## Clean Energy Improvement Program







#### **ANNUAL REPORT 2021**

With update on Q1 & Q2 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.

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 new consumer product, Alberta Municipalities continues to show how it serves communities, not shareholders.

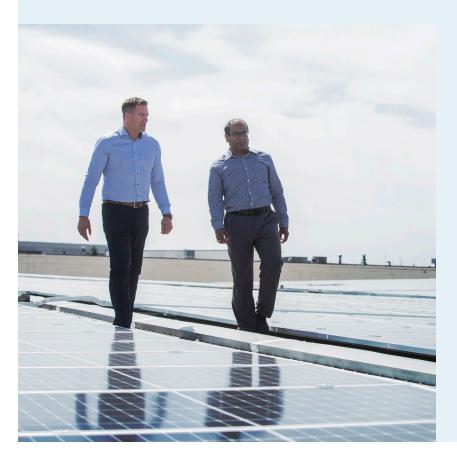
### History of the Program

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.

#### 2021: Blast Off

In 2021, after two years of preparation, the first Clean Energy Improvement Program entered the market. In this inaugural annual report, we show how Alberta Municipalities built the foundation for this successful launch.

And because there is so much more to share, we have included an insert highlighting the incredible momentum that has continued to build throughout the first half of 2022.









<sup>\*</sup> Includes total financing available for programs in market and programs in the detailed design stage.

## **2021** Milestones

#### **Bylaws**

Clean Energy Improvement Tax bylaws were passed in **nine municipalities**. They join the three earliest municipalities (Devon, Rocky Mountain House and Canmore) and are home to 2.8 million Albertans—over half the population of Alberta.

- City of Leduc April 12, 2021
- Town of Okotoks May 10, 2021
- City of St. Albert May 17, 2021
- Town of Athabasca Aug. 10, 2021
- City of Lethbridge Aug. 10, 2021
- City of Edmonton Aug. 19, 2021
- City of Grande Prairie Aug. 23, 2021
- Town of Drayton Valley Sept. 15, 2021
- City of Calgary Dec. 6, 2021

#### First program launch

The **Town of Rocky Mountain House** launched its Clean Energy Improvement Program for residential property owners on November 4, 2021—the first property assessed clean energy financing program in Alberta.

Approximately \$1.1 million is available to Rocky Mountain House residents over four years, enough to finance an estimated 50 renovation projects. To help capitalize its program, the Town received over \$775,000 in a low-interest loan from the Federation of Canadian Municipalities' Community Efficiency Financing Program.

#### **Contractor engagement**

The Clean Energy Improvement Program relies on qualified contractors to complete all upgrades, as mandated by provincial legislation. In 2021, **88 qualified contractors**—including HVAC contractors, window and insulation installers, solar PV installers, and energy auditors—were onboarded and listed on the contractor directory.

#### **Webinars**

Alberta Municipalities staff presented **31 webinars and other presentations** providing **990 participants** with an introduction to the Clean Energy Improvement Program. These audiences included prospective municipalities as well as key stakeholders from municipalities on the road to launching programs.

## **2022** Project Showcase

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

Jaymon Lefebvre submitted the first application to Rocky Mountain House's Clean Energy Improvement Program and has the first completed project too. 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 Rocky Mountain House, 2022.

Scott Sheldrake is himself 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







## 2022 Key Stats

Population	Tota	al Capital
<b>2.8 million people</b> covered by a CEIP bylaw	<b>\$15.6 million</b> in market	<b>\$21.9 million</b> committed*
Towns 7	Active Projects	* Includes total financing available for programs in market and programs in
Cities 6	92	the detailed design stage.
Village 1	Project Submissions	Qualified Contractors
County/MD 1	191	167

## 2022 Milestones

#### **Bylaws**

Clean Energy Improvement Tax bylaws were passed in **three municipalities** covering 27,000 people in primarily rural regions.

- Town of Westlock March 28, 2022
- Sturgeon County April 12, 2022
- Village of Stirling April 6, 2022

#### First program opens for commercial property

The City of Edmonton's program for commercial property owners launched on June 7, 2022, becoming **Canada's only active** property assessed clean energy financing program for **commercial property** and the first program west of Nova Scotia. With up to \$6.9 million in financing and rebates available, the two-year pilot will 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**'s program launched 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 and rebates available. The two-year pilot will support an estimated 80 projects. Within the first day, the program was fully subscribed with an additional 60 submissions on a wait list.

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

#### Outreach

Alberta Municipalities delivered 27 webinars, presentations and newsletters in the first six months of 2022, reaching 2,300 people. Venues included the Solar Alberta trade show, Alberta Energy Efficiency Alliance virtual summit, Alberta Assessors' Association and a training day for the Electrical Contractors Association of Alberta.

# Improve property values and achieve community sustainability goals

With the Clean Energy Improvement Program, municipalities stimulate 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.

Only the Clean Energy Improvement Program ties repayment to the property tax bill. This encourages making 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**

- **STEP 1** 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!



**\** 780-433-4431

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