



climate innovation fund

GRANT PROGRAM GUIDELINES
May 2021

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I. OVERVIEW

The Climate Innovation Fund (CIF) Grant Program funds local climate mitigation projects in Calgary and Edmonton, covering a diverse range of activities, from technology demonstration to collective impact and policy advancement. The CIF Grant Program Guidelines document is intended to make the program parameters clear and assist applicants in ensuring their project will be a good fit for a CIF grant. In addition to the program guidelines document we highly recommend that interested parties review the evaluation criteria laid out in our application scorecard, the application questions in the Expression of Interest form, and contact our team at grants@albertaecotruster.com.

II. FUNDING MAGNITUDE

In 2021, \$425,000 is available in Calgary and \$552,500 is available in Edmonton.

In order to help calibrate the grant call, we are anticipating funding requests in the range of \$10,000 to \$50,000.

Alberta Ecotrust Foundation (AEF) will accept applications for higher levels of funding (up to \$100,000) if the project meets or exceeds the evaluation criteria across multiple categories with a high likelihood of scale-up/replication. In order to be eligible for higher levels of funding applicants must discuss the project with our team prior to submission.

III. ELIGIBILITY

Eligible Organizations

The following organizations are eligible recipients of the CIF Grant Program:

- [Qualified Canadian Donees](#)
- Nonprofit organizations

For-profit and private sector entities can be eligible provided they partner with a charitable and/or nonprofit organization who acts as the lead proponent for the project.

Adjacent Communities with regional projects that meet the project selection criteria should contact our grants team directly to discuss eligibility.

Ineligible Organizations

- Private sector, or for-profit organizations
- Individuals
- Individual schools or classroom based programs operating in the K-12 school system
- Political parties

Note: Organizations are only eligible to submit one application per City, per grant round.

Eligible Projects

To be eligible for funding, projects must:

- Result in direct project level and/or projected greenhouse gas emissions reductions at scale over 20 years (projects will be evaluated on this metric)
- Have activities occur and benefits accrued in Calgary or Edmonton
- Have a minimum of 20% matching funds
 - Projects can have multiple sources of matching funds including additional funding from the Federal Government. However, Federal Government funds will not count towards the 20% matching requirement
 - Matching funds cannot be from the Federation of Canadian Municipalities
 - Non-cash contributions, such as salaries, can be used as matching funds provided they are an auditable expense
- Align with the respective city's climate plan and/or the goal of achieving carbon neutrality
- Clearly articulate a pathway to scale up of the initiative
- Have community benefits that will be accrued in addition to the emissions reductions (economic, social equity, environmental co-benefits etc.)
- Project end date is a maximum of 24 months after the start date (proposals for shorter projects are also accepted)

Ineligible Project Activities

The following projects are ineligible for the CIF Grant Program:

- Projects without measurable or projected greenhouse gas emissions reductions
- Broad public awareness/education/behavioral change campaigns/courses (including K to 12 classroom education)
- Redistributing the funding as grants/rebates to other organizations
- Marketing, surveying/polling and advertising campaigns including projects where the primary activity is an event or one off workshop
- Single, one-off, roof-top microgeneration, technology installations, building retrofits or new building projects without an accompanying approach to scaling up across a demographic or sector
- Community Gardens

AEF recognizes that advocacy is an important function of the voluntary sector and supports activities focused on the good of the public and commons. However, we will not support or fund an initiative that targets or impugns the reputation of any individual, organization, or sector.

The Canada Revenue Agency (CRA) has recently made changes to the rules governing the political activities of charities. The CRA has lifted the quantitative limits specified in the Income Tax Act that a charity can only devote a limited portion of its resources (generally, about 10%) to non-partisan political activities that are ancillary and incidental to its charitable purposes. This is good news for charities and allows them to participate more fully in the democratic process of contributing to and improving public policy.

However, the rules prohibiting charitable organizations from devoting any part of their resources to the direct or indirect support of, or opposition to, a political party or candidate for public office remain in effect. **Like all registered charities, AEF is subject to these restrictions. This includes any political activity we undertake ourselves directly, or those activities we indirectly support by providing grants. As such, any projects that undertake this type of activity will be ineligible for an AEF grant.**

For more information, please read the CRA guidance document CG-027 – Public policy dialogue and development activities by charities (Guidance), [found here](#).

Eligible Expenses

Grant funds can be used for any costs deemed reasonable and directly related to the project. We encourage applicants to use full cost accounting when determining the project budget. This includes:

- Salaries
- Contractor wages
- Travel and accommodations
- Existing programs that address our CIF Focus Areas
- Capacity building and knowledge transfer tools (publications, website development etc.)
- Capital items, supplies and materials
- Portion of rent, telephone, etc.
- Project-specific training

*Project start dates are often several months after the application deadline (i.e. mid-October or November).

Ineligible Expenses

Eligible Project Costs shall not include:

- Any cost that is not directly related to the Eligible Project with reasonable limits on pro-rated Administrative Expenses
- Any non-auditable expense
- Any cost incurred prior to the receipt of an application for Grant Funds
- Non-recoverable taxes, interest charges or financing fees
- General business development costs not directly related to an Eligible Project or any fundraising costs
- Any cost relating to lobbying activities undertaken by, or on behalf of, the Eligible Recipient for the purpose of obtaining the award of a contract, grant, contribution or any other financial benefit from, or on behalf of, the federal government or provincial government

IV. PROJECT SELECTION CRITERIA

CIF has developed an Application Scorecard that will be used to evaluate each individual proposal. You can find the [scorecard here](#).

V. FOCUS AREAS

Through [best practices research](#), [stakeholder mapping](#) and a [successful engagement process](#) that consulted with 140 individuals across Calgary and Edmonton, AEF determined the CIF focus areas of Building Better/Retrofitting Wisser, Moving on Mobility, and Decarbonization & Renewable Energy. The Focus Areas are necessarily broad and encompassing, but in order to ensure investments in strategically valuable projects a list of sub priority areas has been developed. Sub priority areas will be revisited on a yearly basis as part of the grant programs evaluation process to ensure that funding is in line with the CIF's approach to accelerating urban emissions reductions.

Focus Areas

1. Overarching / Foundational
2. Building Better / Retrofitting Wisser
3. Moving on Mobility
4. Decarbonization & Renewable Energy

Overarching / Foundational	
Sub Priorities	Example Projects
Low Carbon Financing: Focus on building internal capacity and developing the tools, structures and approaches that will position CIF to facilitate low carbon financing and support its investment arm.	Financial product and services design that is applicable to CIF's investment arm. Program and financial tools design (e.g. social financing, green loan program) that could be applied by CIF.

	<p>Green/transition debentures frameworks for community projects, institutions or municipalities.</p> <p>Development of actionable strategies to crowd in private investment (i.e. Green Bank, syndication approaches, partnership strategies).</p>
<p>Measurement, Verification and Offsetting: Determining and taking steps to fill gaps in the regulated market with respect to offsetting. There is a gap identified in the community in terms of measurement and verification to properly capture and report the savings from energy efficiency and renewable energy projects. Projects and funding could explore opportunities for measurement and verification and reduced transaction costs and aggregation while determining the role of CIF in these transactions (if any).</p>	<p>Development of carbon offset protocols (e.g. CHP offset protocol).</p> <p>Apply artificial intelligence, machine learning for attribute aggregation/tracking.</p> <p>Projects designed to develop clear mechanisms and implementation of cost savings harvesting (i.e diverting energy savings to other carbon initiatives).</p>

Building Better / Retrofitting Wiser

Sub Priorities	Example Projects
<p>Opportunity Identification and Aggregation for Low Cost Financing: The building sector has distributed opportunities (energy conservation measures and microgeneration across many buildings and sectors). These opportunities are difficult to both identify and then aggregate in order to make them attractive to large capital providers. Projects can be undertaken and funding opportunities can be provided to address this critical scale element.</p>	<p>Incubation support for a concierge retrofit agency (e.g. super ESCO)</p> <p>Eligible as a contribution to infrastructure improvements with intent for demonstration, knowledge sharing, or as a step to scale (replication and scale up) (e.g. panelization of social housing)</p> <p>Metering, measurement, verification with knowledge transfer and case</p>

	<p>study (e.g. circuit breaker installation and report on findings)</p> <p>Digital infrastructure to develop low-cost retrofitting packages across a portfolio of buildings</p> <p>Program design and incubation (e.g. retrofit services/support)</p> <p>Capacity building and skills training (i.e. course development and training)</p>
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<p>Whole Building Retrofitting: Retrofitting to net-zero is both costly and disruptive. Existing programs provide some minor support for this currently (SSRIA, ERA, City of Edmonton, etc.) that can be leveraged. The challenges are increased for multi-unit residential buildings, particularly rentals due to split incentives between residents and building owners. Projects can be undertaken and funding opportunities can be provided that address the challenges of achieving net zero retrofits.</p>	<p>Studies (e.g. net zero retrofit planning, potential studies)</p> <p>Policy reform/research (e.g. specific regulatory changes required to facilitate net zero retrofitting)</p>
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Moving on Mobility

Sub Priorities	Example Projects
<p>Shared Mobility, Micro mobility and Active Transportation: Shared mobility paradigms generally reduce the number of single occupancy vehicles on the road by maximizing utilization of these mobility options and increasing the accessibility of alternative transportation modes. Micro Mobility options (e.g. scooters and bikes) can reduce the need for commuter vehicles and can provide transportation options to low income communities. Increasing the</p>	<p>Studies on increasing access to micro mobility and shared mobility for low income and/or underserved demographics (e.g. transportation poverty, access for the unbanked)</p> <p>Low cost capital projects, community led neighbourhood level active transportation promotion (e.g. municipally approved traffic calming</p>

<p>attractiveness of active transportation through low cost capital projects can increase mode share (e.g. planters, traffic calming signs, line painting, etc.). Projects could be undertaken and funding could be provided that address the barriers to entry into these modes of transportation for low income individuals, or small capital projects for the promotion of active transportation, and/or business model development.</p>	<p>and signage, line painting, planter placements)</p>
<p>Energy Management Systems to Support Electrification: Electrification of transportation will require significant upgrades over time at both the site level and grid level. Energy management systems can be employed to maximize utilization efficiency of electrical infrastructure and even avert the requirement to replace existing infrastructure. Projects could be undertaken and funding provided that explore energy management systems or provide funding for the establishment of energy management systems.</p>	<p>Energy Management System pilots at the building level that manage electric vehicle charging infrastructure in a manner that is compliant with codes and delays/averts infrastructure upgrades.</p> <p>Policy reform/ research/ studies that assess the regulatory and technical barriers for large scale, rapid electrification (e.g. neighbourhood servicing standards limiting EV uptake).</p>
<p>Reducing the Carbon Impact of Urban Freight: Goods and services movements in Calgary and Edmonton are forecasted to increase substantially and it is often not elevated in the conversation the same way people are moving with respect to carbon reductions. Just-in-time delivery and logistics operations associated with online shopping are the fastest growing sources of transportation emissions. Projects and funding that further explore or implement solutions to reduce this emissions source could be undertaken and/or provided.</p>	<p>Studies and/or demonstration projects on low/no emissions goods and services movement.</p> <p>Capital contribution to a fleet conversion initiative (e.g. school bus conversions, people power cargo delivery)</p>

Decarbonization & Renewable Energy

Sub Priorities	Example Projects
<p>Community and Small Scale Renewable Energy Systems and Storage Solutions: Although these types of installations have been enabled through regulation there are still significant barriers for them to move forward (e.g. ownership models, siting, business cases, metering, etc.). Projects and funding to further evaluate and solution these barriers at a systems level or assist in overcoming these barriers at a project level.</p>	<p>Policy reform papers / studies that identify barriers and unpack challenges to small scale renewable energy and battery storage systems and provide actionable recommendations.</p> <p>Design/feasibility studies for community generation and shared renewable energy systems.</p> <p>Capital contribution to battery technology deployment with a focus on increasing market penetration.</p> <p>Capital contribution to a community generation system with a focus on increasing market penetration.</p> <p>Business cases and mechanics for financing community generation.</p> <p>Demonstration projects for virtual metering or the application of machine learning, artificial intelligence that facilitates distributed energy.</p>
<p>Building level fuel switching and shared systems: Space heating is a significant challenge with respect to decarbonization. Technologies such as heat pumps (air and ground) are often touted as a way to increase efficiency and electrify space heating. Adoption of heat pump technology in</p>	<p>Heat pump research and/or capital contribution to heat pump deployment.</p> <p>Capital contribution to low carbon shared mechanical systems or district</p>

<p>Alberta has seen significant barriers (e.g. cold climate, carbon intensive electricity grid, lack of industry capacity/acceptance, etc.). In addition, there are possibilities for both the introduction of hydrogen into the space heating system and the more frequent use of shared/district energy systems. Finally, there is a largely underexplored potential for building level carbon capture and storage (utilization). A project and funding theme can be established to encourage solutioning in this space.</p>	<p>energy systems with a focus on increasing market penetration.</p> <p>Projects that fill the knowledge gap with respect to hydrogen as a fuel source for space heating.</p> <p>Renewable PPA assistance (e.g. establish consortiums and contracting assistance for renewable energy procurement).</p> <p>Capital contribution to building level carbon capture and storage (utilization) equipment</p>
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Note

If you feel your project meets all of the eligibility criteria, and would score well on the evaluation criteria, but it does not fit within the listed sub priority areas it still may be considered. Please contact our team at grants@albertaecotrusted.com to discuss your project.

VI. DECISION MAKING

There are two stages to the grant program: An Expression of Interest (EOI) stage and a Full Application Stage.

All EOIs must meet the basic eligibility criteria and submit the EOI application form through AEF’s grant portal. Expressions of Interest that meet eligibility criteria will be evaluated by AEF staff using the evaluation criteria detailed in the Application Scorecard. These criteria include: GHG Emissions Reduction, Scale Potential, Co-Benefits, Equity, and Organizational Capacity (see the Application Scorecard for more details). Based on this evaluation, a short list of applications will be invited to submit a Full Application.

Full Applications will require additional project and budget information, and applicants will work directly with AEF to quantify their project’s GHG emissions reduction. An interview may

be a requirement of the Full Application stage. Final decision making authority on Full Applications will be delegated to the Grant Selection Committee in each City who will evaluate projects using the evaluation criteria detailed in the Application Scorecard. The Grant Selection Committee is composed of representatives from the City's respective CIF Executive Advisory Committees, and additional Community Members as appointed by AEF.

Feedback will be offered to all unsuccessful applicants.

VII. GRANT PROGRAM TIMELINE

May - June 2021: Information Sessions

- Tuesday May 4, 10 am – 11 am: Building Better / Retrofitting Wise
- Monday, May 17, 2 pm – 3 pm: Moving on Mobility
- Wednesday, June 16, 10 am – 11 am: Decarbonization & Renewable Energy

For more information and to register for the sessions please visit the [CIF Grant Program website](#).

July 2021: EOI Stage

The application portal will open on July 1, 2021 at 9:00 am MST. EOIs must be submitted by July 30, 2021 by 6:00 pm MST.

It is strongly encouraged that applicants meet with AEF staff to discuss their project prior to submitting an EOI. During this time staff will:

- Endeavor to understand the organization and project objectives and work directly with applicants to ensure the project fits within the CIF funding priorities
- Strive to connect projects with additional resources and partners if applicable
- Build relationships with applicants and work to improve quality of applications
- Assist in light technical and GHG due diligence (i.e. is this project reasonable and does it fit within our priorities?)

August 2021: EOI Screen

- AEF Staff will perform an EOI screen utilizing the evaluative criteria detailed in the Application Scorecard. A short list of applicants will be invited to submit full proposals.
- Direct feedback will be offered to unsuccessful applicants

August – September 2021: Full Applications

- AEF Staff work closely with applicants to assist in technical and financial due diligence including assisting applicants in quantifying their project GHGs prior to submission

October 2021: Decision Making

- Grant Selection Committee makes funding decisions in each City

December 2021: Feedback

- All unsuccessful applicants will be offered feedback regarding the decision and their project from AEF staff