HER WORSHIP OLIVIA CHOW MAYOR, CITY OF TORONTO OFFICE OF THE MAYOR 100 QUEEN ST. W. TORONTO, ON M5H 2N2

Dear Mayor Chow and Members of the Infrastructure and Environment Committee,

The buildings sector represents 59% of Toronto's emissions and is critical to meeting TransformTO climate targets.

As directed by City Council and as part of Toronto's Net Zero Building Strategy, Environment, Climate, and Forestry Division staff are now consulting on a Building Emissions Performance Standards (BEPS) bylaw for Toronto.

The policy development process was delayed from its original timeline, and the final bylaw is now targeted for council adoption in Q3 2025.

We represent industry stakeholders, including building owners and suppliers of goods, services, and capital in the building industry, who will be part of the effort to comply with a future BEPS bylaw. Our primary concern is policy certainty and fair lead time.

Our industries require ample notice and clear direction on how and when to invest and plan for building, energy efficiency, and resiliency upgrades to support emissions reduction programs.

Any further delay in developing and approving the bylaw will make 2030 performance targets unfair and unrealistic because:

- Commercial HVAC equipment lasts 15-25 years, and building envelopes last 20-40 years. Building owners need time to identify energy efficiency upgrades for their buildings to avoid stranded assets and investments, engage appropriate consultants and contractors, and secure financing to complete their projects.
- Manufacturers and suppliers require sufficient lead time and a long runway to scale up their supply chains for critical retrofit equipment, such as heat pumps, particularly in the current context of global trade disruptions.
- Trades, including construction, HVAC, and electrical, need to ramp up training to have a skilled workforce large enough to support retrofit projects when compliance deadlines take effect.
- Financial institutions need time to review and underwrite the loans that will enable retrofit projects to be financed.
- Utilities and system operators like Toronto Hydro and the IESO will need time to plan and invest in expanded and improved electrical infrastructure.

The undersigned are supportive of the City of Toronto's efforts to develop and present the BEPS bylaw to City Council by fall 2025, which is critical to meet initial performance targets by 2030.

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