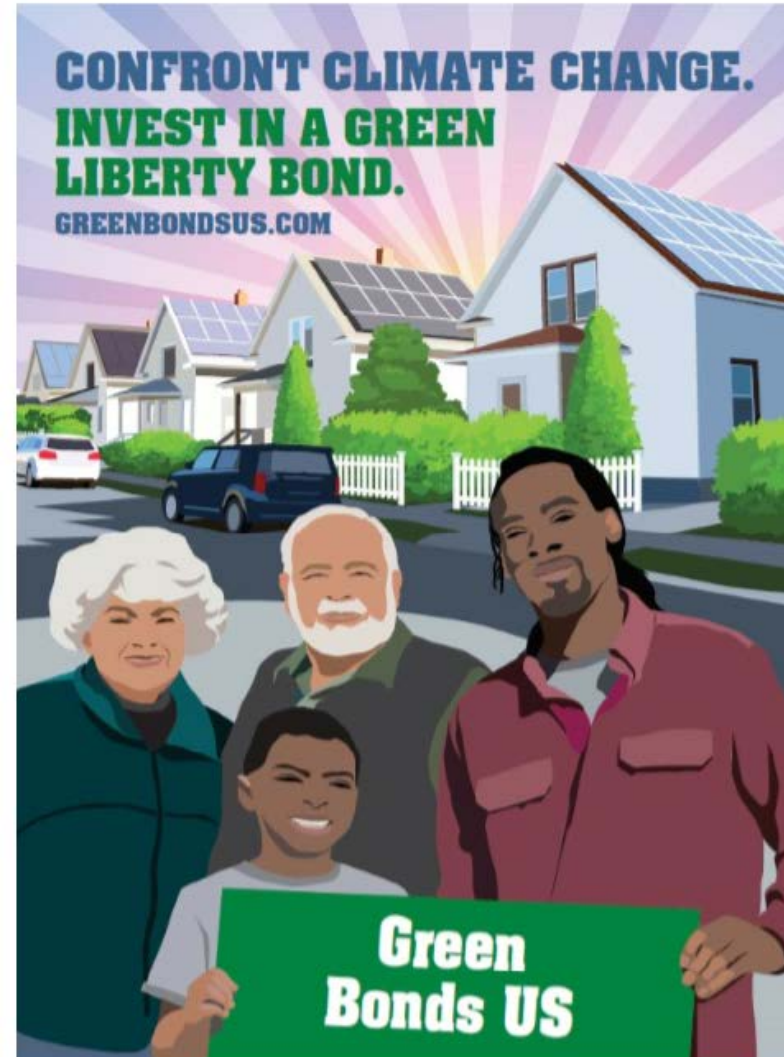
Our mission is to confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities

Guiding this mission is our vision for
“...a planet protected by the love of humanity.”

Green Liberty Bonds

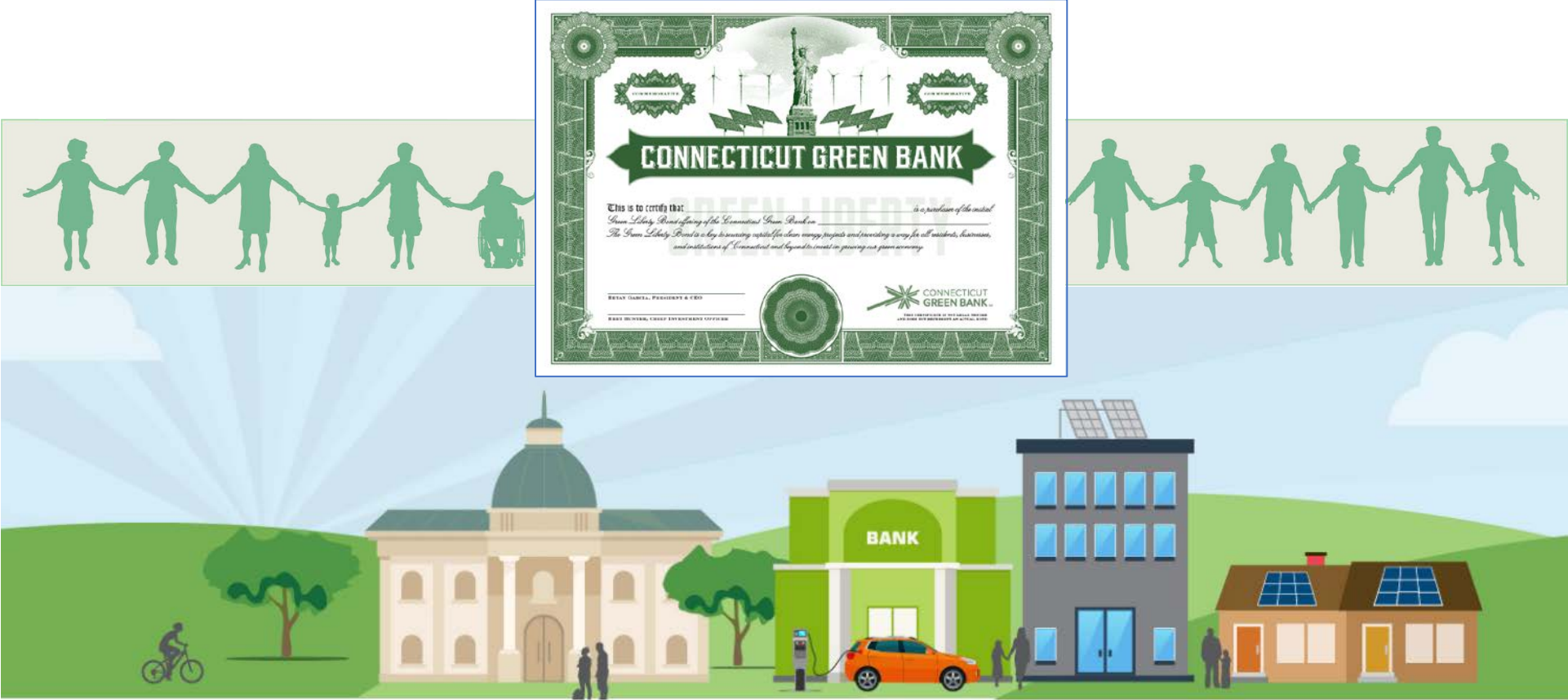
Three Features

- **Use of Proceeds** – use of proceeds from the bond are invested to *combat climate change* (i.e., support Paris Agreement with mitigation and adaptation projects) and create jobs in our communities
- **Retail Accessible** – bonds available to purchase by *everyday citizens* (vs. institutional investors only) in small denominations (i.e., ≤\$1,000)
- **Certified and Verified** – independently certified (e.g., Climate Bonds Initiative, Green Bond Principles, etc.) and verified as a climate bond or green bond for *consumer protection*



Green Liberty Bonds

Celebrating the 50th Anniversary of Earth Day



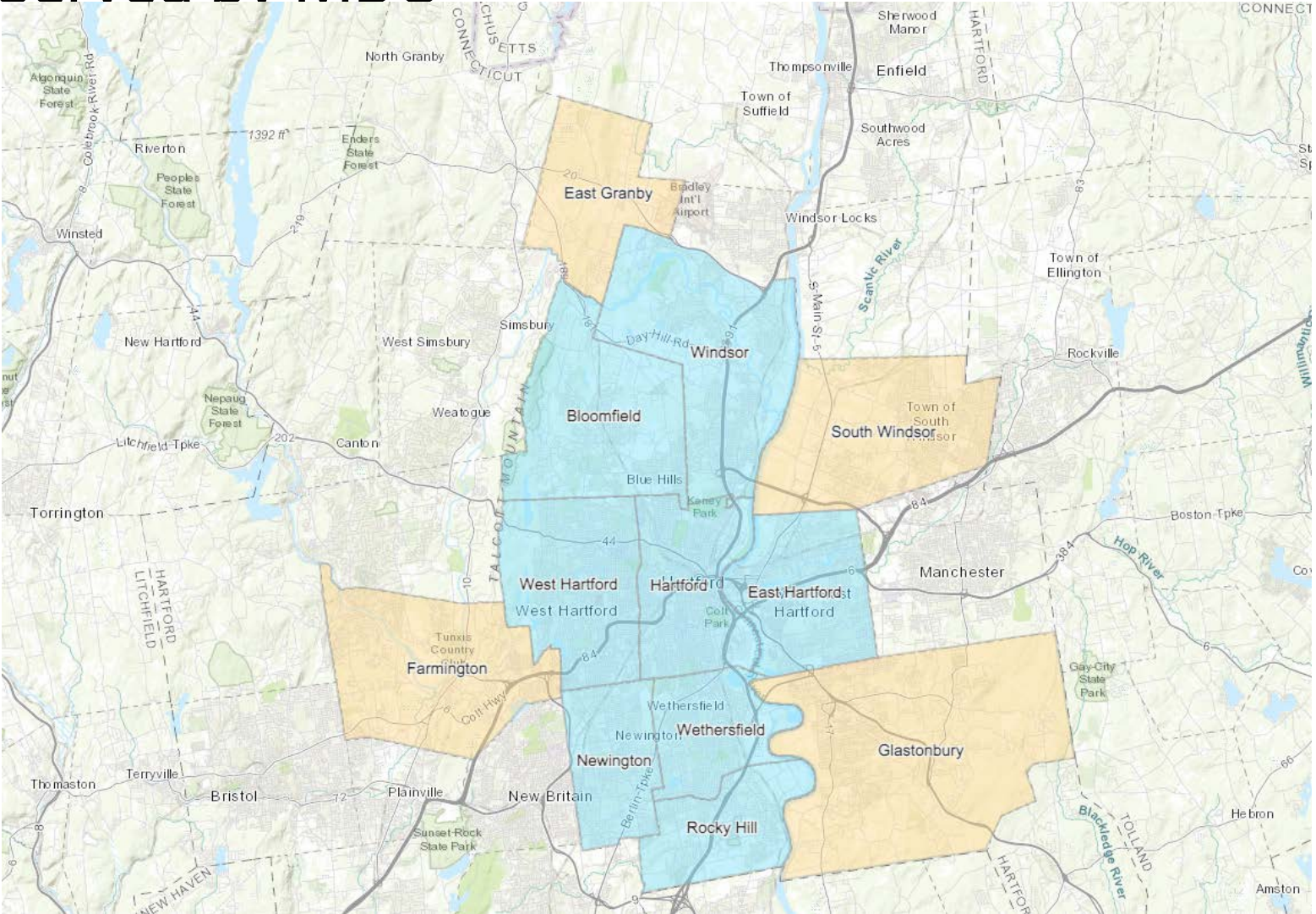
www.greenlibertybonds.com

MDC Inaugural Connecticut Investor Conference

at Jellison, MDC CEO



Towns Served by MDC



Integrated Long-Term CSO Control Plan



DEEP CWSRF		MDC			CONNECTICUT			MDC % OF CONNECTICUT		
From	To	Loans	Grants	Total	Loans	Grants	Total	Loans	Grants	Total
Jul-21	Jun-22	39,392,346	13,699,311	53,091,657	111,843,042	36,167,579	148,010,621	35%	38%	36%
Jul-22	Dec-22	11,736,284	4,492,554	16,228,838	23,017,150	15,367,554	38,384,704	51%	29%	42%

Stormwater Management Next Clean Water Act

August 19, 2021 Rain Event
Over 5 inches of rain fell in 4 hours
244 Year Storm



Water Master Plan Project



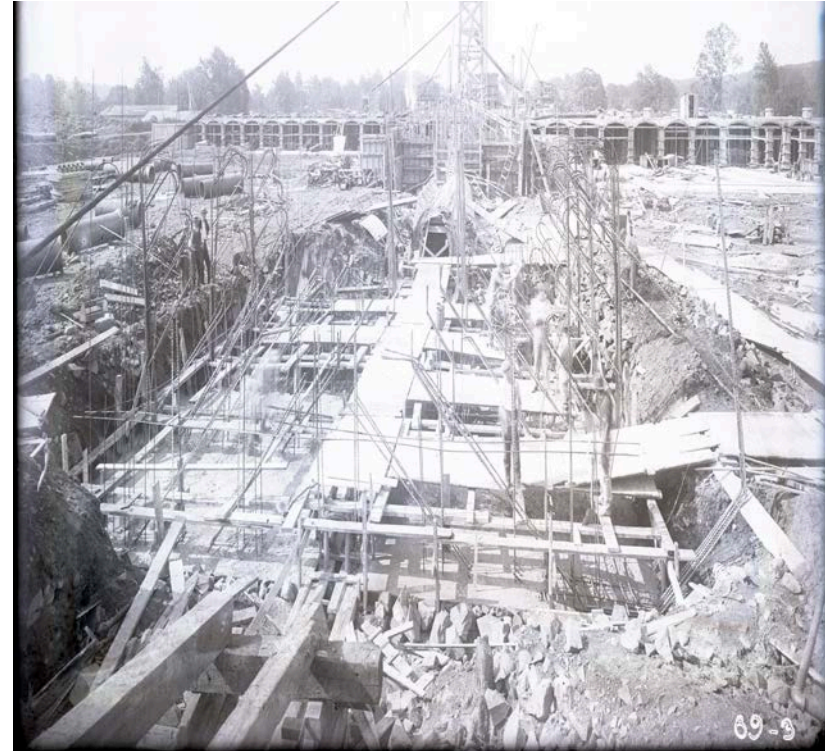
To efficiently plan and prioritize the next 30+ years of capital spending based on raw water transmission, treatment, and distribution systems needs and long-term goals.



Nepaug 1 Pipeline (1913)



West Hartford WTF (1917)



Water Master Plan -Treatment Plant Cost Comparison

West Hartford WTP Site	Est. Cost	Reservoir 6 WTP Site	Est. Cost
New Plant & Supply Lines Design & Construction	\$200M	New Plant & Supply Lines Design & Construction	\$200M
Required TM Upgrades	N/A	Required TM Upgrades	\$350M
Required PS & Mains	N/A	Required PS & Mains	\$50M
Priority CIP	\$65M	Priority CIP	\$65M
Referendum	\$200M	Referendum	\$600M
2023 → Plant Online	\$265M	2023 → Plant Online	\$665M



See true ESG impact

Around Connecticut

Green Bank Partnership with Kestrel

Green and Climate Bond External Reviews

- Established Programmatic Framework and Certification under the Climate Bonds Standard
- Green and Climate Bond Issuance:
 - Three series of Solar Home Renewable Energy Credits (SHREC) Notes as Certified Climate Bonds
 - Six series of Green Liberty Notes for loans financing energy efficiency upgrades for small businesses
- Kestrel has also provided an external review of the non-financial statistics in the annual comprehensive financial report for four years (2019-2022)

Awards for SHREC Issuances

- Environmental Finance Bond Awards 2020 – Award for innovation and award for asset-backed or asset-based bond
- Bond Buyer Deal of the Year 2020 – Innovative Financing category



State of CT, 2022 Series A, Transportation Infrastructure Purposes, Special Tax Obligation Bonds



Bond Identification
207758K77

Use of Proceeds Classification
Roads, Highways, Tunnels, Bridges
Public Transportation, Mixed

E Score 4.25
S Score 4.25
G Score 4

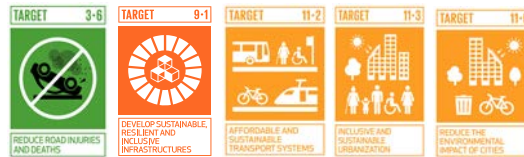
Total ESG
Impact Score

4.2

Use of Proceeds Description

The bonds finance improvements to the roadway and public transportation infrastructure of the State of Connecticut. Roadway projects include maintenance and improvements to interstates, state roads and bridges; resurfacing of highways and roads; construction and maintenance of greenways, bike paths and pedestrian trails; and installation of chargers for electric vehicles. Public transportation projects include acquisition of battery electric buses; construction of bus facilities and stations; maintenance and extension of commuter rail lines; and upgrades to transit facilities to accommodate electric buses. The Let's Go CT! initiative finances projects that expand pedestrian and bicycle access to public transit stations and includes a goal to expand bus service by 25%. The State has prohibited the procurement of diesel buses after 2023 and has committed to increase the number of electric vehicles by 125,000 by 2025.

UN SDG Alignment













ICMA eligible: Not Eligible

<p>Climate Risk Disclosure Assessment Is climate change mentioned in the OS? No Score: 1</p>	<p>Green Building or Sustainability Certifications None identified</p>	<p>Sources of Repayment / Screen Mixed/Miscellaneous - Possible Flashpoint</p>
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Kestrel ESG Impact Data: Bond Comparison

ESG Data Field	CT Transportation Infrastructure	Riverside County Transportation Commission (California)
E Score	4.25	3.5
S Score	4.25	3.75
G Score	4	3
Total ESG Impact Score	4.2	3.47
ICMA Eligibility	Not Eligible	Not Eligible
Use of Proceeds	<ul style="list-style-type: none"> Maintenance and improvements to bring roads up to standards Focus on alternative transportation methods (greenways, bike paths, trails) and improved access to transit stations Expand public transit (mostly electric) Promotion of electric vehicles 	<ul style="list-style-type: none"> Maintenance and improvements to bring roads up to standards More emphasis on highways and interstates and vehicle transportation Expand public transit (mostly diesel) Promotion of electric vehicles
Sustainable Development Goals	    	    



Exemplary ESG Impact

Connecticut Higher Education Supplemental Loan Authority State Supported Revenue Refunding Bonds 2022 Series C

Proceeds finance undergraduate, graduate, and professional student loans. The Authority has exemplary initiatives including the Alliance Teacher Program which offers interest rate subsidies for teachers working in low performing school districts, and loans for target populations including refugees and asylum seekers, survivors of human trafficking or spousal/parental abuse, and Canadian-born immigrants of at least 50% Native American heritage.

Connecticut Housing Finance Authority Housing Mortgage Finance Program Bonds \$55,200,000 2022 Series D

Proceeds finance multi-family housing developments for low-income earners including seniors, All construction must meet Energy Star Multifamily New Construction certification requirements. Some developments will include solar and one of the developments includes renovation of a historic building.



Exemplary ESG Impact

State of Connecticut General Obligation Bonds (2022 Series B) (Social Bonds)

The bonds finance projects for school districts across Connecticut as authorized by the School Construction Grant Program.

- Replacement of Farmington High School which is designed to Connecticut's High Performance Building Standards and will include career and technical education facilities;
- Construction of Stamford Early Childhood Center in Stamford Public Schools district, which will include special education and general education spaces.
- Expansion of Hamden Middle School which includes a 6th grade wing, expanded cafeteria and a school-based health clinic;
- Majority of projects conform to LEED Silver, Collaborative for High Performance Schools, Two Green Globes, or Connecticut's High Performance Building Standards.
- The School Construction Grant Program provides partial funding for qualifying projects with funding percentages determined on a district-by-district basis.

