



April 4, 2023

Hon. Travis Toews
Minister of Treasury Board and Finance
404 Legislature Building
10800 - 97 Avenue NW
Edmonton, AB T5K 2B6

SENT VIA EMAIL

Re: Clean Energy Improvement Program (CEIP) Improvements

The Edmonton Chamber is the official voice of business in the Edmonton region. With over 1,700 member companies that employ more than 100,000 people, we are one of the largest and longest standing chambers in Canada and among the most influential business organizations in the country.

Since declaring a state of climate emergency in 2019 the City of Edmonton has undertaken several initiatives to reach net-zero carbon emissions by 2050. One such program is the Clean Energy Improvement Program (CEIP) which is aimed at increasing energy efficiency in Edmonton's buildings and infrastructure. The two year pilot program is an innovative financing tool for property owners to fund energy efficiency and renewable energy upgrades that are repaid through property tax. However, after consulting with the City of Edmonton the Edmonton Chamber of Commerce has identified several ways that the program could be improved. They are:

- Expand Commercial CEIP eligibility to projects exceeding one million dollars in total costs.
- Expanding the list of eligible projects to include flood mitigation and EV charging stations.
- Allowing the city to access lower interest financing through the provincial government's Local Authorities Financing Act.

One of the major barriers preventing property owners from accessing CEIP is the cap on the maximum amount a project can cost. Currently if a project exceeds \$1 million it is ineligible for financing through CEIP. After consulting with the City of Edmonton it is clear that this requirement is preventing many interested property owners from accessing the program. The Chamber is requesting that the maximum cap be increased in consultation with business.

Another barrier discouraging property owners from accessing the CEIP program is the limited scope of projects eligible for CEIP funding. Unfortunately, the program does not currently consider climate adaptations as eligible for CEIP. This means important projects like EV chargers and flood mitigation are not eligible for funding. The chamber calls on the provincial government to expand the eligibility criteria for projects eligible for CEIP funding.

Advocate. Educate. Connect.



After consulting with the City of Edmonton the Chamber learned that the city is unable to obtain funding for CEIP through the provincial government's Local Authorities Financing Act (LAFA). This means that the city is forced to fund the CEIP program through other means such as private lenders or non-profit organizations. This means the cost of borrowing funds is higher which results in higher interest rates for property owners accessing CEIP funding. By expanding the eligibility of LAFA funding to include CEIP the city can offer property owners lower interest rates making participating in CEIP more attractive. The Edmonton Chamber calls on the Government of Alberta to expand eligible LAFA funding to include CEIP.

Through innovation, Alberta can become the economy of the future and a global leader in reaching net-zero and addressing climate change, but each order of government must commit to meaningful, thoughtful policy solutions to combat the issue. The Government of Alberta has made substantial investments towards reaching net-zero and by making the changes outlined in this letter the provincial government will continue to show leadership in the drive to reach net-zero.

Sincerely,

Haydar Al Dahhan
Board Chair
Edmonton Chamber of Commerce

CC: Rebecca Schulz, Minister of Municipal Affairs