



Community Generation Capacity Building Program Guide

Introduction

The Community Generation Capacity Building (CGCB) Program is designed to support eligible community groups with initial development phases of a community generation project, as well as the development of tools and training. The intent of the CGCB Program is to enable community generation projects through support of various phases of project development. The CGCB also seeks to build technical capacity and skills in the province to build a workforce that can participate in all phases of development, operation, and maintenance through the development of tools and training. This program is complementary to the Community Energy Capacity Building (CECB) Program held in March 2018. The following information provides guidance on Community Generation and how to participate in the CGCB Program.

CGCB Program Details

Energy Efficiency Alberta (EEA) in collaboration with the Municipal Climate Change Action Centre (MCCAC) is offering a Community Generation Capacity Building Program to community groups for capacity building activities related to the development of Community Generation projects compliant to the [Small Scale Generation Regulation](#) (the "Regulation"). Renewable and alternative energy generation as defined in the Regulation is eligible.

Renewable or alternative energy is defined as electric energy generated from

- (i) products having current EcoLogo certification, or;
- (ii) solar, wind, hydro, fuel cell, geothermal, biomass or other generation sources

if the emissions intensity of

- (a) the electric energy produced, or;
- (b) the total energy produced from the simultaneous generation of electric energy and production of thermal energy from the same fuel source

is less than or equal to 418 kg CO₂e per MWh.

Eligible recipients of CGCB Program funds:

All organizations defined as a community group by the Regulation are eligible to receive CGCB funds;

- A co-operative incorporated under the *Cooperatives Act*;
- A board as defined in the *School Act*;
- A board of a public post-secondary institution or a board of a private college operating under the *Post-Secondary Learning Act*;
- A band as defined in the *Indian Act* (Canada) located in Alberta;
- A settlement under the *Metis Settlements Act*;
- A municipal authority as defined in the *Municipal Government Act*;
- A society under the *Societies Act*;
- An incorporated congregation or trustee incorporated under the *Religious Societies Land Act*;
- An irrigation district as defined in the *Irrigation Districts Act*;
- An agricultural society referred to in section 1(c) (i) of the *Agricultural Societies Act*;
- A condominium corporation under the *Condominium Property Act*;
- A corporation under the *Business Corporation Act* that is registered charity within the meaning of the *Income Tax Act* (Canada);
- As association registered under Part 9 of the *Companies Act*.
- As association as defined in the *Rural Utilities Act*.

Funding Details

For projects seeking funding equal to or greater than \$200,000, it is required that the recipient organization contribute a minimum of 10% of in-kind contributions or funds toward the total project budget. For example:

- Total project budget: \$250,000
- Total required in-kind contributions: \$25,000
- Maximum grant allocation: \$225,000

Organizations who participated in the 2018 CECB Program may apply for the purpose of extending their project. Maximum funding for any single project is \$500,000.

What expenses are eligible?

The entire project budget must be provided either within the application or in a separate MS Excel-based workbook (if preferred or if space is insufficient). This project budget must include both eligible expenses and ineligible expenses needed to complete the proposed project. Applicants will be required to show proof of payment for eligible expenses. Please see the EEA Grant Agreement and the MCCAC Participant Agreement (as applicable) for more details.

Eligible Expenses

- Salary/contract costs associated with the operation of the project
- Travel expenses for project participants or personnel (must comply with the [Government of Alberta Travel, Meal and Hospitality Expenses Policy](#))
- Project supplies and training materials
- Space rental
- Training enrollment fees

Ineligible Expenses

- In-kind expenses
- Payment for services that would normally be provided without charge
- Capital purchases or equipment purchases for the purpose of constructing the generation facility
- Living allowances or expenses related to training activities
- Expenses related to non-program related facilities or premises (i.e. rent, utilities)
- Costs associated with preparing funding applications, project planning, and fundraising
- Alcohol
- Any expenses incurred prior to signing of the grant agreement
- Goods and Services Tax and the Harmonized Sales Tax

Eligible Activities

The CGCB Program will fund project types which will contribute to the development of a specific community generation facility, or that build capacity within a community, organization, or the Province in community generation. Capital costs such as the purchase of equipment or construction of a community generation facility are not eligible for this program. The grant review committee can deem any activity ineligible at their discretion. Applications must identify which project type is being proposed based on the following 3 categories.

If your project spans activities that include both Type 1 and Type 2 please clearly identify this in the application form.

Type 1: Technical development activities

Projects that are undertaking the following activity types: feasibility assessments, land use agreements, financial assessments, stakeholder engagement, environmental assessments, wildlife studies, drainage studies, hydrological studies, wage subsidies for a project manager or any other undertaking required in the pre-development stage of a specific community generation facility. Community generation projects must be renewable or alternative energy generation and meet the definition of a Community Generation facility as per the Regulation.

Type 2: Partnership development activities

Projects that are undertaking activities that will support partnerships required for the development of a community generation facility. This can include; legal services, financial analysis, community benefit agreement or community benefit statement support, or any other expense required to establish

partnerships. Community generation projects must be renewable or alternative energy generation and meet the definition of a Community Generation facility as per the Regulation.

Type 3: Development of tools and training

Projects that undertake the development of a tool that can be leveraged by the community generation industry and will be publicly available. These tools must support the advancement of community generation facilities or the renewable energy industry in the Province of Alberta.

Examples of tools:

- Financial modeling tools
- Technical modelling tools
- Guides to developing community generation projects

Projects that invest in skills training for Albertans specific to the development of future community generation projects. These projects must result in the increase in technical capacity and knowledge in community generation in the province.

Examples of training:

- Developing curriculum for training programs
- Developing specific training programs that will be available to all Albertans.

Evaluation

Each application will be reviewed by a grant review committee consisting of staff from EEA and the MCCAC. Each application will be evaluated against all other applications equally.

The grant review committee can allocate funds to an applicant project at their discretion. The evaluation matrix is provided in Appendix I.

Application Process & Timeline:

Step	Description of activity	Details	Timeline
Step 1	Intake of applications	Submit completed application to Energy Efficiency Alberta and Municipal Climate Change Action Centre via the CGCB@efficiencyalberta.ca email address.	Application intake opens on Monday January 14, 2019 and will close at 5 pm on Friday February 22, 2019.
Step 2	Application evaluation	The grant review committee will evaluate project applications in accordance with the evaluation matrix and select projects for funding in each category.	Monday February 25 – Friday March 15, 2019
Step 3:	Delivery of results to applicants	All applicants will be advised via email of their application results.	Spring, 2019
Step 4:	Issuing grant agreements	Successful applicants of municipal-specific projects will be required to sign a Participant Agreement with the MCCAC. All other applicants will be required to sign a Grant Agreement with Energy Efficiency Alberta.	Signed grant agreements with EEA are due back via email at CGCB@efficiencyalberta.ca by Thursday March 28, 2019 Signed participant agreements with MCCAC are due back via email at contact@mccac.ca by Thursday March 28, 2019
Step 5:	Issuing grant funds	Once the grant agreement has been received and signed by EEA/MCCAC, a cheque will be issued. <ul style="list-style-type: none"> • Cheques will be issued from the MCCAC for municipal-specific projects • Cheques will be issued from EEA for all other projects 	Cheques will be mailed between Monday April 1 and Friday April 12, 2019.

Step 6:	Successful proponents commence project	<p>Successful proponents may commence projects once the grant agreement has been signed by all parties.</p> <p>**Only expenses incurred after the grant agreement has been signed are eligible project expenses.</p>	Applicants must commence projects by April 1, 2019
Step 7:	Successful proponents provide an interim report	<p>Successful proponents must provide an interim report via email to CGCB@efficiencyalberta.ca</p> <p>A report template will be provided by July 9, 2019 to all proponents.</p>	Due by 5 pm MT, Friday August 9, 2019
Step 8:	Conclude the project and provide a final report to EEA.	<p>Successful proponents must provide a final report via email to CGCB@efficiencyalberta.ca</p> <p>A report template will be provided by January 14, 2020 to all proponents.</p>	Final report due by 5 pm MT, February 21, 2020

Community Generation Defined

For the purposes of CGCB project applications, Community Generation refers to an alternative or renewable energy generation facility that is compliant with the requirements of the [Small Scale Generation Regulation](#) (“the Regulation”). For example, the project is distribution system connected and is subject of a community benefits agreement or a community benefits statement. A community group is defined as follows:

- A co-operative incorporated under the *Cooperatives Act*;
- A board as defined in the *School Act*;
- A board of a public post-secondary institution or a board of a private college operating under the *Post-Secondary Learning Act*;
- A band as defined in the *Indian Act* (Canada) located in Alberta;
- A settlement under the *Metis Settlements Act*;
- A municipal authority as defined in the *Municipal Government Act*;
- A society under the *Societies Act*;
- An incorporated congregation or trustee incorporated under the *Religious Societies Land Act*;
- An irrigation district as defined in the *Irrigation Districts Act*;
- An agricultural society referred to in section 1(c) (i) of the *Agricultural Societies Act*;
- A condominium corporation under the *Condominium Property Act*;
- A corporation under the *Business Corporation Act* that is registered charity within the meaning of the *Income Tax Act* (Canada);
- As association registered under Part 9 of the *Companies Act*.
- As association as defined in the *Rural Utilities Act*.

The Regulation allows communities to directly participate in community generation projects (or to be involved). Involvement can be through some level of ownership of the energy generation project, however communities can participate even with zero percent ownership of the energy generation project. Project development entails obtaining the interconnection agreement with the distribution owner, securing financing, securing the land for the facility, feasibility assessments, and any other work required to prepare for the construction of an energy generation facility.

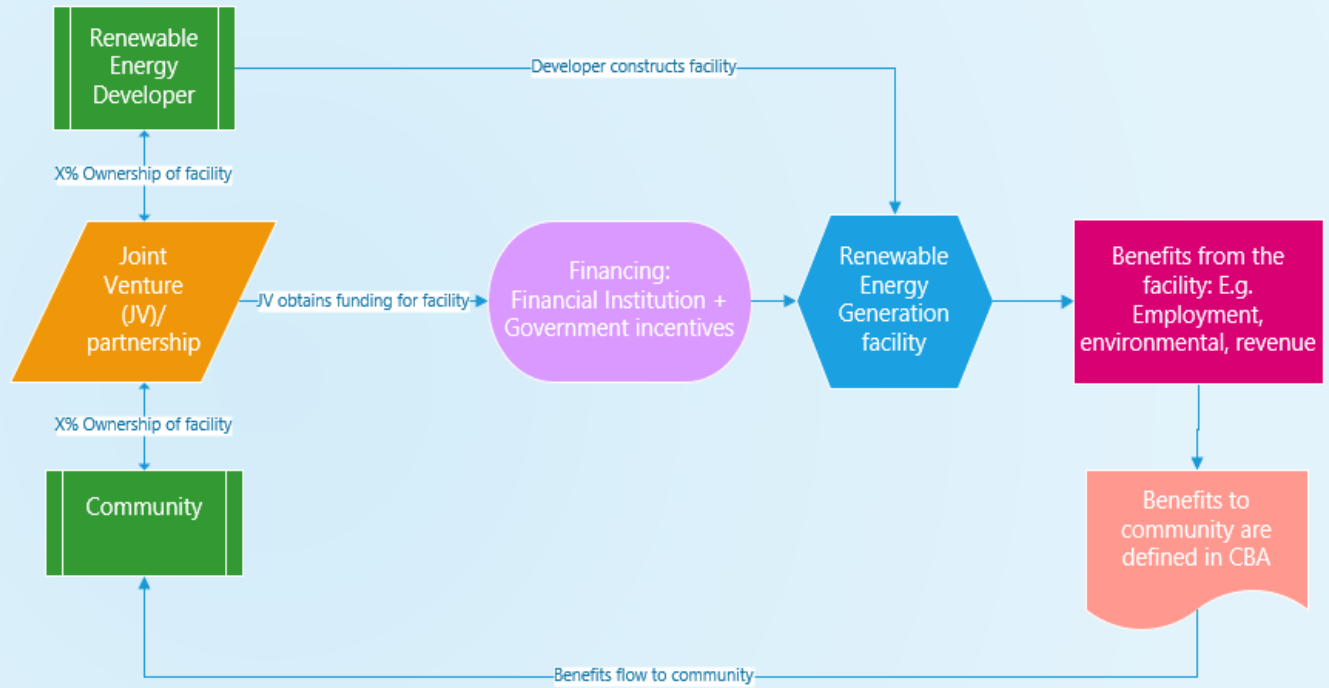
If the community group is the small-scale power producer and the owner of the facility, a Community Benefits Statement (“CBS”) is required. If the small-scale power producer is an energy developer a Community Benefits Agreement (“CBA”) is required. The CBA or CBS must set out the social, environmental, or economic benefits that will be received by the community group. A CBA is a legally binding contract between the small-scale power producer and the community. The community generation facility must be a distributed energy facility¹ (connected directly to the distribution system), as per the Regulation.

Finally, projects need to enter into agreements with the owner of the distribution system to export electricity from the energy generation facility into the local grid. Value is earned through the sale of electricity from the community generation facility. Purchasers of the electricity that is generated by the community generation project could be a utility company, a commercial entity, or the government.

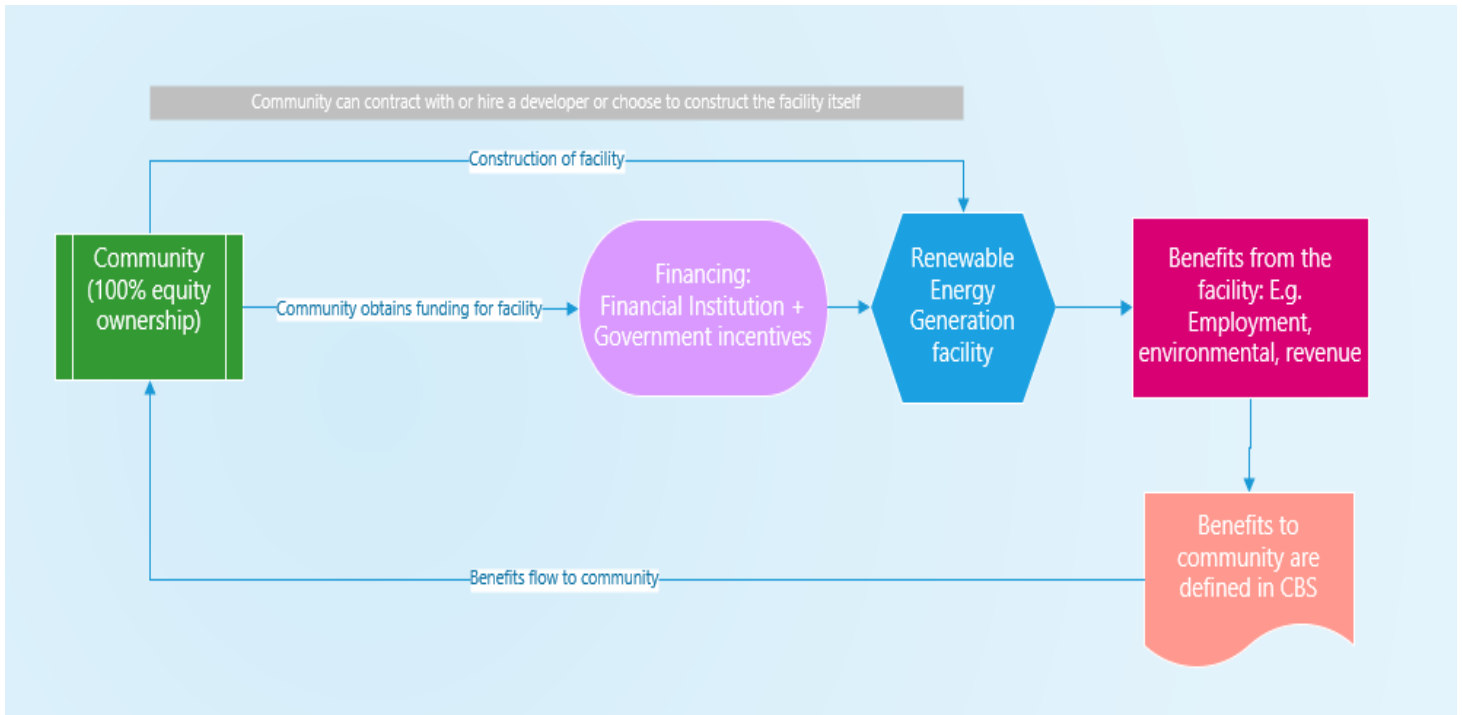
¹ Distributed Generation Application Guideline, Alberta Utilities Commission, 2013.

Community Benefits Agreement (CBA)

% ownership of developer/community are defined in the partnership agreement. Communities may also have 0% ownership



Community Benefits Statement (CBS)



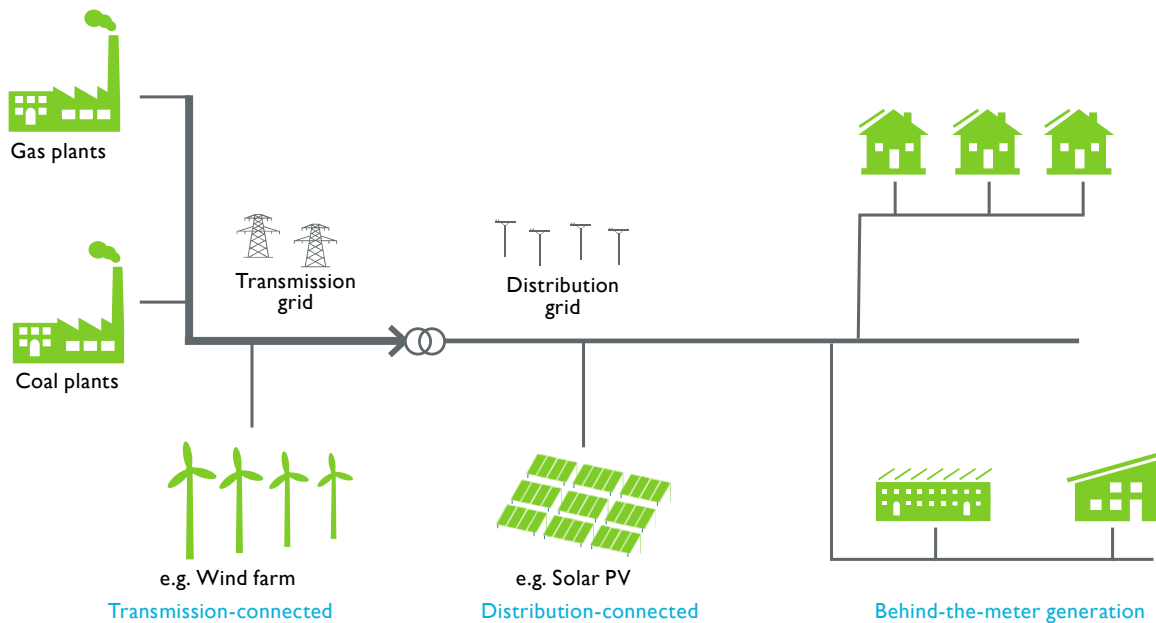
Benefits to Albertans

Community generation projects allow more Albertans to access the benefits of low emission alternative and renewable energy technologies that were previously only available at the utility-scale or to individual home and property owners. The new Regulation enables community generation projects by lowering the barriers associated with developing distribution connected systems; through lowering the costs and regulatory complexity. The Regulation will be coupled with a program that in the future will allow small scale power producers and community groups to secure a long-term price for electricity via a contract for differences with the Government of Alberta.

Community generation projects represent economic opportunities for Albertans. Through ownership of alternative and renewable energy projects, communities can hedge against variable future energy costs, and create new local economic opportunities.

Types of Community Generation Projects:

Today's electric grid consists mainly of centralized, **transmission-connected** generating stations such as coal plants, gas plants, or utility-scale renewables. Community generation projects are smaller, **distribution-connected** systems that are not tied to a single load facility. The electricity produced is sold directly into the grid. The size of the system is limited by the capacity of the local distribution network.



Community generation projects must be developed under the Small-Scale Generation Regulation. Community generation projects must be renewable or alternative energy as per the Regulation. A community generation project must produce electric energy from;

- Products having current EcoLogo certification, or
- Solar, Wind, hydro, fuel cell, geothermal, biomass, or
- Other generation sources if the emissions intensity of the electric energy produced or the total energy produced from the simultaneous generation of electric energy and production of thermal energy from the same fuel source is less than or equal to 418 kg CO_{2e} per MWh.

Call 1-844-357-5604 or email CGCB@efficiencyalberta.ca for more information.

Appendix I – Evaluation Matrix

The application form will be used to provide all the information needed for EEA & the MCCAC to evaluate your proposal; you are required to provide all the information requested in the sections listed below. ***All fields are required*** unless otherwise specified:

All projects will be evaluated against each other equally. Funds will be awarded to projects with the highest scores first. The final score is based on the total combined score received on the evaluation matrix. All reviewers will provide individual scores which will be summed for the combined score.

		0 points	1 point	2 points	3 points	4 points	5 points
1a	<p>Contribution towards a specific community generation facility</p> <p>(Type 1 & 2 Only)</p>	Did not address in the proposal	The project does not contribute directly to the development of a specific community generation facility.	The project loosely contributes to the development of a specific community generation facility.	The project contributes to the development of a specific community generation facility.	The project strongly contributes to the development of a specific community generation facility.	The project represents a vital and significant step towards the development of a specific community generation facility.
1b	<p>Contribution towards growth of community generation industry</p> <p>(Type 3 Only)</p>	Did not address in the proposal	The tools or training proposed minimally benefits the community generation industry or it impacts a small group of beneficiaries.	The tools or training proposed provides some benefit to the community generation industry or it impacts a small group of beneficiaries.	The tools or training proposed directly benefits the community generation industry and impacts a large group of beneficiaries.	The tools or training proposed provides a clear benefit to the community generation industry and impacts the industry on a provincial scale.	The tools or training proposed provides substantial direct benefit the community generation industry and impacts the industry on a provincial scale.
2	Budget narrative and grant request justification	Did not address in the proposal	<p>The budget is not completely broken down.</p> <p>Explanation of why the grant is needed does not provide justification for the requested funds.</p>	<p>The budget is not completely broken down.</p> <p>Explanation of why the grant is needed provides some justification for the requested funds.</p>	<p>The budget is broken down and explained.</p> <p>Explanation of why the grant is needed provides justification for the requested funds.</p>	<p>The budget is clearly broken down and well explained.</p> <p>Explanation of why the grant is needed provides strong justification for the requested funds.</p>	<p>The budget is very clearly broken down and well explained.</p> <p>Explanation of why the grant is needed is very well justified.</p>

3	Effective use of financial resources	Did not address in the proposal	The proposal poorly explains how the funds will effectively be used to complete the project work.	The proposal somewhat explains how the funds will effectively be used to complete the project work.	The proposal explains how the funds will effectively be used to complete the project work.	The proposal strongly explains how the funds will effectively be used to complete the project work.	The proposal explicitly explains and provides financial details on how the funds will effectively be used to complete the project work.
4	Community engagement	Did not address in the proposal	The applicant has not clearly outlined their community engagement approach, or the project delivery team has not demonstrated their ability to engage with their community in the proposal.	The applicant has partially outlined their community engagement approach, or the project delivery team has partially demonstrated their ability to engage with their community in the proposal.	The applicant has outlined their community engagement approach, or the project participants have demonstrated their ability to engage with their community in the proposal.	The applicant has clearly outlined their community engagement approach, or the project delivery team has clearly demonstrated their ability to engage with their community in the proposal.	The applicant has provided an exceptional outline of their community engagement approach, or the project delivery team has an exceptional ability to engage with their community in the proposal.
5	Project work plan and schedule	Did not address in the proposal	The project delivery work-plan is described but with significant gaps , with timelines that are not achievable.	The project delivery work-plan is described but with some gaps , with timelines that may not be achievable or do not align with the CGCB program end date.	The project delivery work-plan is described somewhat clearly with timelines that are achievable and but may not align with the CGCB program end date.	The project delivery work-plan is described clearly with timelines that are achievable and aligned with the CGCB program end date.	The project delivery work-plan is described clearly, in detail with timelines that are achievable and aligned with the CGCB program end date.

6	Project objectives and outcomes	Did not address in the proposal	Objectives, outcomes and benefits are poorly defined . The project objectives do not relate to the Climate Leadership Framework. The project does not clearly fulfill the beneficiary community, the Province's needs with respect to supporting community projects and the associated industry.	Objectives, outcomes and benefits are somewhat defined . The project objectives somewhat relate to the Climate Leadership Framework. The project somewhat fulfills the beneficiary community/the Province's needs with respect to supporting community projects and the associated industry.	Objectives, outcomes and benefits are defined . The project objectives relate to the Climate Leadership Framework. The project fulfills the beneficiary community/the Province's needs with respect to supporting community projects and the associated industry.	Objectives, outcomes and benefits are well defined . The project objectives strongly relate to the Climate Leadership Framework. The project fulfills the beneficiary community/the Province's needs with respect to supporting community projects and the associated industry.	Objectives, outcomes and benefits are well defined . The project objectives strongly relate to the Climate Leadership Framework. The project fulfills and exceeds the beneficiary community/the Province's needs with respect to supporting community projects and the associated industry.
7	Project personnel	Did not address in the proposal	The project delivery team has limited to no experience in renewable energy and/or renewable energy project development.	The project delivery team has some experience in renewable energy and/or renewable energy project development.	The project delivery team has experience in renewable energy and/or renewable energy project development.	The project delivery team has significant and relevant experience in renewable energy and/or renewable energy project development.	The project delivery team has exceptional and relevant experience in renewable energy and/or renewable energy project development.
8	Community needs and benefit identification	Did not address in the proposal	Community needs and benefits are poorly defined and researched .	Community needs and benefits are defined but poorly researched .	Community needs and benefits are defined and researched .	Community needs and benefits are defined and well-researched .	Community needs and benefits are clearly defined and thoroughly researched .
9	Project risks identification	Did not address in the proposal	Project risks are poorly defined and researched	Project risks are defined but poorly researched	Project risks are defined and researched	Project risks are defined and well-researched	Project risks are clearly defined and thoroughly researched

Maximum score is 45

Appendix II – Definitions

Applicant: The individual or organization that has completed the application and is responsible for the application content.

Capacity Building Activity: Capacity building entails any activity that increases an organization's or individual's ability to engage with a given activity, which in the case of the CGCB program is community scale alternative and renewable energy generation development. This guide provides an overview of the activities that will be accepted within the program.

Community Need: A barrier or resource requirement identified by the applicant that is preventing the development of community energy projects.

Community Organization: Any organization eligible for the program based on the definition of a community group as per this program guide and Alberta's *Small-Scale Generation Regulation (AR 194/2018)*.

Community and Small-Scale Generation: All renewable and alternative energy projects that meet the requirements of Alberta's *Small-Scale Generation Regulation (AR 194/2018)*.

Conflict of Interest: Any circumstance where the Recipient, or any person who has the capacity to influence the Recipient's decisions, has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased and impartial judgment relating to the Initiative and the use of the Disbursements.

Contract Start Date: The date listed on the funding agreement as the start date.

Contract End Date: The date listed on the funding agreement as the end date.

Cost: means costs, expenses, fees, taxes, rates, in-kind payments, or other consideration of any kind.

Default: An event of default by a party, as defined in the relevant agreement, (a) which has not been cured in accordance with the provisions of any such agreement or otherwise to the satisfaction of the IESO, in its sole and absolute discretion; (b) for which there is no cure period; or (c) for which the cure period has expired.

Deliverables: Any piece of evidence required by the application form or EEA Grant Agreement or MCCAC Participant Agreement.

Eligible Expense: Please see the Program Guide for an outline of which expenses are eligible.

Energy Efficiency Alberta: Arms-length agency of the Province of Alberta.

Project schedule: The schedule must outline each of the tasks needed to complete the project, providing the timing and the sequence for each task.

Funding: Any monies provided by the Energy Efficiency Alberta or the Municipal Climate Change Action Centre for the purposes of funding a proposed project.

Ineligible Expense: Please see the Program Guide for an outline of which expenses are ineligible.

Municipal Climate Change Action Centre: A joint partnership between the Alberta Urban Municipalities Association (AUMA), Rural Municipalities of Alberta (RMA), the Government of Alberta, and Energy Efficiency Alberta.

Invoices: In reference to eligible expenses, refers to copies of invoices, bills or receipts issued by an External Resource, relating to Eligible External Expenses, which must at a minimum include:

- (a) an itemized invoice addressed to the Recipient on the External Resource's letterhead outlining the expenses incurred by the Recipient with respect to the work being undertaken by the External Resource;
- (b) detailed descriptions of the work carried out;
- (c) names of Persons or entities retained to carry out the work;
- (d) the time frame (start date to completion date) in which the work was conducted;
- (e) hours, hourly wages and total expenditures for each Person or entity for the work or Costs associated in completing the work; and
- (f) the total Cost and hours of the work reflected in the body of the invoice.

Partnering Organization: An external resource providing products or services to the project on a not-for-profit basis. The Recipient may use funds to pay partnering organizations for any eligible expenses they incur.

Project Manager: The individual who will serve as the point of contact for the project, and who is expected to have a significant day-to-day involvement in the project.

Project: The name for the proposed activities following the signing of the funding agreement.

Proposed Project: The name for the proposed activities in the application form prior to being provided with funding.

Proposal: The content within a submitted application form is considered the Proposal.

Recipient: The organization identified as the Recipient(s) on the cover page to the Funding Agreement. The organization that will be receiving CGCB funds. The recipient must be an eligible community group as per the Regulation.

Risk Factor: A possible eventuality which could prevent the project from meeting its stated goals and/or timelines.

Signing Authority: An individual with the legal authority to bind the Recipient to the terms of the program.

Supplier: An external resource which is providing a product or service (which is eligible for funding) to the project on a commercial/for-profit basis. The Recipient may only pay suppliers for services listed in the application and which also meet funding eligibility criteria.

Travel, Meal, and Hospitality Expenses Policy: Refers to the [Government of Alberta's Travel, Meal, and Hospitality Expenses Policy](#), which is amended from time to time.

Appendix III – Additional Resources

Recommended Readings

- [Government of Alberta: Small Scale Generation Regulation](#)
- [Pembina Institute: Alberta Community Solar Guide](#)
- [Community Power Agency: A How-to Guide](#)
- [B.C. Real Estate Foundation: Illustrated Guide to Community Energy](#)

Alberta's Energy Projects Maps

Learn from examples of other renewable energy, energy efficiency, and community energy projects on the Pembina Institute's [Alberta New Energy Projects Map](#).

For a showcase of specific municipally-owned projects in Alberta see the [MCCAC's Project Showcase](#).

Other Supporting Grants

There are several grants available for renewable energy projects in Alberta, examples include:

Energy Efficiency Alberta

[Residential and Commercial Solar Program](#)

This upfront incentive offers rebates to homeowners, businesses and non-profits that install solar PV systems that are grid connected in accordance with Alberta's Micro-Generation Regulation.

Municipal Climate Change Action Centre

[Alberta Municipal Solar Program](#)

This program provides financial incentives to Albertan municipalities to install grid-connected solar PV systems in accordance with Alberta's Micro-Generation Regulation on municipal facilities or land and undergo public engagement for the project.

[Solar for Schools Program](#)

This program provides financial incentives to Alberta Public School Authorities to install grid-connected solar PV systems in accordance with Alberta's Micro-Generation Regulation on existing school facilities or land in their in their jurisdiction and complete a student education initiative as part of the project.

Alberta Indigenous Relations

[Alberta Indigenous Green Energy Development Program](#)

The program assists Alberta Indigenous communities or organizations involved at all stages of renewable energy project development, starting from pre-feasibility assessments to project implementation.

Alberta Agriculture and Forestry

[On-Farm Solar Photovoltaics Program](#)

This program offers upfront incentives similar to the Residential and Commercial Solar Program, but specifically for on-farm applications as defined by the electricity bill's rate class.

Connecting with a service provider or renewable energy developer

Developers and service providers have the expertise that can help your community progress through the renewable energy project development process. For solar projects, the Solar Energy Society of Alberta has a [Solar Providers Directory](#), and the Canadian Solar Industries Association's (CanSIA) has a [Member Directory](#). You can seek them out through a Request for Qualifications or through your contact. The following are important questions to ask when selecting a developer or service provider:

- How does the developer's quote compare to those from other developers? What are the factors that can explain the price difference?
- What is the developer's track record and project references? Do they have community energy experience? Have they shared land or roof space before?
- What financial services or provisions can the developer provide? Are they able to leverage relationships with financial institutions?
- What other supports is the developer able to provide?