

Climate Change Innovation Initiatives

Fact Sheet

Investing in Alberta's Future

As part of the Climate Leadership Plan, the Government of Alberta is investing more than \$1.4 billion over seven years into companies and communities to reduce emissions, attract investment and grow the modern economy. This made-in-Alberta approach focuses on programs and technologies to reduce environmental impacts, support jobs and ensure the future competitiveness of Alberta's emissions-intensive and trade-exposed sectors.

Innovation: \$225 million

The innovation stream includes funding to support research, development and investment in new technologies that reduce industrial carbon emissions in two program areas:

Emissions Reduction Alberta (ERA): \$80 million. This is a continuation of funding for innovation grants.

Climate Change Innovation and Technology Framework (CCITF): \$145 million. This funding will be used to manage government investments in research, innovation and technology commercialization through Alberta Innovates.

Industrial Energy Efficiency: \$240 million

Government is introducing a suite of measures to reduce emissions and reduce costs in the commercial and industrial sector, including equipment and facility upgrades to reduce energy use or direct on-site greenhouse gas emissions, and support for energy audits and energy management systems. Support will be available to large industrial facilities, large agricultural and manufacturing operations, and other businesses, non-profits and institutions that meet defined criteria.

Bioenergy: \$63 million

The existing Bioenergy Producer Program will be adjusted to provide grant supports only to dedicated biofuel-producing facilities, including:

- Liquid biofuels (e.g. biodiesel, ethanol, pyrolysis oil)
- Biogas electricity production from farm-based anaerobic digesters
- Electricity produced from wood byproducts (biomass)

Green Loan Guarantees: \$400 million

Government will underwrite commercial bank loans for qualified organizations that are investing in industrial efficiencies and renewable energy – essentially, green loans.

Green loan guarantees provide a way for government to encourage additional investment in projects that reduce greenhouse gas emissions, while reducing lending risk for banks and potentially lowering interest rates for proponents.

Oil Sands Innovation Fund: \$400 million

In 2018, Alberta transitioned from the Specified Gas Emitters Regulation to the Carbon Competitiveness Incentive Regulation, which will use an output-based emission allocations approach for emissions-intensive, trade-exposed industries. The innovation fund will help large emitters upgrade facilities and update processes to reduce emissions and thrive in a carbon-competitive global market. Funding will start at \$40 million a year in 2019-20, rising to \$80 million in 2020-21 through 2024-25.