

Bylaw 34-2022 Clean Energy Improvement Program**Report Purpose**

To seek Council approval on three readings of a bylaw that establishes the Clean Energy Improvement Program which assists property owners with clean energy improvements, authorizes borrowing of money for the purpose of financing the program, and authorizes the use of property tax system to facilitate repayment from individual property owners.

Recommendation

1. THAT Bylaw 34-2022, a bylaw that establishes the Clean Energy Improvement Program which assists property owners with clean energy improvements, authorizes borrowing of money for the purpose of financing the program, and authorizes the use of property tax system to facilitate repayment from individual property owners, be given first reading.
2. THAT Bylaw 34-2022 be given second reading.
3. THAT Bylaw 34-2022 be considered for third reading.
4. THAT Bylaw 34-2022 be given third reading.

Our Prioritized Strategic Goals

Goal 4 - Ensure effective stewardship of water, land, air and energy resources

Goal 5 - Foster collaboration through regional, community and governmental partnerships

Goal 7 - Provide opportunities for public engagement and communication

Report

Legislation to enable a Clean Energy Improvement Program (CEIP) became effective in Alberta on January 1, 2019. The role of CEIP Administrator has been transferred, by Ministerial Order, to the Alberta Municipal Services Corporation (operating as Alberta Municipalities). Municipalities in Alberta wishing to offer CEIP must pass a bylaw, source and manage the funds to capitalize the program, work with Alberta Municipalities to design and develop the program, and provide staff resources to implement the components of the program not administered by Alberta Municipalities. Property owners can then choose to apply to finance energy efficiency and renewable energy projects on their properties through the Program. The five-step process includes a pre-qualification, project application, project agreement, installation by a qualified contractor, and repayment. The total project cost is added to the property tax bill as a CEIP charge. A Natural Resources Canada (NRCAN) Home Energy Evaluation is required pre- and post-retrofit.

In order to participate, municipalities need to first pass a Clean Energy Improvement Program bylaw. The bylaw authorizes a municipality to establish the program, to borrow money for the purpose of financing clean energy improvements and use the property tax system to facilitate repayment from property owners. The debt will stay on the property for the life of the debt and remains with the property if it is sold.

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Associate Commissioner: Stacy Fedechko, Infrastructure and Planning Services; Jennifer Cannon, Chief Financial Officer and Associate Commissioner, Corporate Services

Lead Department: Planning and Development Services

Council and Committee History

June 7, 2022	The Priorities Committee was provided with an introduction to the Clean Energy Improvement Program.
September 14, 2021	Council approved Options 1 (Awareness Raising of Federal Greener Homes Grant) and 3 (Investigate the PACE Program via the Clean Energy Improvement Program), as set out in the September 14, 2021 Green Renovation Rebate report.
June 29, 2021	Council approved the Environmental Framework outcomes and associated objectives for air, water, land, biodiversity, waste, and energy, as set out in pages 26 to 72 of Enclosure 2 of the June 29, 2021 Planning and Development Services report; and directed that administration provide an update report, at least on an annual basis, to Priorities Committee or Council on the progress made on the implementation of the Environmental Framework.
February 2, 2021	Council approved that administration provide a report by the end of September 2021 on options for creating a rebate incentive program to encourage energy retrofits for residential dwellings in Strathcona County.

Other Impacts Policy: n/a

Legislative/Legal: Clean Energy Improvement Bylaw, Alberta Municipalities Agreement to administer CEIP.

Financial/Budget: The proposed funding model is the Federation of Canadian Municipalities (FCM) loan and grant (subject to FCM approval), as there should not be any cost impact to the County over the four years of this program. CEIP is a new program/service in the County and requires additional resources to develop and implement. To address internal capacity challenges and the additional work to establish the program, a temporary resource has been brought in and the cost of this position is expected to be offset by the FCM grant. The County will also need to manage cashflow implications that result from timing differences in when cash inflows and outflows occur.

Interdepartmental: Assessment and Tax, Financial and Strategic Services, Legislative and Legal Services, and Planning and Development Services.

Master Plan/Framework: Environmental Framework (2021).

Communication Plan

Newspaper advertisement, County website.

Enclosure

1 Bylaw 34-2022: Clean Energy Improvement Program Bylaw

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