# Clean Energy Improvement Program







# Alberta Municipalities Strength In Members

## **ANNUAL REPORT 2022**





## About

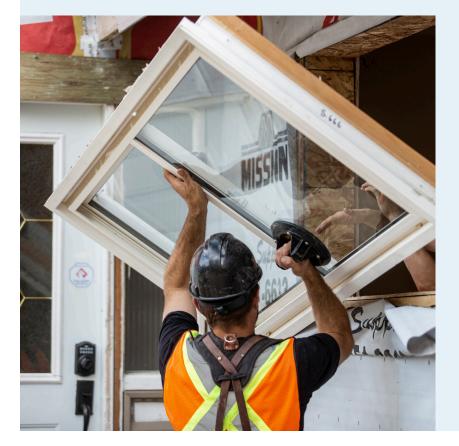
**The Clean Energy Improvement Program** is an innovative financing tool for increasing the adoption of energy efficiency and renewable energy upgrades in Alberta. The program gives residential and commercial property owners access to flexible, long-term financing through their municipality. Unlike a traditional loan, repayment is made through a levy on the owner's property tax bill. If the property should be sold, the new property owner continues repayment while enjoying the benefits of lower energy costs.

The program is administered by Alberta Municipalities on behalf of partner municipalities. For over 100 years, Alberta Municipalities has been helping to grow resilient communities. With this program, Alberta Municipalities continues to show how it serves communities, not shareholders.

For more information, visit abmunis.ca

## History of the Program

The Government of Alberta established the legislative basis for the Clean Energy Improvement Program in 2018 and over the next two years, municipalities began the process of passing bylaws, securing capital funds, and structuring their programs. In 2021, the government named Alberta Municipalities the sole program administrator.







# **2022** Hit the Ground Running

With the first Clean Energy Improvement Program launching at the very end of 2021, Alberta Municipalities kept the momentum building early in 2022. New programs for residential property owners launched in January, March and May. In June, the first Clean Energy Improvement Program for commercial property owners launched in the City of Edmonton. In the fall, with new Alberta Municipalities branding, the Clean Energy Improvement Program launched in another three municipalities, making a total of **\$20.8 million** available to property owners in a single year.



Note: financial figures are rounded to one decimal point e.g. \$1.24 million is reported as \$1.2 million.

## 2022 Milestones

#### **Bylaws**

**9 municipalities**, home to almost 150,000 people, passed Clean Energy Improvement Tax bylaws in 2022, bringing the total number of bylaws passed to 21.

- Town of Westlock March 28, 2022
- Village of Stirling April 6, 2022
- Sturgeon County April 12, 2022
- Strathcona County July 5, 2022
- Town of Pincher Creek August 22, 2022
- City of Beaumont September 13, 2022
- Town of Taber September 26, 2022
- Municipal District of Pincher Creek No. 9 October 11, 2022
- City of Cold Lake October 21, 2022

#### First program opens for commercial property

On June 7, 2022, the City of Edmonton launched **Canada's only active** property assessed clean energy financing program for **commercial property owners**. With up to **\$6.9 million** in financing available, the two-year pilot aims to support an estimated 20 projects.

#### **Residential programs launch**

The capital region saw three programs for residential property owners launch in the first half of 2022, opening access to 1 million Albertans.

The **Town of Devon** launched its residential program on January 19, 2022 with \$1.1 million in financing available over four years, supporting an estimated 50 residential projects.

On March 29, 2022, the **City of Edmonton**'s residential program launched with up to \$2.8 million in financing available. The two-year pilot aims to support an estimated 80 projects. Within the first day, the program was fully subscribed with a significant wait list.

The **City of Leduc** launched its residential program on May 30, 2022. With \$3.8 million in financing available over four years, it will support an estimated 160 projects.

On October 19, 2022, the **Town of Athabasca** launched its residential program. With \$200,000 in financing available, this is the first program to launch without capital sourced from the Federation of Canadian Municipalities' Community Energy Financing program.

The **Town of Canmore** launched its residential program on November 1, 2022. With \$1.5 million in financing available over four years, it will support an estimated 60 projects.

With the largest residential program to date, the **City of St. Albert** launched its program on November 22, 2022. Within 24 hours, the program year one allocation had been fully subscribed. A total of \$4.6 million is available for the first four years, enough to support an estimated 250 projects.

#### **Contractor engagement**

Clean Energy Improvement Program Qualified Contractors are energy efficiency and renewable energy companies that support property owners with their Clean Energy Improvement Program projects. In 2022, **109 Qualified Contractors**— including HVAC contractors, window and insulation installers, solar PV installers, and energy auditors— were onboarded. This brought the total number in the contractor directory to 175.

#### **Engagement and marketing**

Alberta Municipalities delivered 35 webinars, meetings and presentations in 2022 reaching contractors, municipal stakeholders, and those in the energy efficiency and building retrofit industries. Venues included the Solar Alberta trade show, Alberta Energy Efficiency Alliance virtual summit, a training day for the Electrical Contractors Association of Alberta, the Alberta Municipalities Convention and Trade Show, and meetings with the Alberta Assessors' Association, Edmonton Chamber of Commerce, BOMA Edmonton, and the Peace Region Economic Development Alliance.

In September 2022, the Clean Energy Improvement Program rebranded as a program of Alberta Municipalities.

#### **First Completed Project**

The first project finished and financed through any Clean Energy Improvement Program was in the Town of Rocky Mountain House. It was completed by a local contractor in the summer of 2022.

## **2022** Project Showcase

#### Jaymon Lefebvre Town of Rocky Mountain House, 2022.

Jaymon Lefebvre submitted the very first Clean Energy Improvement Program application in November 2021. In summer 2022, he became the first property owner to complete a project. Taking advantage of his steeply pitched roof, he installed 22 solar PV modules on three sides of his roof. With plentiful sunshine throughout the summer, his home is generating all the power he needs in the day. And in the summer's heat, it has been a huge relief to be able to run his new air conditioner guilt-free.

"I want to live in a world of energy abundance rather than a world of constraint. Once the Clean Energy Improvement Program launched, removing the financial barrier, it really was a no brainer at that point." —Jaymon Lefebvre

#### Scott and Hollen Sheldrake Town of Rocky Mountain House, 2022.

Scott Sheldrake is a contractor with a deep interest in solar energy. While his primary business is building homes in Nordegg, he recognises the value solar PV brings to new builds and has been working to expand his solar PV offering to his customers.

With the thermometer hitting 35°C in June of 2021, Scott and Hollen decided they wanted to upgrade their 1967 bungalow's energy efficiency—to help keep their house cooler in the summer, warmer in the winter, and to deal with escalating utility costs.

They started by replacing windows and doors, adding exterior insulation, and installing 5 kW of solar PV on their garage. Once the Clean Energy Improvement Program launched, they used their experience to finance an 8.6 kW solar PV system on their house.

"Will the solar cover my CEIP payments? Really, it's a matter of when, not if. I completed the project in May and, in less than three months, I have an \$836 credit already." —Scott Sheldrake







# Improve property values and achieve community sustainability goals

With the Clean Energy Improvement Program, municipalities encourage the adoption of energy efficiency and renewable energy upgrades by providing property owners with access to flexible, long-term financing.

Municipalities that encourage clean energy improvements achieve community climate and sustainability goals faster. At the same time, they generate more work for local contractors, improve their community's building stock, and decrease residents' utility bills.

Unlike a traditional loan, the Clean Energy Improvement Program provides low-cost financing that is tied to the property tax bill, not personal credit. This encourages property owners to make multiple, cost-saving renovations at once—for example, replacing a furnace and hot water tank while also adding insulation and rooftop solar PV.

Property owners save on energy costs which makes it easier to pay back their financing. And since the financing is tied to the property, if the property is sold, the new owner assumes repayment—and enjoys the benefit of lower energy costs.

#### How it works

- **STEP1** The municipality passes a Clean Energy Improvement Tax Bylaw, secures the capital required to finance eligible projects, and partners with Alberta Municipalities to administer the program.
- **STEP 2** Once the program is in market, property owners apply to the program with their proposed projects. If approved, they install eligible upgrades and Alberta Municipalities verifies the project is complete.
- **STEP 3** Once verified, municipal program funds are used to pay Qualified Contractors directly for completed work.
- **STEP 4** Property owners repay the municipality over time through a charge on their regular property tax bill.

### Get started today

If the Clean Energy Improvement Program sounds right for your community, we can help you get started. Let's chat!

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