

January 18, 2006

Please distribute to Members of Council and Senior Staff

New Funding Opportunity for Energy Projects

The Green Municipal Fund (GMF) has a new energy sector funding opportunity to offer municipal governments and municipal energy utilities.

In the 2005 Budget, the Government of Canada contributed an additional \$300 million to the GMF, bringing the total endowment to FCM to \$550 million. This new allocation is a long-term, sustainable source of low interest rate loans and grants for municipal governments and their partners to support environmental projects in six categories: Energy, Waste, Water, Sustainable Transportation, Brownfield Remediation, and Integrated Community Planning. Annual funding caps have been established limiting the number of projects that will be supported each year.

GMF will use a competitive Request for Proposals (RFP) process to determine which implementation projects best meet program goals and requirements. There will be at least one RFP each year in each of the GMF categories.

The Energy RFP is the second RFP to be issued by the GMF. The first, launched in the fall of 2005, was for Brownfield Remediation. Through the Energy RFP process, GMF will award funds totaling approximately \$20 million in low interest rate loans and \$2 million in grants. Because there is a fixed amount of funding set aside for this RFP, not all applicants will necessarily be successful.

The Energy RFP will be divided into two streams:

- Stream A:** Energy efficiency retrofits to municipal buildings, or the construction of new energy efficient municipal buildings.
- Stream B:** New renewable energy supply projects and energy distribution systems.

The Energy RFP will open **February 8, 2006**. The Intent to Apply form, along with details of the RFP requirements and process, will be available on-line (www.fcm.ca) or by contacting the Application Co-ordinator named below. The deadline for submission of the Intent to Apply for this RFP is **March 1, 2006**. Applicants will be notified if their Intent to Apply is accepted and asked to submit a detailed proposal that will be reviewed by a team of independent, third-party experts. Funding will be awarded primarily on the basis of anticipated environmental benefit, and secondarily for social and economic benefit. The RFP closes **April 12, 2006**.

GMF will accept applications for grants for feasibility studies, field tests, and sustainable community plans in all GMF categories on a continuous basis. Details on grant funding opportunities for studies, tests and plans are also available on FCM's web site (www.fcm.ca).

Sincerely,



Gloria Kovach, President

For questions on the GMF Energy RFP:

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