# WHAT THE BUILDING SECTOR NEEDS TO KNOW
## About Ontario's Climate Change Action Plan

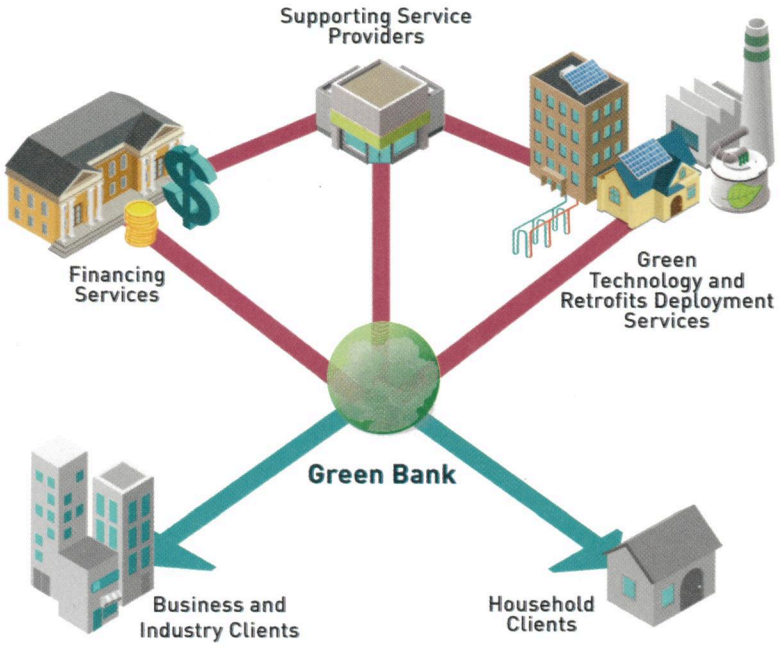
ENERGY REPORTING REQUIREMENTS FOR LARGE BUILDINGS COMING 2018. CREDIT: ISTOCK.

**Launched last spring, Ontario's Climate Change Action Plan (CCAP) outlines the province's plan for hitting its ambitious greenhouse gas (GHG) reduction targets. The plan targets a 15% reduction by 2020 and establishes a pathway to 37% reductions by 2030. Many in the building sector want to know how the plan will affect the green building industry.**

The cornerstone of the CCAP is Ontario's cap and trade system, which took effect this January. The system puts a price on carbon emissions and is expected to raise $1.5-2 billion annually, which by law must be reinvested in emission reduction programs. Increasing natural gas prices will be the key cost factor for building owners. The cap applies to natural gas distributors, who will pass the cost through to consumers (home owners and building operators). A 10% increase in 2017 ($0.03/ $m^3$) is expected, with additional price increases in future years as the cost of carbon grows. The good news is that this will improve the business case for energy efficiency retrofits and high performance new building construction.

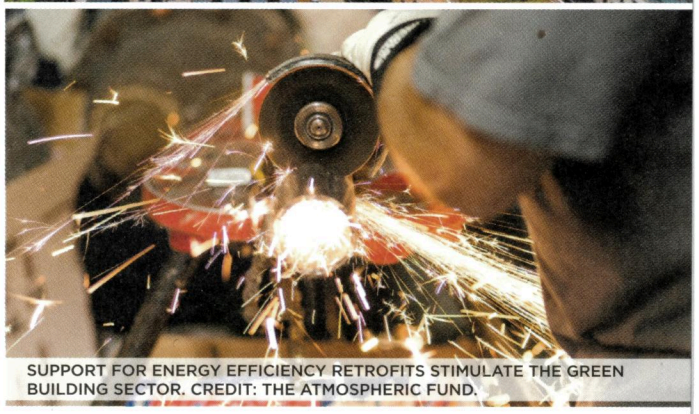
Ontario's Climate Change Action Plan puts a heavy emphasis on homes and buildings, allocating $2-3 billion in cap and trade revenues over four years for building sector initiatives. Most of the funds will be disbursed through a new crown corporation, referred to as the Ontario Climate Change Solutions Deployment Corporation, or "green bank." The green bank is expected to offer a combination of grants, incentives, and financing programs, for example, loans and credit enhancements. Ontario recently undertook a round of public consultation on the structure of the green bank, and it is expected to be up and running later this year.

Another landmark provincial building policy was enacted in February, the Energy and Water Reporting and Benchmarking for Large Buildings regulation. Beginning with buildings over 250,000 $ft^2$ in 2018, all buildings over 50,000 $ft^2$ will need to report their energy and water use and GHG emissions by 2020. Benchmarking and reporting will be done through Energy Star Portfolio Manager - free web based software made available by the federal government, with key energy and GHG performance metrics to be disclosed through a public database.




PROPOSED FUNCTION OF ONTARIO GREEN BANK. CREDIT: ONTARIO CLIMATE CHANGE ACTION PLAN (P.17).

REDUCING EMISSIONS FROM FOSSIL-FUEL USE IN BUILDINGS CREDIT: ONTARIO CLIMATE CHANGE ACTION PLAN (P.25).



SUPPORT FOR ENERGY EFFICIENCY RETROFITS STIMULATE THE GREEN BUILDING SECTOR. CREDIT: THE ATMOSPHERIC FUND.


ONTARIO'S GHG EMISSION TARGETS. CREDIT: ONTARIO CLIMATE CHANGE ACTION PLAN (P.13).

Larger buildings will require a certified professional to verify data, creating new opportunity for green building professionals to offer value-added services. Green building practitioners will also be able to use the massive energy performance database to gain new insights into real building performance, for example, an architecture firm could look up the real-world performance data of all the buildings they've designed to see which design strategies have resulted in high performance post-occupancy. Poor energy performers will need to take note and improve efficiency, as results reflected in the public database may impact their reputation and the value of their buildings. The Canada Green Building Council has been a strong advocate for this policy across Canada, having released the Energy Benchmarking, Reporting & Disclosure in Canada: A Guide to a Common Framework in 2016.

Ontario's recent progress in building policy should make 2017 a propitious year for the green building industry. Once these programs are underway, we're hopeful other provinces will follow suit, paving the way for a thriving green building sector across Canada. The federal government has indicated buildings as a key priority area in the national climate framework; take note later this year when new federal programs emerge to support green buildings. With government lining up to support the sector, the ball is now in our court as practitioners to demonstrate excellence and innovation in implementation. Sustaining this level of public support will require the industry to prove that green buildings can generate multiple benefits - not just energy and carbon savings, but also green jobs, improved occupant health and comfort, and vibrant buildings that residents love to live in.

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**Bryan Purcell, Director of Policy and Programs, The Atmospheric Fund**