

## Funding Sources & Financing Tools

Creating a Community Energy and Emissions Plan (CEEP; sometimes called a Climate Action Plan, Climate and Energy Action Plan or a Greenhouse Gas Reduction Plan) can be a significant undertaking, especially for smaller municipalities with few staff.

Here's a summary of funding sources available to help (as of January 2024):

FUNDING SOURCE	ADMINISTERED BY	ELIGIBILITY	ELIGIBLE PROJECTS	NOTES
<b>New Brunswick Environmental Trust Fund</b>	NB Department of Environment & Local Government	Municipalities, First Nations, community groups, non-profit organizations, institutions furthering sustainable development	Initiatives and activities relating to: environmental awareness and protection; waste management and reduction; climate change adaptation and mitigation; and building sustainable communities	Applications are accepted annually in November, and must be completed online. Priority areas are updated each year, and are listed on the program's website.
<b>For more information and to apply:</b> <a href="https://www2.gnb.ca/content/gnb/en/corporate/promo/environmental-trust-fund.html">https://www2.gnb.ca/content/gnb/en/corporate/promo/environmental-trust-fund.html</a>				
<b>Canada-New Brunswick Community-Building Fund (formerly the Federal Gas Tax Fund)</b>	NB Department of Environment & Local Government	Municipalities	Wide range of municipal activities and investments relating to infrastructure, efficiency and sustainability (IE public transit, water, wastewater, solid waste, green energy, efficiency and more)	Well suited to multi-year projects; municipalities can pool, bank or borrow against funding. Most local governments are automatically eligible for funding, but must submit a five-year Capital Investment Plan (CIP) that includes planned projects in advance of receiving funding.
<b>For more information and to apply:</b> <a href="https://www2.gnb.ca/content/gnb/en/departments/elg/local_government/content/financial_support/content/gas_tax_fund.html">https://www2.gnb.ca/content/gnb/en/departments/elg/local_government/content/financial_support/content/gas_tax_fund.html</a>				

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<b>Green Municipal Fund</b>	Federation of Canadian Municipalities	Municipalities and partnering private sector entities, not-for-profits and Indigenous communities	Wide range of sustainability projects in six priority sectors: energy, waste, transportation, land use, water and affordable housing	The Green Municipal Fund offers grants, as well as loans at competitive rates, for all stages of projects – from planning to pilot projects to capital investment. Pre-application is required to confirm eligibility of a project. The fund’s website offers municipalities the option to sign up for alerts, to remain informed of all funding opportunities.
<b>For more information and to apply:</b> <a href="https://greenmunicipalfund.ca/">https://greenmunicipalfund.ca/</a>				
<b>Federal infrastructure programs and services</b>	Infrastructure Canada	Municipalities and other entities	Wide range of sustainability activities and investments in areas such as public transit, active transportation, buildings, public health, emergency preparedness, resilience, climate innovation and more	Infrastructure Canada’s funding programs are constantly evolving, so it’s important for municipalities to check regularly for updates to existing programs and announcements of new funding opportunities.
<b>For more information and to apply:</b> <a href="https://natural-resources.canada.ca/science-and-data/funding-partnerships/opportunities/grants-incentives/4943">https://natural-resources.canada.ca/science-and-data/funding-partnerships/opportunities/grants-incentives/4943</a>				
<b>Environment and Climate Change Canada funding programs</b>	Environment & Climate Change Canada	Municipalities, groups, organizations and individuals	Wide range of activities and investments in areas such as climate change action, species at risk protection, waste reduction, water quality improvement and more	Environment and Climate Change Canada’s funding programs are constantly evolving, so it’s important for municipalities to check regularly for updates to existing programs and announcements of new funding opportunities.
<b>For more information and to apply:</b> <a href="https://www.canada.ca/en/environment-climate-change/services/environmental-funding.html">https://www.canada.ca/en/environment-climate-change/services/environmental-funding.html</a>				

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<b>Natural Resources Canada funding opportunities</b>	Natural Resources Canada	Municipalities and other entities	Projects and initiatives in efficiency, resilience, green energy, innovation and more	Natural Resources Canada's funding programs are constantly evolving, so it's important for municipalities to check regularly for updates to existing programs and announcements of new funding opportunities.
<b>For more information and to apply:</b> <a href="https://natural-resources.canada.ca/science-and-data/funding-partnerships/opportunities/grants-incentives/4943">https://natural-resources.canada.ca/science-and-data/funding-partnerships/opportunities/grants-incentives/4943</a>				
<b>Commercial Buildings Retrofit Program</b>	NB Power	Municipal buildings	Wide range of upgrades, improvements and other measures that will save energy	The Commercial Buildings Retrofit Program offers up to \$8,000 toward the cost of an energy audit or feasibility study; plus up to \$250,000 toward electricity-saving projects; plus up to \$1 million toward non-electric fuel savings projects that reduce greenhouse gas emissions.
<b>For more information and to apply:</b> <a href="https://www.saveenergynb.ca/en/for-business/commercial-buildings-retrofit-program/">https://www.saveenergynb.ca/en/for-business/commercial-buildings-retrofit-program/</a>				
<b>Business Rebate Program</b>	NB Power	Municipal buildings classified as Small Industrial, General Service 1, or General Service 2 by NB Power	Wide range of energy efficiency upgrades, including associated costs like project management, professional services and inspections	The Business Rebate Program offers an incentive of 25% of eligible project costs
<b>For more information and to apply:</b> <a href="https://www.saveenergynb.ca/en/for-business/business-rebate-program/program-guidelines/">https://www.saveenergynb.ca/en/for-business/business-rebate-program/program-guidelines/</a>				



**IMPORTANT:** most funds require that applications be approved before any work or spending takes place.

**Here are more tools, mechanisms and options municipalities can use to finance their CEEPs and subsequent activities:**

- Incorporate anticipated expenditures into the municipality's annual budget
- Borrow via the municipality's conventional commercial or government channels
- Borrow at agreed-upon terms from employee pension funds for mutual benefit
- Issue municipal green bonds to raise funds for specific projects and initiatives
- Establish a revolving fund: create a pool of money to finance sustainability projects; then use the savings generated by those projects to continuously reinvest in new projects
- Enter into energy performance contracts (also called energy service performance contracts), where the capital costs of energy-saving measures or upgrades are financed entirely by the savings they generate over a set period of time, typically 15-20 years
- Establish user fees on utilities and other services to finance specific projects and upgrades
- Realign development cost charges so developers have an incentive to prioritize sustainability and efficiency in all projects
- Offer Property Assessed Clean Energy or similar financing to enable building owners to do efficiency upgrades with little to no upfront cost
- Offer property tax incentives to encourage development and upgrades in areas of greatest need or highest priority
- Partner with community groups, neighbouring communities, First Nations and private entities to leverage resources on projects such as renewable energy

**For more information about funding and financing opportunities for municipalities, visit [www.questcanada.org](http://www.questcanada.org) or email [info@questcanada.org](mailto:info@questcanada.org).**