

Property Assessed Clean Energy (PACE)

Government has introduced legislation (*An Act to Enable Clean Energy Improvements*) so that municipalities can establish a PACE program. PACE is a program that lets Albertans make affordable energy efficiency or renewable energy upgrades to private property (residential, commercial, and agricultural) with no money down. The cost of the upgrade is recovered from the property owner through property taxes.

Making it more affordable for Albertans to make these improvements will help create green jobs and stimulate local economies.

How PACE Works

Municipalities

PACE is voluntary for municipalities, and they will decide if they would offer the program. To set up a PACE program, the municipality would pass a PACE bylaw and then work with Energy Efficiency Alberta to deliver the program to residents.

Energy Efficiency Alberta's Role

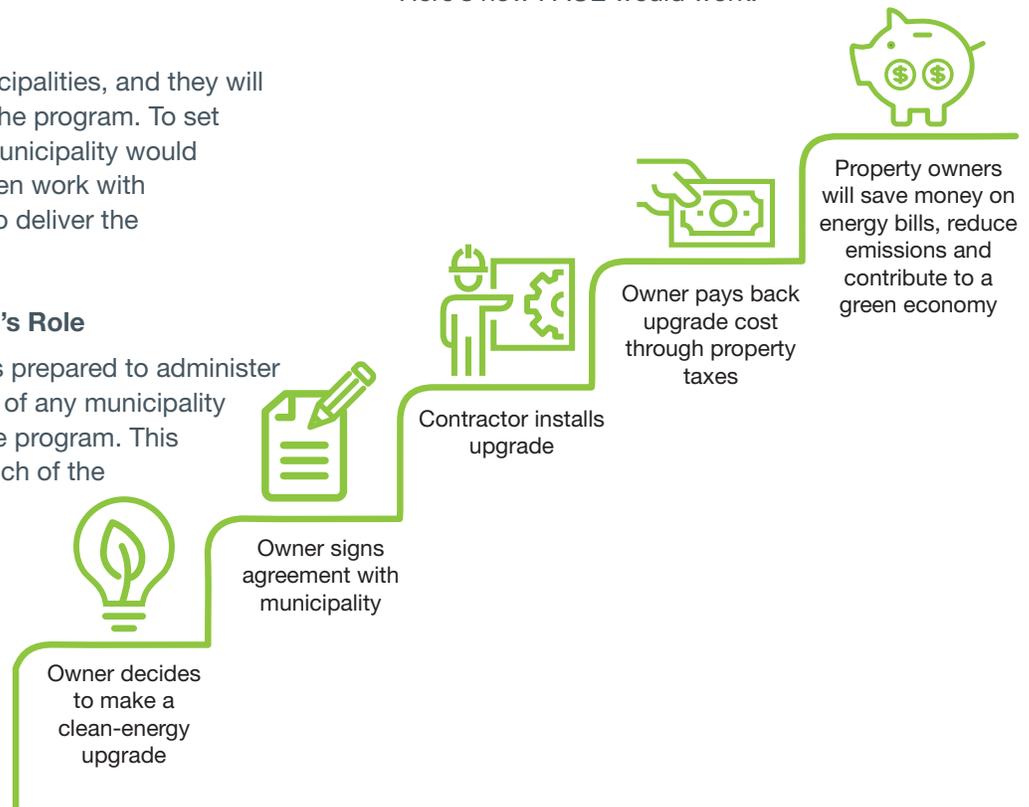
Energy Efficiency Alberta is prepared to administer a PACE program on behalf of any municipality that chooses to provide the program. This would include covering much of the administrative work and finding third-party funding.

Property Owners

Next year, your municipality may choose to bring in PACE to fund energy efficiency or renewable energy improvements on private property. PACE is voluntary for property owners.

You do not need to provide money up-front for an improvement. Your municipality will recover the cost through your property tax bill. Only property owners who make an upgrade will see an increase on their property tax bill. Owners who choose to make an improvement would see energy savings from their investment while reducing greenhouse gas emissions.

Here's how PACE would work:



Selling a Property with a PACE Upgrade

The property owner can pay off the outstanding amount of the improvement at any time. PACE repayments remain with the property, so any new owner of a property with a PACE agreement would take on the repayments.

Eligible Projects

PACE improvements can be made to residential, commercial, and agricultural property. PACE does not apply to designated industrial property.

An eligible project under a PACE program could focus on energy efficiency, water conservation, or on-site renewable energy.

- Examples could include: solar power; upgraded insulation, windows and doors; and high-efficiency heating and cooling systems.

Next Steps

Once the legislation is passed, government will consult with municipalities, lenders, real estate associations and other stakeholders to develop a regulation to provide guidance to municipalities looking to establish a PACE program. The regulation will be brought back for approval this fall.

Government and Energy Efficiency Alberta will work together over the summer and fall to design a PACE program, which will include a number of tools to assist municipalities.

It is expected that the legislation will come into force early in 2019.

