

# Clean Energy Improvement Program



## Improve Property Values and Achieve Your Community Sustainability Goals

The Clean Energy Improvement Program is Alberta's innovative financing tool that enables residential and commercial property owners to pay for energy efficiency and renewable energy upgrades.



### Innovative Financing for Energy Savings

- This program is Alberta's version of Property Assessed Clean Energy (PACE) financing. With this type of financing, property owners access flexible, long-term financing through their municipality. Unlike a traditional loan, repayment is facilitated by a tax added to the property's tax bill.
- Property owners benefit from lower interest rates secured by their municipality and approval is primarily based on mortgage and property tax payment history. This encourages property owners to take on multiple, cost-saving renovations at once—for example, replacing a furnace and hot water tank while also adding insulation and solar PV.
- Property owners save on energy costs which makes it easier to pay back their financing. Municipalities that encourage clean energy improvements generate more work for local contractors, upgrade their community building stock, and decrease residents' utility bills.

### Benefits Across Your Community

- **Benefits for Businesses:** The Clean Energy Improvement Program boosts jobs for contractors and specialists in the energy efficiency and renewable energy field. Businesses that can benefit include HVAC contractors, window and insulation installers, solar PV installers, and energy auditors.
- **Benefits for Municipalities:** The Clean Energy Improvement Program helps raise property values and develop the local economy. The program enables property owners to make deeper energy savings, accelerating greenhouse gas emissions reductions and resulting in a more climate resilient building stock. Additionally, many of the businesses contracting this work are locally-based.
- **Benefits for Property Owners:** Residential and commercial property owners benefit from lower interest rates secured by their municipality. Repayment periods are flexible and—because financing is tied to the property, not the property owner—if the property sells, the new owner will take on repayment while enjoying the benefits of lowered utility bills and increased property value.

### Interested in learning more?

Visit [abmunis.ca](http://abmunis.ca) or email [hello@abmunis.ca](mailto:hello@abmunis.ca) to learn more about how you can bring the Clean Energy Improvement Program to your community.



## Help Alberta Lead The Way Forward

- 20+ Canadian municipalities have launched PACE programs. With the Federation of Canadian Municipalities' Community Efficiency Financing program offering \$300M to stimulate PACE adoption across Canada, we expect PACE-style programs to become widely available in coming years.
- The Clean Energy Improvement Program already has over 50 municipalities on the roadmap. The first residential program launched in the Town of Rocky Mountain House on November 4, 2021 and the first commercial program launched in the City of Edmonton on June 7, 2022.
- Programs have launched in Rocky Mountain House, Devon, Edmonton, Leduc, Athabasca, Canmore, St. Albert, Calgary, Lethbridge, Grande Prairie, Sturgeon County, Stirling, Strathcona County, Okotoks, Westlock, and Cold Lake. Programs are in the works for others including Stetter, Banff, Town & MD of Pincher Creek, Drayton Valley, and Medicine Hat.

## Getting Started

- The Province of Alberta has put in place a legislative framework for PACE financing. However, local participation is only made possible when a municipality decides to "opt in" by passing a clean energy improvement bylaw. Having passed a bylaw, a municipality works with the program administrator to design and launch their own, localized version of the Clean Energy Improvement Program.
- While the program administrator takes on many significant responsibilities, municipalities will be responsible for securing capital for the program, ensuring participants have an acceptable property tax payment history, setting up internal processes, and for levying and collecting the clean energy improvement tax.

## Jump Start Capitalization

- In 2020, the Federation of Canadian Municipalities (FCM) launched the Community Efficiency Financing program. This program provides funding for municipalities to develop and implement efficiency financing programs. The Program Capitalization Stream offers municipalities a low-interest loan of up to \$10M to capitalize their residential Clean Energy Improvement Program.
- FCM may also provide a grant to cover up to four years of administrative costs (e.g. municipal staff time, program administrator fees, and marketing activities). The grant value will be up to 50% of the value of the loan provided by FCM (e.g. a municipality receiving a \$4M capitalization loan is eligible for a grant of up to \$2M covering administrative costs).

## Alberta Municipalities Is Your Trusted Administrator

- Alberta Municipalities is designated by the Government of Alberta as the sole program administrator for the Clean Energy Improvement Program.
- Alberta Municipalities advises municipalities on program design and bylaw development and manages the majority of administrative responsibilities (e.g., application processing, Qualified Contractor onboarding, website hosting, and marketing support).
- Alberta Municipalities hosts monthly virtual information sessions (CEIP 101) and an annual CEIP Symposium, a forum for municipalities to share best practices and co-develop materials and tools. All municipalities across Alberta are welcome to join.

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