



Clean Energy Improvement Agreement Policy

POLICY NUMBER: 233-FN-24

Approval Date: February 13, 2024

Revise Date:

Motion Number: CRM20240213.1017

Repeal Date:

Supersedes:

Review Date:

1.0 Policy Intent

A clean energy improvement agreement is a contract between the City of Cold Lake ("City") and a person(s) who has ownership or control of property within the City ("Owner"). The clean energy improvement agreement provides the Owner with the opportunity to apply for financing to install eligible clean energy upgrades to their property, subject to the Terms and Conditions of the program. The intent of the agreement is to specify the financing conditions and administration of the Clean Energy Improvement Tax that will be voluntarily levied against a property in order to facilitate repayment of the financing provided by the City to the Owner, to install eligible clean energy upgrades.

2.0 Purpose

The purpose of the Clean Energy Improvement Agreement Policy is to authorize Administration to execute clean energy improvement contracts in accordance with Section 4 of the Clean Energy Improvement Tax Bylaw No. 756-FN-22.

3.0 Policy Statement

A clean energy improvement agreement must be implemented for all improvements approved for financing on eligible properties within the City of Cold Lake:

- 3.1. The clean energy improvement agreement has been attached hereto as Appendix "A"
- 3.2. The CAO or delegate as authorized by the CAO are:
 - 3.2.1. Authorized to make amendments to the standard development agreement that reflect project specific issues (e.g. Financing re-payment calculations; and
 - 3.2.2. Authorized to execute the standard clean energy improvement agreement.

4.0 References

The *Municipal Government Act, RSA 2000, c M-26*;
Clean Energy Improvements Regulation, Alta Reg 212/2018;
City of Cold Lake Clean Energy Improvement Bylaw No. 756-FN-22;
City of Cold Lake CEIP Terms and Conditions.

5.0 Persons Affected

Cold Lake City Council
Corporate Services Department
Land Use Planning, Development, and Regulatory Services Department
Members of the Public

6.0 Revision/Review History

Feb 26, 2024

Date

Feb 26 2024

Date

Chief Administrative Officer



Mayor

Appendix “A”

CITY OF COLD LAKE: CLEAN ENERGY IMPROVEMENT AGREEMENT

THIS AGREEMENT made effective this ____ day of _____, 20__.

BETWEEN:

[NAME OF PARTICIPANT]
(the “Participant”)

- and -

THE CITY OF COLD LAKE
(the “Municipality”)

PARTICIPANT’S RIGHT TO CANCEL

The Participant may cancel this agreement for any reason within 10 days of the Participant’s receipt of a fully executed copy of this agreement.

To cancel this agreement, the Participant must give written notice of cancellation to the Municipality at the address in Section 16 of this agreement.

WHEREAS the City of Cold Lake Council, at its Regular Council meeting of October 11, 2022, approved a **Clean Energy Improvement Tax Bylaw (Bylaw No. 756-FN-22)** to establish a Clean Energy Improvement Program pursuant to Section 390.3 of the *Municipal Government Act, R.S.A. 2000, c M-26* (“The Act”);

WHEREAS the Chief Administrative Officer, or designate, of the City of Cold Lake is authorized to impose a Clean Energy Improvement Tax, in respect of each Clean Energy Improvement made to a property, where a municipality has entered into a Clean Energy Improvement Agreement with the owner(s) of that Property;

WHEREAS the Clean Energy Improvement Tax will be voluntarily levied against a property when there is a Clean Energy Improvement Agreement, to raise revenue to pay the amount required to recover the costs of those Clean Energy Improvements, including principal and interest, to do so between the Municipality and the Property Owner;

WHEREAS the Participant is the legal and beneficial owner of the Property;

WHEREAS the Participant wishes to install certain Clean Energy Improvements on the Property and obtain Municipality Funding for Eligible Costs for these Clean Energy Improvements;

WHEREAS the Participant, the Program Administrator, and a Qualified Contractor will enter into a Project Agreement which sets out the terms and conditions of the Participant’s participation in the Program;

AND WHEREAS a Clean Energy Improvement Agreement must be signed by all legal owners of the Property;

IN CONSIDERATION of the mutual covenants set out in this Agreement and other good and valuable consideration, the receipt and sufficiency of which each Party acknowledges, the Parties agree as follows:

SECTION 1 - DEFINITIONS

In this Agreement the following terms shall have the meanings assigned:

- 1.1 **“Agreement”** or **“Clean Energy Improvement Agreement”** means this Agreement, between the Participant and the Municipality, including all attached schedules, which sets out Program participation and Project financing.
- 1.2 **“Alberta Municipalities”** or **“Program Administrator”** means the designated program administrator for the Clean Energy Improvement Program.
- 1.3 **“Business Day”** means any day except Saturday, Sunday, or statutory holidays in the Province of Alberta.
- 1.4 **“Bylaw”** means the City of Cold Lake Clean Energy Improvement Tax Bylaw, No. 756-FN-22.
- 1.5 **“Capital Cost”** means the cost to purchase and install the Clean Energy Improvement, but does not include Professional Service Costs or Incidental Costs;
- 1.6 **“CEIP”** or **“Program”** means the Clean Energy Improvement Program administered by Alberta Municipalities, pursuant to which financing is provided for Clean Energy Improvements.
- 1.7 **“CEIP Terms and Conditions”** or **“Program Terms and Conditions”** means the terms and conditions the Participant must agree and adhere to for participation in the Municipality’s Program.
- 1.8 **“Change Order”** means a record of change, including any addition, modification or deletion to the Project or the Completion Date or the replacement of a supplier or proposed subcontractor which results in a material change to the Project or Project Cost. Any Change Order must be approved by Alberta Municipalities and the Municipality.
- 1.9 **“Clean Energy Improvement”** or **“Upgrade”** means a renovation, adaptation or installation on the Property that:
 - 1.9.1 Will increase energy efficiency or the use of renewable energy on the Property;
 - 1.9.2 Meets the criteria or requirements set out in the Municipality’s Bylaw;
 - 1.9.3 Meets the criteria or requirements set out by the Program Administrator;
 - 1.9.4 Is listed on the Program Administrator’s website; and

- 1.9.5 Will be paid for in whole or in part by a Clean Energy Improvement Tax imposed by the Municipality on the Property.
- 1.10 **“Clean Energy Improvement Tax”** means a tax levied on the Property pursuant to the Bylaw and the *Municipal Government Act, R.S.A. 2000, c M-26* (Alberta), which the tax is equal to:
- 1.10.1 The amount of the Municipality Financing provided to the Participant for the applicable Clean Energy Improvement including any Incidental Costs and Professional Services Cost; plus
- 1.10.2 The interest charged on the Municipality Financing.
- 1.11 **“Commencement Date”** means the date of issue of the Installation Authorization Notice.
- 1.12 **“Completion Date”** means the day six (6) months after the Commencement Date, or any date agreed to by the Municipality in writing through a Change Order, and is the date the entire Project must be completed..
- 1.13 **“Contractor Directory”** means a list of Qualified Contractors that is established and maintained on the CEIP website.
- 1.14 **“Eligible Cost”** means a cost eligible for financing under the Program determined by the Program Administrator, and includes the Capital Costs, Incidental Costs, and Professional Service costs for the Project.
- 1.15 **“Eligible Property”** means a Property which qualifies for a Clean Energy Improvement(s) under the Bylaw and Municipality Program Terms and Conditions.
- 1.16 **“EnerGuide Home Evaluation”** means an energy audit adhering to either pre- or post-Project version 15 EnerGuide Home Energy Evaluation specifications performed by a registered NRCan Energy Advisor.
- 1.17 **“Incidental Cost”** means any costs or amounts expended on preparation or upgrading of the Property that is incidental to the Upgrade and required for successful execution.
- 1.18 **“Installation Authorization Notice”** means the notification provided by Alberta Municipalities to the Participant and the Qualified Contractor to authorize the start of Upgrade installations.
- 1.19 **“Maximum Financing Amount”** means either the sum of \$50,000.00 or the total sum of the Clean Energy Improvement Tax where the annual payment (excluding interest) is no more than \$<maximum calculated financing amount> per year, whichever is lesser, and is the maximum amount of funding the Participant is eligible to receive for the Project, pursuant to the Program Terms and Conditions, the *Clean Energy Improvements Regulations, AR 212/2018* and the Municipality’s Bylaw.
- 1.20 **“Municipality”** means the City of Cold Lake.
- 1.21 **“Municipality Financing”** means the total amount of funds provided by the Municipality, to the Participant, required to be repaid under this Agreement, which equals the sum of the approved Capital Costs, Professional Services Costs, and the Incidental Costs, the total of which cannot exceed the Maximum Financing Amount.

- 1.22 **“Notice”** means any notice, demand or other communication required or permitted to be given under this Agreement.
- 1.23 **“NRCan”** means Natural Resources Canada.
- 1.24 **“NRCan Energy Advisor”** means a person who has met and maintained all of the required qualifications to deliver EnerGuide rating services for eligible homes in Canada.
- 1.25 **“Participant”** is any and all Property Owners who applied to the Program and meet the Program eligibility requirements.
- 1.26 **“Party”** means either the Participant or the Municipality as the context warrants and **“Parties”** means both of them.
- 1.27 **“Payment Term”** means the date the Clean Energy Improvement Tax is levied on the Property, calculating any interest from the date the Municipality Financing is paid to the Qualified Contractors or Participants, and ending upon the date the Municipality receives full payment of the Clean Energy Improvement Tax.
- 1.28 **“Project”** means the installation of Upgrades at the Participant’s Property by the Qualified Contractor(s) and, as described in Schedules “A” and “B”.
- 1.29 **“Project Agreement”** means the agreement between Alberta Municipalities, a Qualified Contractor leading the installation of the Upgrade(s) and/or Incidental Work and the Participant, which defines the scope of the Project and sets out the terms relating to the Qualified Contractor’s installation of the Upgrades and/or Incidental Work.
- 1.30 **“Project Application Form”** means the form completed and submitted by the Participant after receiving pre-qualification approval, which lists the proposed Upgrades and Project Cost.
- 1.31 **“Project Cost”** means the sum of all costs for a Project.
- 1.32 **“Property”** means the residential land and premises located in the City of Cold Lake, which is an Eligible Property and which is legally described as:
- Parcel Identifier:
Legal Description:
Roll Number:
- 1.33 **“Qualified Contractor”** has the definition as set out in the [Clean Energy Improvements Regulation, Alta Reg 212/2018](#), and must be listed in the Contractor Directory on the CEIP website.
- 1.34 **“Rebate”** means a rebate or incentive of \$580.00 which may be provided by the Municipality to the Participant, subject to availability, in the form of a credit towards the Clean Energy Improvement Tax.
- 1.35 **“Regulations”** means the regulations made under the Act with respect to Clean Energy Improvements including the Clean Energy Improvements Regulation, Alta Reg 212/2018.

- 1.36 **“Services”** means all work for the purposes of the Program, including but not limited to Upgrade installations, Incidental Work, compliance processes, feasibility and engineering studies, and EnerGuide Home Evaluations provided by a Qualified Contractor.
- 1.37 **“Substantial Performance”** means the date on which all required approvals of public authorities having jurisdiction over the Upgrade have been obtained and the Upgrade is ready for use or is being used for its intended purpose.
- 1.38 **“Supporting Documentation”** means any documentation required by Alberta Municipalities to be submitted for each Upgrade, as specified on the [*Eligible Residential CEIP Upgrades*](#) pages on the Program website.
- 1.39 **“Upgrade Completion Form”** means the form completed and submitted by the Participant to Alberta Municipalities, once an Upgrade has reached Substantial Performance, which lists the Upgrades installed and confirms the Eligible Costs.
- 1.40 **“Upgrade Eligibility Requirements”** means eligibility requirements, including Supporting Documentation required for each Upgrade, as specified on the Program website.

This Agreement includes the following attached schedules:

- (A) Schedule “A” – Initial Project and Financing Summary;
- (B) Schedule “B” – Final Project and Financing Summary;
- (C) Schedule “C” – Clean Energy Improvement Tax Amortization Schedule; and
- (D) Schedule “D” – Assignment, Novation and Release Form.

SECTION 2 – THE PROJECT

- 2.1 The Participant and the Municipality acknowledge that the scope of the Project is as set out in Schedule “A” and that changes to the Project may only be made with the written consent of the Participant, the Program Administrator and the Municipality, via the Change Order Process pursuant to Section 12.
- 2.2 The Participant shall at their sole expense obtain all supporting approvals and documentation necessary to commence and complete the Project and all work associated therewith, including permits, licences and building occupancy permits, and shall provide copies if requested by the Municipality.
- 2.3 The Participant shall commence the Project only after receipt of the Installation Authorization Notice from the Program Administrator and shall ensure Substantial Performance of the Project is achieved by the Completion Date.
- 2.4 The Participant acknowledges that the Project must adhere to, this Agreement, the Program Terms and Conditions, and the Project Agreement.
- 2.5 The Term of this Agreement begins on the date of execution and ends one day after the last day of the Payment Term for the last owing Clean Energy Improvement Tax.

SECTION 3 – CONDITIONS PRECEDENT

- 3.1 Notwithstanding any other provision contained in this Agreement, it is expressly understood and agreed to by the Municipality and the Participant that the Participant's participation in the Program, in the manner herein contemplated, is expressly subject to and condition upon the following conditions:
- a. The participant has entered into a Project Agreement;
 - b. The Participant has provided the Program Administrator with proof of an eligible pre-retrofit EnerGuide Home Evaluation on the Property; and
 - c. The Participant has submitted all Project documentation for each Clean Energy Improvement as required by the Program.
- 3.2 If the Conditions Precedent are not waived in writing or fulfilled (as the case may be) on or before the Commencement Date, then:
- a. This Agreement shall be deemed to have been mutually terminated by the Municipality and the Participant; and
 - b. The Municipality shall not have further obligation or liability to the Participant and the Participant shall have no further rights as against the Municipality, including any claim to damages.

SECTION 4 – PARTICIPANT'S COVENANTS AND RESPONSIBILITIES

- 4.1 The Participant covenants that:
- a. The Participant is the registered, legal, and beneficial owner of the Property and has the full right, power and authority to enter into this Agreement and the Project Agreement and perform all of the obligations contained therein;
 - b. The Participant has obtained the consent of all parties with a mortgage or other financial interest, encumbrance or charge in the Property, to participate in the Program if applicable;
 - c. The Property is an Eligible Property;
 - d. The Participant has not had any property tax arrears on this Property in the past five (5) years;
 - e. The Participant is not in default of any payments under any mortgage or charge on the Property; and
 - f. The amount expended on and claimed as Incidental Costs will not exceed 15% of the total Capital Costs of the Clean Energy Improvement.
- 4.2 The Participant acknowledges and agrees that it is the Participant's sole responsibility to complete the Project by retaining the necessary Qualified Contractors, providing any required information or documentation to the Municipality and Program Administrator, and taking any other actions necessary to ensure the Project is completed by the Completion Date.

- 4.3 The Participant acknowledges and agrees that the Municipality takes no responsibility for and has no involvement in:
- a. Retaining the Qualified Contractor or any other persons to complete the Project;
 - b. The legislated responsibilities of the Program Administrator;
 - c. The completion of the Project or ensuring its completion, quality or suitability;
 - d. Or the warranty, function, performance, safety or suitability of the Clean Energy Improvement.
- 4.4 The Participant is solely responsible for any action they may take that affects the Qualified Contractor's ability to complete the Project in a timely manner. The Participant further acknowledges and agrees that the Municipality, and the Program Administrator have no responsibility or liability to the Qualified Contractor or Participant for the completion of the Project, including, without limitation, any delays, errors or defects in the completion of the Project, any negligence of the Qualified Contractor in the completion of the Project, the Qualified Contractor's failure to complete the Project, any failure to make payment to the Qualified Contractor, or any other person retained to complete the Project, or the discharge of any liens on the Property.
- 4.5 The Participant must obtain a post-project EnerGuide Home Evaluation and submit it to the Program Administrator within six (6) weeks of the final Upgrade Completion Form being submitted to the Program Administrator or before the Completion Date, whichever comes first.
- 4.6 If the Participant does not submit a post-project EnerGuide Home Evaluation within the timeframe indicated in Section 4.5, the Participant will not be eligible for Municipality Financing and will have breached this Agreement as indicated in Section 14.

SECTION 5 – MUNICIPALITY FINANCING

- 5.1 An estimate of Municipality Financing approved for the Participant to complete each Upgrade and the total permitted for the Project is set out in Schedule "A" (the "Estimated Municipality Financing").
- 5.2 The Participant is entitled to claim up to the estimated amount of Municipality Financing set for each Upgrade as set out in Schedule "A".
- 5.3 The Estimated Municipality Financing set out in any part of Schedule "A" may not be amended without a Change Order under Section 12.
- 5.4 If the Estimated Municipality Financing amount in the applicable Part 1 of Schedule "A" for any Upgrade is greater than the final Municipality Financing amount paid in Schedule "B", the Participant may request through the Section 12 Change Order process that the excess financing available may be applied to another Clean Energy Improvement under the Project.
- 5.5 Requests for additional Municipality Financing will not be considered unless the estimated Municipality Financing is less than the Maximum Financing Amount.
- 5.6 Requests for additional Municipality Financing, if permitted under Section 5.2:

- a. May be made through the Section 12 Change Order process; and
 - b. May be subject to such other requirements as the Municipality or the Program Administrator deem necessary or appropriate.
- 5.7 The final amount of Municipality Financing will be calculated based on the invoices or documentation submitted by the Participant for the completed Upgrades.
- 5.8 If the Participant is eligible for any Rebates, they will be used to reduce the total Municipality Financing provided to the Participant.
- 5.9 The Municipality Financing will also include the payment of GST on invoices.
- 5.10 Interest will begin to accrue on the date(s) that the Municipality Financing is released to a Qualified Contractor or Participant.
- 5.11 The Participant acknowledges and agrees that:
- a. Municipality Financing will be paid:
 - i. To the Qualified Contractor to the benefit of the Participant through the Program Administrator; or
 - ii. To the Participant through the Program Administrator if the Participant has paid a Qualified Contractor for an Eligible Cost and the amount of that Eligible Cost has been included in the Municipality Financing; and
 - iii. The Municipality Financing will be paid back to the Municipality by the Participant through the corresponding Clean Energy Improvement Tax.
 - b. The Municipality Financing shall be used by the Participant solely for the completion of the Project in accordance with this Agreement and the Project Agreement.
 - c. The Participant must immediately repay any and all Municipality Financing paid under Section 5.8 of this Agreement if the Project is not completed pursuant to Section 2.3.
 - d. The Participant shall be solely responsible for any costs of the Project not covered by the Municipality Financing including any excess costs; and
 - e. The Participant will provide any invoices received from the Qualified Contractor in relation to the Project to the Program Administrator within three (3) calendar days of receiving all required supporting documentation from the Qualified Contractor to ensure compliance with the *Prompt Payment and Construction Lien Act*. C P-26.4.
- 5.12 Deposit Payments:
- a. If requested by the Program Administrator, in an invoice submitted with the Project Application Form, the Municipality will advance a maximum of thirty percent (30%) of the Upgrade costs to the Qualified Contractor as a deposit payment.
 - b. Payment of the deposit payment to the Qualified Contractor will be made in accordance with Section 5.13 (d) and (e).

- 5.13 Payment of the Municipality Financing will be released pursuant to the following procedure:
- a. Upon completing the Substantial Performance of the Clean Energy Improvement listed in Schedule "A", the Participant shall send the Upgrade Completion Form, final Qualified Contractor invoices and other Supporting Documentation as required to the Program Administrator.
 - b. The Program Administrator may be in contact with the Participant to schedule a site inspection to confirm the Upgrade has been completed and the Participant shall promptly comply with such site inspection request;
 - c. The Parties shall ensure the completion of any necessary Change Orders as required under Section 12 to finalize the amount of Municipality Financing to be paid;
 - d. The Program Administrator shall request the Municipality Financing from the Municipality once the total is finalized; and
 - e. The Program Administrator shall be responsible for paying the Qualified Contractor pursuant to the terms of the Project Agreement.
- 5.14 The Participant hereby authorizes and irrevocably directs the Municipality to disburse the Municipality Financing to the Program Administrator and to pay the Qualified Contractor or the Participant for the Clean Energy Improvement or any other portion of the Project, subject to the Participant's compliance with this Agreement.

ARTICLE 6 – CLEAN ENERGY IMPROVEMENT TAX

- 6.1 Upon the Municipality receiving confirmation from the Program Administrator that Municipality Financing has been paid to the Qualified Contractor, the Municipality shall levy a Clean Energy Improvement Tax against the Property:
- a. In the case of a multiple Upgrade Project, the Clean Energy Improvement Tax will be levied against the Property after all Upgrades have reached Substantial Performance and the Municipality Financing has been paid to the Qualified Contractor; and
 - b. Notwithstanding subsection (a), in the case of a multiple Upgrade Project completed over the course of two or more different tax years, the Municipality reserves the right to levy the Clean Energy Improvement Tax separately for each completed Upgrade.
- 6.2 The Participant hereby consents to the Clean Energy Improvement Tax being levied by the Municipality on the Property pursuant to the Bylaw, the Regulation and this Agreement.
- 6.3 The Municipality shall notify the Participant when a Clean Energy Improvement Tax is levied on the Property by providing written notice pursuant to Section 16, and this notice shall include a cost breakdown of each item included in the Clean Energy Improvement Tax.
- 6.4 The Payment Term of the Clean Energy Improvement Tax will be set based on the Effective Useful Life ("EUL") of the Clean Energy Improvement, as determined by the Program Administrator, but in all cases, it will be no more than the twenty (20) year program maximum. The EUL for each eligible Clean Energy Improvement will be posted on the Program

Administrator's website. The Applicable EUL for this Project will also be referenced in Schedule "A".

- 6.5 In the event of a subdivision of the Property, each Clean Energy Improvement Tax shall be allocated as determined by the Municipality acting reasonably, pursuant to Section 429.1 of the *Municipal Government Act, R.S.A. 2000, c M-26*.
- 6.6 A caveat will be registered by the Municipality on the Property's certificate of title, providing notification of the Clean Energy Improvement Agreement on the Property.
- 6.7 In the event of a consolidation of the Property, each Clean Energy Improvement Tax shall automatically transfer to the consolidated property.
- 6.8 In the event of a sale of the Property, each Clean Energy Improvement Tax shall remain on the Property tax roll pursuant to the terms under Section 13.
- 6.9 The Participant acknowledges and agrees that the amount of any or each Clean Energy Improvement Tax for the Property may be revised by the Municipality to pay for the Project at an interest rate other than the rate estimated as of the date of this Agreement and the manner by which the costs would be revised.

SECTION 7 – PAYMENT OF CLEAN ENERGY IMPROVEMENT TAX

- 7.1 The registered owner of the Property, whether the Participant or not, shall be liable to pay each Clean Energy Improvement Tax through a property tax levy amortized over the Payment Term.
- 7.2 The Participant pursuant to the operation of Section 13, shall pay each Clean Energy Improvement Tax in the following manner and period:
 - a. The owner of the Property will receive a notice together with their annual property tax notice setting out the annual payment amount;
 - b. The annual Clean Energy Improvement Tax payment amount must be paid by the property tax due date on the Municipality's annual Tax Notice each year owing, in the same way the Municipality property taxes are paid; and
 - c. At any time, once a Clean Energy Improvement Tax is levied on the Property by the Municipality, the owner of the Property may pay out the Clean Energy Improvement Tax in full by making a one-time lump sum payment in the amount determined by the Municipality. Full and complete payout of the Clean Energy Improvement Tax effectively ends the Payment Term for the Clean Energy Improvement Tax.
- 7.3 If the Participant fails to pay a Clean Energy Improvement Tax amount by any deadline, the Participant shall be subject to late payment penalties pursuant to the rates in Bylaw No. 825-FN-23, Imposition of Penalties on Unpaid Taxes.
- 7.4 The Participant acknowledges and agrees that once a Clean Energy Improvement Tax is levied on the Property by the Municipality, any Rebates will be used to offset the Clean Energy Improvement Tax to reduce the balance owing at the full discretion of the Municipality. The Payment Term will not be affected by the use of Rebates.

- 7.5 The Participant hereby authorizes and irrevocably directs the Municipality to disburse the Rebates identified in Schedule B to the Municipality after the Clean Energy Improvement Tax is levied on the Property to reduce the balance of the Clean Energy Improvement Tax, subject to the Participant's compliance with this Agreement.

SECTION 8 – REBATES FOR RESIDENTIAL PROPERTIES

- 8.1 A Five Hundred and Eighty Dollars (\$580.00) Rebate is offered by the Municipality for completed CEIP Project.
- 8.2 Rebate availability is limited and will be provided on a first-come, first serve basis to Participants who complete a CEIP Project – as determined by the Municipality – which includes submitting a final Upgrade Completion Form, completing a pre- and post- project EnerGuide Home Evaluation, and signing an amended Clean Energy Improvement Agreement.
- 8.3 The Rebate will be applied directly to the Clean Energy Improvement Tax to reduce the total Project financing amount. The Rebate will not be issued to the Participant directly.
- 8.4 The Municipality does not guarantee the Rebate will be available once a CEIP Project is complete and does not guarantee processing time to have the incentive applied to the Clean Energy Improvement Tax.
- 8.5 The Rebate offered by the Municipality can be stacked with incentives offered through the [Government of Canada Greener Homes Program](#).

SECTION 9 – FREEDOM OF INFORMATION AND CONSENTS

- 9.1 The Participant acknowledges that the *Freedom of Information and Protection of Privacy Act, R.S.A 2000, c. F-25* ("FOIP Act"), as amended from time to time, applies to all information and records provided by the Participant to either the Municipality or the Program Administrator under this Agreement and the Clean Energy Improvement Program and to any information and records which are in the custody or under the control of either the Municipality or the Program Administrator.
- 9.2 The Participant expressly authorizes and consents to allowing the Municipality to disclose information held by the Municipality to the Program Administrator, and agrees that any information (including personal Participant information) provided to either the Municipality and Program Administrator may be shared between the parties. The information collected, used, or disclosed by the Municipality, or the Program Administrator on behalf of the Municipality, under this Program is collected, used, or disclosed under the authority of Section 33(c) of the FOIP Act, and will be used for the purposes of operating, administering, assessing or reporting on the Program. This includes, but is not limited to the purposes set out below:
- a. To verify a Project Application Form, or determine the Participant's eligibility for the Program;
 - b. To verify the contents of Program Applications, including pre-qualification stages and to determine the Participant's eligibility for this Program, including current annual property tax payments, property tax payment history, and the assessed value for the Property;
 - c. General program evaluation, performance monitoring, and future program planning,

including work done by consultants, agents or subcontractors of the Municipality, both during or after the Program is complete;

- d. To monitor compliance of Rebate stacking by sharing with other organizations who offer energy efficiency rebate programs;
- e. To schedule and complete site inspections at the Property through agents or service providers of the Municipality or the Program Administrator; and
- f. To contact the Participant directly by phone, email, and other electronic communications for the purposes of Program administration, evaluation, verifications and for collecting market research data related to the Program through surveys and other means.

- 9.3 Any use and disclosure of the information shall be done in accordance with the FOIP Act. If you have any questions about the collection, use, disclosure or destruction of your personal information, please contact the Municipality's Legislative Department by email: legislative@coldlake.com.

SECTION 10 - INSURANCE

- 10.1 The Participant must hold and maintain the following policies of insurance for their Property, from the Commencement Date until all deficiencies in the deficiency list created under the Project Agreement have been remedied to the Participant's satisfaction:
- a. For a Participant completing the Project on a residential property, homeowners' insurance with a minimum of one million dollars (\$1,000,000) in liability coverage.
- 10.2 The Participant will maintain all insurance documents and notify the City in writing at least thirty (30) days prior to any material change or cancellation.
- 10.3 The Participant will be responsible to ensure that any Qualified Contractor arranges appropriate insurance for the duration of the Project.

SECTION 11 – ACCESS TO THE PROPERTY

- 11.1 The Participant hereby grants access to the Property to the Program Administrator, or a third party contracted by the Program Administrator for the following purposes:
- a. To allow the Program Administrator to monitor the progress of construction and installation of the Clean Energy Improvements; and
 - b. To allow the Program Administrator to confirm the completion of the Project.
- 11.2 The access to the Property shall be granted on the following basis:
- a. The access shall only be at a reasonable time during the day;
 - b. Access will only be requested for the purpose of confirming Clean Energy Improvement construction and completion under this Agreement; and
 - c. The Participant must be given reasonable Notice prior to the Program Administrator, or

representative thereof, accessing the Property.

SECTION 12 – AMENDMENTS VIA CHANGE ORDER

- 12.1 The Participant may at any time during the performance of this Agreement, and before the Clean Energy Improvement Tax is placed on the tax roll of the Property, request that additions, changes or deletions be made to Schedule “A” or that any completion dates be amended through a Change Order.
- 12.2 The Participant will submit a change request to the Program Administrator, who will determine whether the change meets Program requirements and prepare a Change Order.
- 12.3 To be valid, the Change Order must be signed by the Qualified Contractor, the Participant, the Municipality and the Program Administrator, and once fully signed will form part of this Agreement. No change to this Agreement shall be made unless in pursuance of a Change Order duly signed by the Municipality.
- 12.4 A Change Order shall not be regarded as conferring an extension to the Completion Date unless expressly stipulated in the form of an extension request.
- 12.5 Any Change Order required under the Program Administrator’s Project Agreement, and approved pursuant to Section 12.3 shall also be attached to this Agreement, regardless of whether the Change Order amends this Agreement.
- 12.6 Once the Participant has the final invoices for the Capital Costs, Professional Services Costs, and the Incidental Costs, they must submit the finalized totals to the Program Administrator, which may include approved Change Orders, if applicable.
- 12.7 Nothing in Section 12 limits the Parties from amending by written amending agreement any aspect of this Agreement to which this Section does not apply.
- 12.8 Where a Project Agreement has been terminated pursuant to a default by a Qualified Contractor, and the Clean Energy Improvement specified in the Project Agreement is not completed, the Clean Energy Improvement will not be eligible for Municipality Financing. If this occurs, the Participant may become eligible for Municipality Financing of the Clean Energy Improvement, and will be permitted to sign a new Project Agreement and amend this Agreement through a Change Order if:
 - a. The Participant(s) submits a Change Order request to the Program Administrator identifying a new Qualified Contractor to complete the Clean Energy Improvement, and identifying any change to the Project, including but not limited to the name of the new Qualified Contractor, changes to the cost of the Upgrade and/or Service, changes to the equipment of Upgrade and/or Service, and changes to the expected Completion Date; and
 - b. The Change Order request indicated in Section 12.8(a) is approved by the Program Administrator and the Municipality.

SECTION 13 – SALE AND OPERATION OF THE PROPERTY

- 13.1 The Participant shall have the unfettered right to sell, transfer, mortgage, encumber, operate, or otherwise deal with the Property without the prior approval or consent of the Municipality.

- 13.2 The Participant shall have the option to pay the balance of any Clean Energy Improvement Tax in full before the sale of the Property, pursuant to Section 7.2.
- 13.3 If the Property is offered for sale, the Participant must disclose the existence and contents of this Agreement to all prospective purchasers and to any realtor that has been retained by the Participant.
- 13.4 If the Property is sold, the Participant agrees to facilitate the completion of the Assignment Novation and Release Form included in Schedule "D" and append a copy of that form and this Agreement as an attachment to the contract of sale for the Property.
- 13.5 If the Property is transferred other than by sale, the Participant shall ensure that this Agreement is provided to any person to whom the Property is transferred, in addition to the Assignment, Novation and Release Form set out in Schedule "D", as appropriate.

SECTION 14 – EVENTS OF DEFAULT AND TERMINATION OF AGREEMENT

- 14.1 The Municipality may notify the Participant of an event of default if any of the following occur:
 - a. The Participant breaches or is in breach of any of the Participant's obligations or covenants contained in this Agreement;
 - b. The Project is not complete by the Completion Date and an extension has not been granted through an approved Change Order pursuant to Section 12; or
 - c. The Property is in arrears of its property taxes.
- 14.2 In addition to any of the other remedies available to the Municipality, this Agreement may be terminated immediately by the Municipality by providing the Participant with written notice if:
 - a. There has been an event of default under Section 14.1; or
 - b. The Project Agreement is terminated for any reason.
- 14.3 If the Agreement is terminated, the Participant shall immediately repay any Municipality Financing, unless otherwise indicated by the Municipality.
- 14.4 Upon termination or expiry of this contract:
 - a. If the termination occurs before Municipality Financing is paid to the Participant, Sections 9, 14 and 15 survive and continue in full force and effect; or
 - b. If the termination occurs after Municipality Financing is paid to the Participant, Sections 6, 7, 9, 13, 14, and 15 survive and continue in full force and effect.

SECTION 15 – INDEMNITY AND MUNICIPALITY RELEASE FROM LIABILITY

- 15.1 The Participant acknowledges and agrees that neither the Municipality, Program Administrator, nor their respective employees, contractors, affiliates, agents, successors or consultants will be liable under any theory of relief or recovery to the Participant or the Qualified Contractor for any damages of any kind or nature arising at law or in equity (whether in negligence, because

of breach of contract, in tort or under any other provision of law) including but not limited to property damage, direct or consequential losses, economic loss, or personal injury, that arises from or is related to the design, installation or operation of the Project or anything done under this Agreement, the Project Agreement, or Program.

- 15.2 There is no implied nor express representation or warranty by the Municipality, the Program Administrator, or their respective employees, contractors, affiliates, agents, subcontractors, successors and assigns related to the design, installation, functionality or performance of the Project or any Clean Energy Improvement installed on the Property, and the Municipality, the Program Administrator and their respective employees, contractors, affiliates, agents, successors and assigns expressly disclaim any and all warranties relating to the Project or any Clean Energy Improvement installed on the Property, associated equipment or materials as to workmanship, quality, fitness for purpose or performance.
- 15.3 The Participant indemnifies and saves harmless the Municipality, the Program Administrator and their respective officers, employees, elected officials, members of the board of directors, and agents from and against any losses, costs, damages, liens, charges, claims, demands, suits, proceedings, recoveries and judgments arising from or related to the Participant's obligations under this Agreement or the Qualified Contractor's performance or non-performance of the Qualified Contractor's obligations under this Agreement.

SECTION 16 - NOTICE

- 16.1 In this Agreement any Notice or communication required or permitted to be given under the Agreement will be in writing and will be considered to have been given if delivered by hand, transmitted by e-mail transmission, regular mail, or mailed by prepaid registered post in Canada to the address or email addresses of each Party set out below:

- a. If to the Participant:

Attention: (Contact Name of Participant(s))

E-Mail:

- b. If to the Municipality regarding Clean Energy Improvement Upgrades:

Attention: Manager of Land Use Planning, Development, and Regulatory Services

5513 48 Avenue, Cold Lake AB, T9M 1A1

E-Mail: planning@coldlake.com

- c. If to the Municipality regarding Clean Energy Improvement Finances:

Attention: Manager of Finance

5513 48 Avenue, Cold Lake AB, T9M 1A1

E-Mail: finance@coldlake.com

- 16.2 A notice or communication will be considered to have been received:

- a. If delivered by hand during business hours on a Business Day, upon receipt by a responsible representative of the receiver, and if not delivered during business hours, upon the commencement of business on the next Business Day;
- b. If set out by e-mail during business hours on a Business Day, on that Business Day and if not sent during business hours, upon the commencement of business on the next Business Day; and
- c. If mailed by prepaid registered post in Canada, upon the fifth Business Day following posting except that, in the case of a disruption or an impending or threatened disruption in postal services every notice or communication will be delivered by hand or sent by facsimile transmission.

SECTION 17 - GENERAL

- 17.1 Participant Acknowledgement. The Participant confirms that the Program Administrator reviewed the contents of this Agreement with all owners of the Property on _____ [date]. The Participant acknowledges that they have read and understand this Agreement and the terms, conditions, limits and exclusions that are specified in this Agreement. The Participant agrees to be bound by its obligations hereunder.

Initial of Participant(s)

- 17.2 Independent Legal Advice. The Participant acknowledges that the Participant has been given an opportunity to seek independent legal advice with respect to the terms of this Agreement prior to its execution and has been advised to do so by the Municipality.
- 17.3 Further Assurances. The Parties will execute and deliver all other appropriate supplemental agreements and other instruments, and take any other action necessary, to give full effect to this Agreement and to make this Agreement legally effective, binding and enforceable as between then and as against third parties.
- 17.4 Waivers. The failure of a Party to insist upon the strict performance of any term of this Agreement, or to exercise any right or remedy contained in this Agreement, will not be construed as a waiver or relinquishment by that Party for the future of that term, right or remedy.
- 17.5 Binding Agreement. This Agreement will bind and benefit each of the Parties including their respective successors and permitted assigns.
- 17.6 Expenses. Each Participant will pay any expense it incurs in authorizing, executing and performing this Agreement
- 17.7 No Partnership. Neither the execution of this Agreement nor the performance by a Party of any of its rights and obligations under this Agreement will create any partnership or joint venture between the Parties.
- 17.8 Assignment. The Municipality may assign its interest or any portion of its interest in this Agreement without the approval or written consent of the Participant. Subject to Section 13 of this Agreement, the Participant shall not assign this Agreement nor any of the Schedules hereto without the prior written consent of the Municipality.

- 17.9 Entire Agreement. This Agreement and its attached schedules, along with the Project Agreement and its attached schedules, constitutes the entire arrangement between the Parties with respect to the Project and there are no representations or warranties, express or implied, statutory or otherwise and no agreements collateral to this Agreement other than as expressly set out or referred to in this Agreement and the Project Agreement.
- 17.10 Severability. If any term of this Agreement is determined to be invalid or unenforceable, in whole or in part, the invalidity or unenforceability will attach only to that term or part term, and the remaining part of the term and all other terms of this Agreement will continue in full force and effect. The Parties will negotiate in good faith to agree to a substitute term that will be as close as possible to the intention of any invalid or unenforceable term while being valid and enforceable. The invalidity or unenforceability of any term in any particular jurisdiction will not affect its validity or enforceability in any other jurisdiction where it is valid or enforceable.
- 17.11 Gender and Number. Words in one gender include all genders and words in the singular include plural and vice versa.
- 17.12 Governing Law and Jurisdiction. This Agreement will be governed by and construed in accordance with Alberta law and applicable Canadian law and will be treated in all respects as an Alberta Agreement.
- 17.13 Time. Time will be of the essence of this Agreement.
- 17.14 Currency. All transactions referred to in this Agreement will be made in lawful currency of Canada in immediately available funds.
- 17.15 Amendment. This Agreement may be amended or supplemented only by a written agreement signed by each party.
- 17.16 Counterparts. This Agreement may be executed by e-mail, PDF and separate counterparts. It shall be fully executed when each Party whose signature is required has signed at least one counterpart even though no counterpart contains the signatures of all the parties.

TO EVIDENCE THEIR AGREEMENT each of the Parties has executed this Agreement on the date first appearing above.

By:

CITY OF COLD LAKE
Per: Chief Administrative Officer

Print Name

(Corporate Seal)

Signature

Date

PARTICIPANT(S) – ALL PROPERTY OWNERS MUST SIGN THE AGREEMENT

Print Name

Signature

Date

WITNESS:

Print Name

Signature

Date

LIST OF SCHEDULES

Schedule "A" – Initial Project and Financing Summary

Schedule "B" – Final Project and Financing Summary

Schedule "C" – Clean Energy Improvement Tax Amortization Schedule

Schedule "D" – Assignment, Novation and Release Form

Appendix “A”

SCHEDULE “A” – INITIAL PROJECT AND FINANCING SUMMARY

CEIP Project ID	
Property Tax Roll Number	

PROJECT APPLICATION SUMMARY							
Upgrade	Upgrade Costs	Professional Service Costs	Incidental Work Costs	Total Costs	Approved Municipal Financing	Approved Municipal Deposit	Projected Rebate Amount
Upgrade A	\$	\$	\$	\$	\$	\$	\$
Upgrade B	\$	\$	\$	\$	\$	\$	\$
Upgrade C	\$	\$	\$	\$	\$	\$	\$
Upgrade D	\$	\$	\$	\$	\$	\$	\$
Upgrade E	\$	\$	\$	\$	\$	\$	\$
Upgrade F	\$	\$	\$	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$	\$	\$	\$

UPGRADE A	
PART 1 – UPGRADE INFORMATION	
Upgrade Name	e.g., Solar PV
Upgrade Specifications (make, model, and/or type)	Make:
	Model/Type:
	Quantity/Units:
	Energy Star Certified:
	Efficiency Rating:
Upgrade Effective Useful Life (years)	R-Value
	XX

Upgrade Capital Costs (with GST)	\$ XX,XXX.XX	Expected Completion Date:	XXXX
Professional Service Costs (with GST)	\$ XX,XXX.XX	Expected Completion Date:	XXXX
Incidental Costs (with GST)	\$ XX,XXX.XX	Expected Completion Date:	XXXX
Total Costs (with GST)	\$ XX,XXX.XX		
Total Approved Municipal Financing	\$ XX,XXX.XX		
Approved Municipal Deposit Amount (Paid to Qualified Contractor after Agreement is executed)	\$ XX,XXX.XX		
Projected Rebate Amount	\$ XX,XXX.XX		
PART 2 – PROJECTED CLEAN ENERGY IMPROVEMENT TAX INFORMATION			
Estimated Total Financing Amount (net of Rebates)	\$		
Financing Period	XX years		
Financing Interest Rate	XX%		
Estimated Total Interest (Over Financing Period)	\$		
Estimated Annual Clean Energy Improvement Tax Amount	\$		

UPGRADE B				
PART 1 – UPGRADE INFORMATION				
Upgrade Name	e.g., Air Source Heat Pump			
Upgrade Specifications (make, model, and/or type)	Make:			
	Model/Type:			
	Quantity/Units:			
	Energy Star Certified:		"Yes", "No", "N/A"	
	Efficiency Rating:		"Insert rating" or "N/A"	
	R-Value		"Insert R-value" or "N/A"	
Upgrade Effective Useful Life (years)	XX			
Upgrade Capital Costs (with GST)	\$ XX,XXX.XX		Expected Completion Date:	XXXX
Professional Service Costs (with GST)	\$ XX,XXX.XX		Expected Completion Date:	XXXX
Incidental Work Costs (with GST)	\$ XX,XXX.XX		Expected Completion Date:	XXXX
Total Costs (with GST)	\$ XX,XXX.XX			
Total Approved Municipal Financing	\$ XX,XXX.XX			
Approved Municipal Deposit Amount (Paid to Qualified Contractor after Agreement is executed)	\$ XX,XXX.XX			
Projected Rebate Amount	\$ XX,XXX.XX			
Administration Fee	[leave blank, to be filled in by municipality]			
Notes:	XXXXX			

PART 2 – PROJECTED CLEAN ENERGY IMPROVEMENT TAX INFORMATION	
Estimated Total Financing Amount (net of Rebates)	\$
Financing Period	XX years
Financing Interest Rate	XX%
Estimated Total Interest (Over Financing Period)	\$
Estimated Annual Clean Energy Improvement Tax Amount	\$

SCHEDULE “B” – FINAL PROJECT AND FINANCING SUMMARY

This Schedule confirms the Project details and Municipality Financing at the completion of all Upgrades and finalizes the Clean Energy Improvement Tax to be levied on the Property’s tax roll. This summary includes all details included in the following Change Orders: [Insert names of approved Change Orders here, if applicable].

PROJECT COMPLETION SUMMARY							
Upgrade	Upgrade Costs	Professional Service Costs	Incidental Work Costs	Total Costs	Approved Municipal Financing	Approved Municipal Deposit	Rebate Amount
Upgrade A	\$	\$	\$	\$	\$	\$	\$
Upgrade B	\$	\$	\$	\$	\$	\$	\$
Upgrade C	\$	\$	\$	\$	\$	\$	\$
Upgrade D	\$	\$	\$	\$	\$	\$	\$
Upgrade E	\$	\$	\$	\$	\$	\$	\$
Upgrade F	\$	\$	\$	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$	\$	\$	\$

UPGRADE A			
PART 1 – UPGRADE INFORMATION			
Upgrade Name	e.g., Solar PV		
Upgrade Specifications (make, model, and/or type)	Make:		
	Model/Type:		
	Quantity/Units:		
	Energy Star Certified:	“Yes”, “No”, “N/A”	
	Efficiency Rating:	“insert rating” or “N/A”	
Upgrade Effective Useful Life (years)	R-Value	“insert R-value” or “N/A”	
	XX		
Upgrade Capital Costs (with GST)	\$ XX,XXX.XX	Completion Date:	XXXX

Professional Service Costs (with GST)	\$ XX,XXX.XX	Completion Date:	XXXX
Incidental Costs (with GST)	\$ XX,XXX.XX	Completion Date:	XXXX
Total Costs (with GST)	\$ XX,XXX.XX		
Total Approved Municipal Financing	\$ XX,XXX.XX		
Approved Municipal Deposit Amount (Paid to Qualified Contractor after Agreement is executed)	\$ XX,XXX.XX		
Rebate Amount	\$ XX,XXX.XX		
PART 2 – FINAL CLEAN ENERGY IMPROVEMENT TAX INFORMATION			
Total Financing Amount (net of Rebates)	\$		
Financing Period	XX years		
Financing Interest Rate	XX%		
Total Interest (Over Financing Period)	\$		
Annual Clean Energy Improvement Tax Amount	\$		

UPGRADE B				
PART 1 – UPGRADE INFORMATION				
Upgrade Name	e.g., Solar PV			
Upgrade Specifications (make, model, and/or type)	Make:			
	Model/Type:			
	Quantity/Units:			
	Energy Star Certified:			"Yes", "No", "N/A"
	Efficiency Rating:			"insert rating" or "N/A"
	R-Value			"insert R-value" or "N/A"
Upgrade Effective Useful Life (years)	XX			
Upgrade Capital Costs (with GST)	\$ XX,XXX.XX		Completion Date:	XXXX
Professional Service Costs (with GST)	\$ XX,XXX.XX		Completion Date:	XXXX
Incidental Costs (with GST)	\$ XX,XXX.XX		Completion Date:	XXXX
Total Costs (with GST)	\$ XX,XXX.XX			
Total Approved Municipal Financing	\$ XX,XXX.XX			
Approved Municipal Deposit Amount (Paid to Qualified Contractor after Agreement is executed)	\$ XX,XXX.XX			
Rebate Amount	\$ XX,XXX.XX			
PART 2 – FINAL CLEAN ENERGY IMPROVEMENT TAX INFORMATION				
Total Financing Amount (net of Rebates)	\$			
Financing Period	XX years			

Financing Interest Rate	XX%	
Total Interest (Over Financing Period)	\$	
Annual Clean Energy Improvement Tax Amount	\$	

Appendix “A”

SCHEDULE “C” – CLEAN ENERGY IMPROVEMENT TAX AMORTIZATION SCHEDULE

SCHEDULE "D" – ASSIGNMENT, NOVATION AND RELEASE FORM

(The current property owner of the Property can reproduce and use this form to satisfy the requirements in Section 13. Please inquire with Municipality Staff if an electronic version is needed).

THIS AGREEMENT made as of the ____ day of _____, 20____.

A M O N G

(the "**Assignor**")

- and -

(the "**Assignee**")

- and -

The City of Cold Lake (the "**Municipality**")

WHEREAS:

Pursuant to City of Cold Lake Bylaw No. 756-FN-22, the Assignor applied to participate in the City of Cold Lake's Clean Energy Improvement Program and consequently, entered into a Clean Energy Improvement Agreement with the Municipality on _____ (the "Financing Agreement"), a copy of which is attached as Schedule "A", to obtain financing for Clean Energy Improvements at the Property (the "Municipality Financing");

The Municipality adopted Bylaw No. 756-FN-22 (the "Bylaw") to impose on the Property a Clean Energy Improvement Tax in the amount of _____ that requires the owner of the Property to repay the Municipality Financing, and the Administration Fee;

The Financing Agreement includes additional obligations that are separate and apart from the obligation to repay the Clean Energy Improvement Tax that the Bylaw has imposed on the Property;

NOW THEREFORE in consideration of the transfer of the Property from the Assignor to the Assignee, the Municipality's release of the Assignor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

Definitions. Unless otherwise defined herein, all capitalized terms used in this Assignment shall have the respective meanings ascribed to them in the Financing Agreement.

Assignment of Financing Agreement. The Assignor does hereby absolutely and unconditionally assign, novate, transfer, set over, and convey unto the Assignee, for its sole use and benefit, all of the Assignor's right, title, interest, obligations and liabilities in, to and under the Financing Agreement from and after the date hereof.

Assumption of Financing Agreement. The Assignee hereby accepts this assignment contained in Section 2 hereof and covenants and agrees with the Assignor that, from and after the date hereof, the Assignee assumes and is responsible for and will perform, observe, satisfy, discharge and pay as and when due the obligations and liabilities of the Assignor under the Financing Agreement arising from and after the date hereof.

Consent of the Municipality. The Municipality (in its capacity as an existing party under the Financing Agreement), effective from and after the date hereof, hereby consents to the assignment of all the Assignor's right, interest, obligations and liabilities in, to and under the Financing Agreement, and accepts in full satisfaction the Assignee as a party to the Financing Agreement in substitution for the Assignor.

Agreement between the Municipality and Assignee. The Assignee covenants with the Municipality that the Assignee will perform, observe, satisfy, discharge and pay as a when due the obligations and liabilities of the Participant under the Financing Agreement arising from and after the date hereof. Among other things, the Assignee will provide information necessary for automatic enrolment in the Payment of the Clean Energy Improvement Tax process as discussed further in the Financing Agreement.

Release of the Assignor. In accordance with Section 13 of the Financing Agreement, the Municipality hereby releases and discharges the Assignor of and from the observance and performance of the covenants, agreements and obligations under the Financing Agreement, effective from and after the date hereof.

Joint and Several Liability. The liability of each entity comprising the Assignee hereunder shall be joint and several.

Successors. This Assignment, Novation and Release shall enure to the benefit of and shall be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

Governing Law. This Assignment, Novation and Release shall be constructed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated in all respects as an Alberta Contract.

Counterparts. This Assignment, Novation and Release may be executed in several counterparts and by facsimile transmission of an originally executed document, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

Further Assurances. Each of the Parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Assignment, Novation and Release.

Headings, Extended Meanings. The headings in this Assignment, Novation and Release are inserted for convenience of reference only and shall not constitute a part hereof and are not to be considered in the interpretation hereof. In this Assignment, Novation and Release, words importing the singular include the plural and *vice versa*; words importing the masculine gender include the feminine gender and *vice versa*; and words importing persons include firms or corporations and *vice versa*.

IN WITNESS WHEREOF the Parties hereto have executed this Assignment, Novation and release as of the date first above-written.

CITY OF COLD LAKE

Per: Chief Administrative Officer

Print Name

Signature

ASSIGNOR

Print Name

Signature

WITNESS FOR ASSIGNOR

Print Name

Signature

ASSIGNEE

Print Name

Signature

WITNESS FOR ASSIGNEE

Print Name

Signature