

CLEAN ENERGY IMPROVEMENT PROGRAM GUIDE

The Municipal Climate Change Action Centre is partnering with municipalities across the province to design and deliver the Clean Energy Improvement Program in their communities.

Alberta's Clean Energy Improvement Program (CEIP) provides financing to residential and commercial property owners to make energy efficiency and renewable energy upgrades more affordable.

CEIP offers competitive financing to cover up to 100 per cent of project costs and makes repayment convenient through your property's regular tax bill.

KEEPING PACE

This innovative financing approach, also known as Property Assessed Clean Energy (PACE), is garnering successful results in municipalities across Canada and the United States.



Municipal
Climate Change
Action Centre

A partnership of



Alberta

BENEFITS OF CEIP AT A GLANCE



HEALTHIER COMMUNITIES

CEIP makes it easier to improve the energy efficiency of existing buildings, increase the use of renewable energy, and advance the sustainability goals of municipalities.



BUSIER CONTRACTORS

CEIP stimulates local business. Professionals in the energy efficiency or renewable energy industry benefit from increased business opportunities.



HAPPIER PROPERTY OWNERS

CEIP provides owners with flexible, affordable financing to pay for upgrades that increase the energy efficiency, comfort and value of their properties.

WHY FINANCING WITH CEIP MAKES SENSE

AFFORDABLE

Financing can cover up to 100% of project costs, with terms up to 25 years (depending on the project type). Interest rates are competitive.

SIMPLE & STREAMLINED

The Action Centre is your one-stop-shop for everything CEIP; from project inception to completion.

FLEXIBLE

The CEIP loan is attached to the property, not the property owner. If the property is sold, the new owner assumes responsibility for repayment, while also enjoying the benefits provided by the upgrade. CEIP loans can also be prepaid at any time, penalty-free. Participation in CEIP is voluntary. Municipalities must pass a bylaw and choose to implement the program; property owners located in these municipalities can choose to apply.

INTEREST RATE

Interest rates are competitive but vary by municipality. All financing terms are incorporated into the Clean Energy Improvement Agreement between the participant and the participating municipality.

TERM

Depending on project type, property owners can benefit from long repayment periods. The maximum term length of a loan is equal to the expected lifetime of the upgrade, but property owners may select a shorter term. Payments are due on the same schedule as the owner's regular property taxes.

REBATES & INCENTIVES

CEIP participants are encouraged to take advantage of any rebates and incentives available to them.



WHO IS ELIGIBLE?

CEIP is ideal for residential and commercial property owners making energy efficiency upgrades and/or installing renewable energy systems. At a minimum, applicants must be:

- Owner of the property in a participating CEIP municipality
- Current on property tax payments (with no arrears in the past five years)
- Current on outstanding debt associated with the property (for example, mortgage or home equity line of credit)

WHAT PROPERTIES ARE ELIGIBLE?

- Single-family homes
- Townhomes and duplexes
- Multi-family residential buildings
- Office buildings
- Retail and mixed-use space
- Manufacturing facilities
- Hotels and motels
- Farms

Some tax-exempt properties, such as non-profits may receive financing through CEIP. Government-owned properties, designated manufactured homes and certain industrial properties are not eligible. Municipalities may decide to implement residential programming only.

WHAT PROJECTS QUALIFY?

Over 70 types of upgrades qualify for financing, including:

- High-efficiency furnaces, boilers, and air conditioners
- Building envelope improvements (such as wall and attic insulation)
- High-efficiency lighting
- Energy-efficient windows
- High-efficiency water heating
- Solar photovoltaic systems

See full list of eligible upgrades at [MyCEIP.ca](https://myceip.ca)

Upgrades must be permanently affixed to the property and completed by a contractor listed on [MyCEIP.ca](https://myceip.ca).

Projects are deemed eligible when the Project Application is approved by the Action Centre prior to commencement of work. Projects valued at \$3,000 or less are ineligible for CEIP financing.



HOW CEIP WORKS FOR CONTRACTORS

CEIP is a powerful way to grow the energy efficiency and renewable energy industry for residential and commercial contractors. CEIP Network Contractors can support customers by informing them about opportunities to access competitive financing that makes upgrading their property more affordable.

To get started with CEIP, contractors must apply to join the Contractor Network and complete a short training session.

WHAT YOU NEED TO KNOW ABOUT FINANCING WITH CEIP

The maximum financing that can be accessed for a single project is limited by two factors: the property owner's current annual property tax payment, and the financing limits established for residential, commercial and farmland properties. The financing limits established in the CEIP regulation are \$50,000 for residential projects, \$1.0M for commercial projects, and \$300,000 for farmland. The lesser of these two limits is the maximum financing amount available for a project. The participating municipality may choose to place a lower financing limit on each property type.



HOW DOES CEIP WORK FOR RESIDENTIAL PROPERTY OWNERS?

1

PRE-QUALIFICATION

Complete and submit the Pre-Qualification Form to find out if your property qualifies.

2

PROJECT APPLICATION

Complete a certified Energy Evaluation, get quotes from contractors, and submit the Project Application.

3

AGREEMENTS

Sign the Clean Energy Improvement Agreement and the Project Agreement.

4

INSTALLATION

Install upgrades, complete a post-retrofit Energy Evaluation, and submit an Upgrade Completion Form.

5

REPAYMENT

The Action Centre will pay the Network Contractor directly for approved upgrades. The total cost of the project is recorded on the property. The property owner repays the cost of the project over time through their property tax bill.



DETAILED PROGRAM STEPS

STEP 1: PRE-QUALIFICATION

The property owner will complete a Pre-Qualification Form. At this stage, they will not include any project information. The Pre-Qualification form is used by the municipality and the Municipal Climate Change Action Centre (Action Centre) to confirm that the property meets the eligibility criteria, and the property owner is in good standing on their property tax payments.

STEP 2: PROJECT APPLICATION

Once the pre-qualification stage is complete, residential property owners will schedule a Home Energy Evaluation using an Natural Resources Canada (NRCAN) Energy Advisor. Using the Energy Evaluation Upgrade Report as a guide, the property owner will connect with contractors listed in the Action Centre's online directory to get a quote for the upgrade(s).

Once upgrades are selected, property owners submit the Project Application Form (which contains the project details) to the Action Centre.

STEP 3: PROGRAM AGREEMENTS

After your Project Application is approved, the Action Centre will confirm the approved financing amount and provide the Clean Energy Improvement Agreement and the Project Agreement for review and signature. Both agreements must be signed by all required parties before upgrade installations can begin.

What are the program agreements?

- The **Clean Energy Improvement Agreement** is an agreement between the property owner and the municipality. It sets out the financing terms, disclosure requirements in the event of property sale, project costs and completion date.
- The **Project Agreement** is a tri-party agreement between the property owner, the contractor, and the Municipal Climate Change Action Centre. It defines the scope of the project and sets out the terms relating to the contractor's installation of the upgrades. For projects that involve upgrades completed by separate contractors, Project Agreements are required for each contractor.

STEP 4: PROJECT INSTALLATION

The Action Centre will notify the property owner when the upgrade installation(s) may begin. Upgrades must be completed within six months.

When the installation of an approved upgrade is complete, an Upgrade Completion Form confirming final upgrade details and costs is submitted to the Action Centre for review.

For residential property owners, once all approved upgrades are installed, and the project is complete, a post-retrofit NRCAN Home Energy Evaluation must be completed to determine the energy savings and verify the installation. Property owners will receive a new EnerGuide rating and label. Commercial property owners may require a post-installation audit.

STEP 5: PROJECT REPAYMENT

The Action Centre will pay the contractor(s) directly for pre-approved invoiced work submitted with the Upgrade Completion Form(s).

Once the contractor is paid, the total cost of the project is recorded on the property as a Clean Energy Improvement Tax by the municipality. The property owner repays the cost of the project over time, through the Clean Energy Improvement Tax added to their property's tax bill. The outstanding balance may be paid at anytime, penalty-free.

