

Topic: Climate Change Action Projects

Introduction:

To support Council's strategic direction while capitalizing on temporarily available grant funding, administration is proposing to pursue grant opportunities for a Facilities Energy Management Plan, a Climate Change Adaptation Plan and a Temporary Two-Year Municipal Energy Manager to begin in 2025. The County has the opportunity to capitalize on \$363,000 in funding to improve lifecycle planning, reduce risks to County operations and realize annual cost savings.

Facts (Background Information):

At the Strategic Planning Session in March 2024, Council indicated preliminary support for a Climate Change Adaptation Plan and **corporate** emissions reductions. It was noted that proposals would be better received with grant support and limited tax impact.

A two-pronged approach is proposed:

(1) **A Parkland County Adaptation Plan** would reduce the risks of climate change to municipal assets, services and operations in addition to the economy, local ecosystems, and the health and well-being of residents.

-This could be partially funded by the FCM Local Leadership for Climate Adaptation Grant (up to 60%) which is expected to open for applications this Fall.

(2) **A Facilities Energy Plan** would implement cost and energy savings as well as GHG reductions for County buildings. This would follow retrofit work that has been funded previously by the Municipal Climate Change Action Centre (MCACC).

-This could be partially funded by the MCCAC Municipal Energy Manager (MEM) Program (40-80% of MEM Salary to a max of \$120,000 plus up to \$60,000 in project rebates), **currently open for applications.**

-**And** partially funded by the FCM's GHG Reduction Pathway Feasibility Study program (80% of eligible costs) **currently open for applications.**

Municipal Energy Manager Program

The MEM Program offers staffing grants to municipalities in Alberta to contribute to the salary of a temporary 2-year Municipal Energy Manager. The energy manager works for a municipality to develop an energy management plan, implement energy saving opportunities, and lead energy reducing projects. Additional project rebates are also offered to contribute to energy saving projects.

It is offered by the Municipal Climate Change Action Centre (Alberta Municipalities and Rural Municipalities of Alberta). Funding for the initiative came from the Government of Alberta.

GHG Reduction Pathway Feasibility Program

The GHG Reduction Pathway Feasibility is a grant program that integrates energy audits and potential reductions into longer-term management plans (to be paired with lifecycle planning). It is a program of the FCM 's Green Municipal Fund. The County would like to investigate its ability to be stacked with the MEM Program.

Local Leadership for Climate Adaptation Program

The Local Leadership for Climate Adaptation Program funds community-scale risk assessments, adaptation plans, and integrating climate planning into municipal programs such as asset management and long-range planning. It is a program of the FCM 's Green Municipal Fund.

Analysis:

Given that the energy grant programs are open, and that applications can take up to 6 months to be approved, the proposed approach is to begin applications for the Facilities Energy Management Plan in 2024 for implementation in 2025. Council resolutions for project support and allocated matching funding are required for application submission. Grant funding for a Climate Change Adaptation Plan, also of strategic interest to Council, will not open until Fall 2024 and will likely have a similar timeline. Therefore, the Adaptation Plan is anticipated to begin mid-2025.

The proposal would be to have the MEM coordinate the work of both energy grant programs to ultimately have a more comprehensive energy management plan with greater contributions to energy saving assessments and planned measures across ten or more County facilities. The plan would also include analysis of the "simple payback", the numbers of years it will take to payback the upfront costs of investment with energy savings over time.

The next steps would be to apply to all three programs in 2024 with the aspiration to have the MEM staff in place in early 2025 and all work complete by 2027. Both projects will be contingent on grant funding and will not move forward if applications are denied.

Alternatives:

1. Pursue only one project in 2025. This may cause the County to miss out on available funding, and money available for planning is becoming rarer as most municipalities already have plans in place. The two projects also pair well as we may be able to leverage the capacity created through the MEM program to support other climate projects.

2. Pursue project funding in place of the funding for staff capacity. A separate program has opened through the MCCAC that could provide up to \$500,000 for facility retrofits. Municipalities must choose one of the two programs and cannot apply to both. Although more funds are available through this

program, it would be difficult for the County to implement projects without a defined plan or increased internal capacity. Additional project funding is also available through the FCM, and this could be pursued by the MEM in year 2 of their contract. Other municipalities have found the MEM position pays for itself in the long-term through energy cost savings and leveraged grant funding.

Note: All available grants have been reviewed. The ones proposed fit Council criteria, leverage our existing facility life cycle planning dollars as matching funds, and maximize the total cost-benefit ratio within current capacity realities.

Conclusion/Summary:

To conditionally approve up to \$483,000 for climate change action projects, contingent on successful grant applications for:

- The Facilities Energy Management Plan project: \$403,000
- The Climate Change Adaptation Plan project: \$80,000

Funding Sources will include:

- Grant Funding: \$363,000
- Environmental Reserve: \$120,000

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