



Energy
Efficiency
Alberta

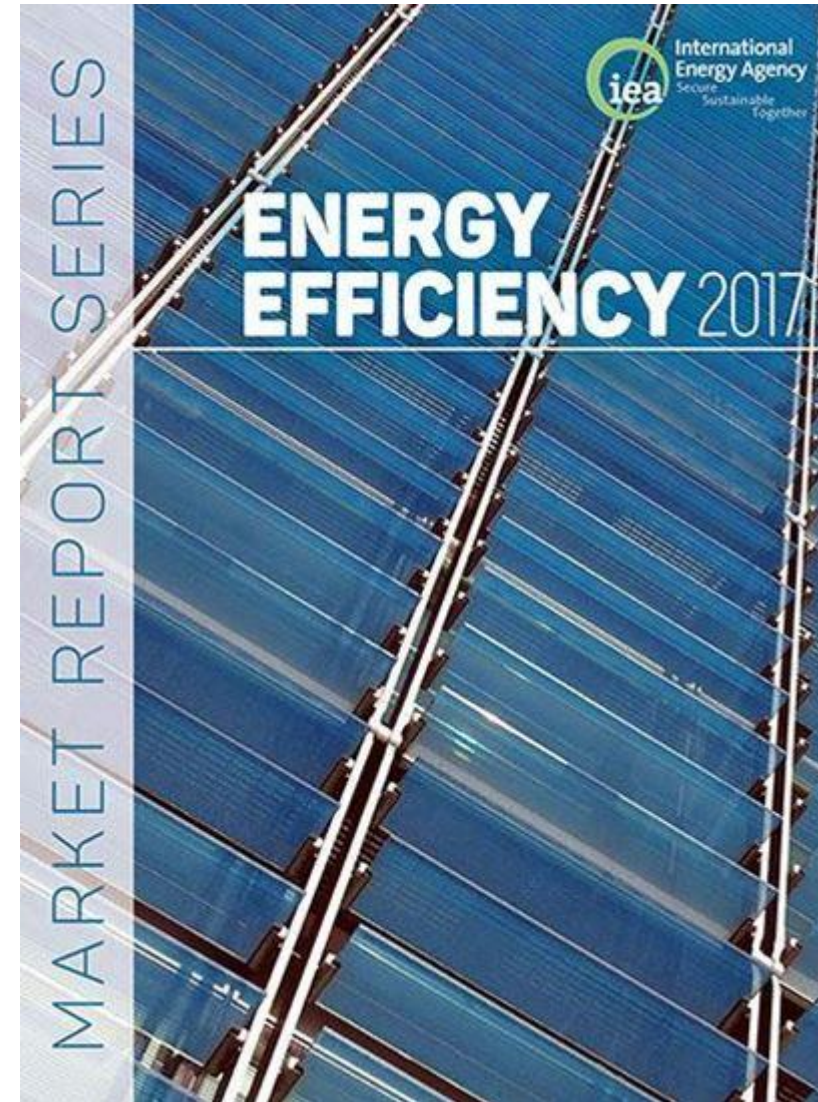
PACE FINANCING

*Leveraging Private Finance to Capture Alberta's Efficiency
Opportunity*

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- Approximately two thirds of economically feasible global energy efficiency measures remain untapped.
- Perceived trade off between the initial cost and the longer-term benefits of energy and cost savings.
- Energy efficiency financing programs are designed to tackle precisely this problem.



WHAT IS PACE?


- A proven, low-cost, long-term financing mechanism for energy efficiency and renewable energy projects
- Repayment is facilitated through an assessment on the property's regular tax bill
- PACE can cover 100% of a project's hard and soft costs
- Long financing terms (20+ years)
- Established locally, administered provincially

Target Markets


- Single family
- Multi-family
- Commercial
- Agricultural
- Industrial
- Non-profit

Program Set Up Process


Provincial legislature adopts PACE-enabling legislation



Program guidelines are created or adopted to supplement enabling legislation



A program administrator is selected to launch and oversee the program



Local governments elect to opt-in to the program

Project Approval & Financing Process

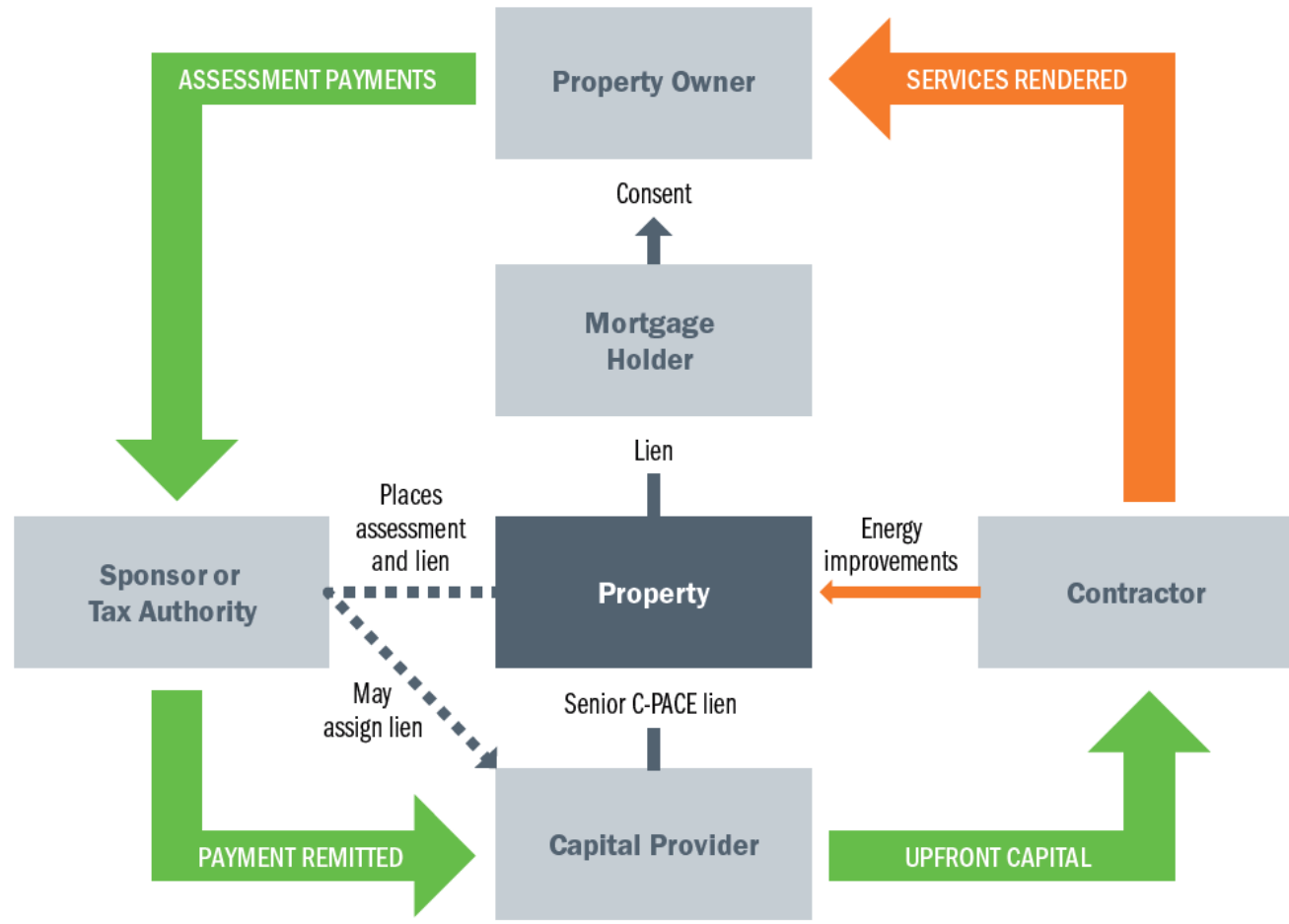
A program administrator approves the project

Tax assessment placed on property and financier provides capital

A contractor completes the PACE-eligible building improvement

Property owner pays for completed work via a property tax assessment

Repayments are remitted back to the lender



Why is PACE so popular among property owners?

- ✓ Elimination of split incentives
- ✓ Increase to property values
- ✓ Property-based financing
- ✓ Non-accelerating nature of the loan (elimination of holding period bias)
- ✓ No out-of-pocket expenses
- ✓ Repayments are not capitalized

Why is PACE so popular among municipalities?

- ✓ Voluntary
- ✓ Creates jobs
- ✓ Fosters economic development
- ✓ Presents no financial risk to taxpayers
- ✓ Helps meet sustainability goals
- ✓ No fiscal impact

PARTNERSHIPS WILL DRIVE OUR SHARED SUCCESS



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