



**BOMA TORONTO**

**MANDATORY ENERGY & WATER REPORTING & BENCHMARKING  
(EWRB)**

**POLICY DOCUMENT**

**PRESENTED TO**

**ONTARIO MINISTRY OF ENERGY**

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## EXECUTIVE SUMMARY

Building Owners and Managers of Greater Toronto Area (BOMA Toronto) is a not for profit industry association established in 1917. BOMA Toronto represents over 80% of all commercial and industrial real estate companies in the GTA and beyond. BOMA Toronto's membership includes all leading building owners, property and facility managers, developers, corporate facility managers, leasing professionals, as well as service providers that cater to the commercial real estate industry. BOMA Toronto's scope includes all of Ontario with the exception of the Capital region.

BOMA Toronto's mission is to develop, promote and advance best management practices in the real estate industry through advocacy, education and networking.

As soon as the City of Toronto made the announcement that it was going to explore implementation of a mandatory Energy and Water Reporting and Benchmarking (EWRB) regulation, BOMA Toronto proactively led the CRE, working in partnership with all stakeholders. We have led various member stakeholder sessions, and were very active participants in subsequent policy workshops. BOMA Toronto was also the sole sponsor of the Energy Benchmarking & Reporting Best Practices Summit – hosted by the Ministry of Energy (MOE) and the City of Toronto and attended by BOMA Canada, many representatives from the commercial real estate owners/manages as well as representatives from US jurisdictions where EWRB bylaws have been implemented.

As a major stakeholder in the province's Commercial Real Estate (CRE) industry, we are fully supportive of any initiative aimed at promoting building performance and environmental stewardship.

During the Ministry of Energy (MOE) / City of Toronto EWRB consultation period, BOMA Toronto led the CRE by very actively engaging a focus group comprised of senior representatives from all major landlords and energy services providers from our membership and industry. Our commitment to unprecedented collaboration with the City of Toronto and the Province of Ontario has resulted in a very robust Policy Document. The following Policy Document reflects the views and recommendations of BOMA Toronto members', and through their voices, the CRE perspectives on a number of specific areas related to this anticipated mandatory EWRB regulation. Given the wide breadth of BOMA Toronto's outreach with the major CRE owners and managers, it would appear that the policy position of this document reflects national sentiment in our industry with respect to EWRB.

While we understand the benefits of benchmarking and are fully supportive of any initiative aimed at improving building performance and reducing carbon footprint, BOMA Toronto's role as the representative and advocate of all CRE owners and managers, is to work with the City of Toronto and the Province of Ontario to ensure that all of the CRE industry concerns are addressed adequately, that the final outcome is beneficial to all parties, and that the overall objectives are achieved and sustained.

## **INTRODUCTION (Directed to BOMA Toronto membership and the CRE industry in general)**

In its 2013 Long Term Energy Plan, the Province committed to putting conservation first before building new generation and transmission infrastructure, where cost-effective. Furthermore, in the Province's July 2013 Conservation First White Paper, it is noted that rating systems for buildings could allow consumers to benchmark the relative energy efficiency of various properties and inform their investment decisions. In addition, recognizing that climate change is one of the most important issues of our time, the City of Toronto has set a goal to reduce greenhouse gas emissions by 80% by 2050.

As a part of the evolution of the task of tackling the energy and the environmental issues, the Province of Ontario and the City of Toronto have been jointly consulting on a potential mandatory energy reporting and benchmarking (EWRB) requirement for large commercial and multi-unit residential buildings, where owners could be required to annually report on their building's energy and water consumption and greenhouse gas (GHG) emissions. This initiative is aligned with the Province's and the City's objectives to reduce energy use and GHG emissions.

EWRB has been in practice (through regulation) in many large US cities (including, New York, Chicago, and Boston) for the past three to four years, and some are in the process of implementing it while many more cities are actively considering it. So it is only a matter of time such policies or regulations are brought to Canadian jurisdictions. So within the Ontario context, as an organization whose members own, manage and service buildings all across Ontario, BOMA Toronto would support such consideration proposed by the province rather than by a specific city as we would like to avoid having different EWRB by-laws in different Ontario cities.

Energy Reporting and Benchmarking policies and regulation are meant to facilitate the review of a building's energy use against its own past performance, and the performance of similar buildings. With this knowledge, building owners and managers may be motivated to improve the energy efficiency of their buildings. As such, we would also like to see a greater alignment between EWRB regulation and the Ontario's Long Term Energy Plan.

The province of Ontario and the City of Toronto have been working together to consult with stakeholders. However, it is expected that should the Province decide to proceed with a regulation, the City will re-evaluate the need to continue its efforts to develop a by-law so that the building owners and managers would not be subject to duplicate reporting requirements.

The benefits of energy benchmarking is well understood in the commercial real estate (CRE) industry. But in order for any EWRB policy or regulation to be successful, the governing bodies must understand the various nuances that exists within the CRE industry with respect to the different building types and how those buildings are managed and operated. BOMA Toronto has taken the leadership to work with the Province and the City to make sure that all such nuances are given due considerations and all the concerns from our membership and the CRE industry in general are addressed adequately.

This policy document covers all the key areas covered during our engagement with the Province and the City and build on the consensus from the BOMA Toronto EWRB focus group comprised of senior representatives from all major landlords and energy services providers from our membership and industry.

## SECTION 1: REPORTING

- 1.1 Building Types:** It is essential to understand how the various types of buildings are managed and operated, the nature of business relationships between the landlords and tenants, and the inherent issues related to gaining access to energy data (from tenants or the utilities) when designing an EWRB policy.

***Background:** Landlords have property and utility data for office buildings and multi-unit residential buildings (MURB), so they have the ability to report on these building types.*

*However, in the Canadian marketplace, landlords do not receive or have access to the utility data for industrial buildings, and do not receive or have access to all of the utility data for retail buildings.*

*In addition, in many cases there are legitimate privacy concerns with sharing or releasing the utility information of many businesses in retail and industrial buildings. The amount of energy used by many businesses is part of their competitive advantage (or disadvantage, as the case may be), and as such, there is a real sensitivity to collecting and sharing this data.*

**Recommendation (1a):** BOMA Toronto recommends only including office buildings and multi-unit residential buildings (MURB) that are  $\geq 50,000$  square feet for now, with Retail and Industrial buildings to be added at a later date, once issues with a) obtaining utility data, and b) dealing with the confidentiality of data for some of these building types are resolved.

- 1.2 Reported Data Elements:** Considering the wide adoption of Canadian Energy Star Portfolio Manager (ESPM) and our ongoing collaboration with Natural Resources Canada (NRCAN), we strongly endorse ESPM as the primary tool for reporting.

BOMA Toronto is supportive of the reporting deadline of 6 months after the end of the calendar year for reporting the monthly consumption for the preceding year for each of the building groups.

**Recommendation (1b):** Considering the limitations within ESPM with respect to certain building types, the Ontario Ministry of Energy should collaborate with NRCAN to enable ESPM to benchmark all building types being considered for the EWRB regulation.

**Recommendation (1c):** BOMA Toronto recommends the reporting of the following data elements only:

- Property Information: Civic Address, Gross Floor Area
- Property Use: Office, Industrial, MURB, Retail, Mixed-Use
- Energy Use by Fuel Source (exclude diesel as this is used only for stand-by power generation)
- Energy Performance: Energy Use Intensity (ekWh/ft<sup>2</sup>)
- Water Performance: Water Use Intensity (L/ft<sup>2</sup>)
- GHG emissions (as calculated by ESPM)
- Energy Star Portfolio Manager score
- Current Green Building Certifications (type & level)

**1.3 Phasing of Reporting:** Considering the disparity in the way that buildings of certain types, size and asset class are managed, it is critical to phase in the implementation of the regulation in order to allow sufficient time for the industry to fully understand the proposed regulatory requirements and take the necessary actions (including allocating necessary resources) to satisfy the requirement.

*Commercial Office and Multi-Unit Residential buildings:* BOMA Toronto is supportive of phasing in of the proposed regulation based on the size threshold proposed by the City and Province (and as was originally proposed by BOMA for Office Buildings).

Year	Reporting Size Threshold
Y1	Size ≥ 250,000 ft <sup>2</sup>
Y2	Size ≥ 100,000 ft <sup>2</sup>
Y3	Size ≥ 50,000 ft <sup>2</sup>

BOMA Toronto’s members own and manage MURB rental buildings, however they are not involved with the Condominium Industry. If it has not been already done so, it is recommended that the City and the Province get input from the Condominium Industry if there is intention to include Condominium buildings in the EWRB Regulation. Organizations to consult would be ACMO and CCI.

*Industrial & Retail:* In the Canadian marketplace, in most cases the landlords do not receive or have access to the utility data for industrial buildings, and they do not receive or have access to all of the utility data at retail buildings. In addition, there are legitimate privacy concerns involved with sharing the utility data for many of the businesses located in Industrial and Retail buildings.

**Recommendation (1d):** BOMA Toronto recommends reporting for industrial and retail property types be delayed until there are practical means to obtain utility data, and until such time the potential privacy concerns are understood and addressed in a manner that is acceptable to impacted businesses.

**Recommendation (1e):** Start with the building type that is comparatively easier to work with. Of all the building types that are proposed to be covered under this proposed regulation, commercial office buildings will pose the least number of challenges. This approach would ensure that the regulation is enacted with the least number of challenges, and would promote wider acceptance by the sector – this would ultimately lead to the greatest success of the regulation.

**Recommendation (1f):** For the purpose of reporting, BOMA Toronto recommends that a cluster of buildings (such as a complex) that is supplied by a single heating/cooling plant should be treated as a single building with aggregated gross floor area.

In order for this regulation to be fair and just, exemptions should be granted to buildings under special circumstances. Such circumstances include economic hardships, change of ownership mid-year, new construction, and low occupancy rate.

**Recommendation (1g) - Exemption:**

Recommended Policy Clause

*{A landlord may be exempt from the reporting and benchmarking requirement for a specific building during the calendar year for which such requirement applies, if the landlord submits documentation (in a form prescribed by the regulation), establishing any of the following:*

*(i) The building under consideration is presently experiencing qualifying financial distress, as defined by any of the following: (a) the building is the subject of a qualified tax lien sale or foreclosure auction due to property tax arrearages, (b) the building is controlled by a court appointed receiver, or (c) the building has been acquired by a deed in lieu of foreclosure; or*

*(ii) The building had average occupancy rate of less than 70% throughout the calendar year for which reporting and benchmarking is required; or*

*(iii) The building is a new construction and the building's certificate of occupancy was issued during the calendar year for which reporting and benchmarking is required*

**LEASED SPACE:** Tenants who are privately metered directly by the utility do not share their consumption data with their landlord, and landlords do not have any means to require them to do so. As described above, this is the case in industrial buildings, is regularly the case in retail buildings; it also occurs in a small percentage of office buildings. In such cases, energy consumption data reported by the landlord for the building would be incomplete and not include data from privately metered leased spaces. This further highlights the importance of ensuring data integrity before it is publicly disclosed.

**Recommendation (1h):** Where tenants are privately metered directly by the Local Distribution Company (LDC) or other utility, BOMA Toronto recommends that the government of Ontario mandate local electricity and gas distribution companies, and other utilities report the aggregate monthly consumption data on an annual basis to the landlord of each building covered under the EWRB regulation.

**Recommendation (1i):** Notwithstanding Recommendation (1h), for buildings occupied by multiple tenants (some of which may be privately sub-metered by local utility companies, BOMA Toronto recommends that the government of Ontario mandate that local electricity and gas distribution companies report the aggregate monthly consumption data on an annual basis to the landlord of each building covered under the EWRB regulation.

**Note:** Any exclusion or exemption have to be applied for annually and be approved by the regulating body.

## SECTION 2: DISCLOSURE

While monitoring and tracking of energy use and benchmarking buildings are low-cost ways to identify buildings that are good candidates for energy audits and retrofits, and are shown to improve building performance over time<sup>1</sup>, there has been no empirical evidence to suggest that publicly disclosing energy performance leads to the same outcome<sup>2,3</sup>. However, some degree of disclosure (perhaps better defined as social benchmarking) has been shown to impact consumption behaviour. Under such circumstance it is reasonable to expect the owners and managers of large commercial properties to share some of the performance data, but every effort must be made to protect the privacy and business interests of building owners and managers, and the businesses housed within the buildings.

As many energy or performance data elements are considered strategic information, building owners' and tenants' need to keep certain strategic details confidential must be respected. Furthermore, full disclosure of performance when there is not an industry accepted normalization/benchmarking methodology to properly interpret that information will lead to confusion and buildings being unfairly judged. This could lead to financial implications for landlords as buildings with energy scores that appear better may appreciate over time while those with energy scores that appear lower may see their value depreciate – while this may be a just outcome if energy performance truly is better or worse, it is certainly an unjust outcome if based on incorrect data and/or incomparable numbers.

**2.1 Form & Phasing of Disclosure:** There are complexities inherent to building energy performance and normalization/benchmarking that need to be accounted for when establishing disclosure policies. If these complexities are not addressed appropriately it could lead to landlords and their properties being judged inequitably in the public forum. This could potentially have a significant economic impact.

**Background:** *Landlords have property and utility data for the vast majority of office buildings and multi-unit residential buildings (MURB), so they have the ability to report on these building types.*

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<sup>1</sup> Benchmarking and Energy Savings – Data Trends, EPA

<sup>2</sup> An Economic Perspective on Building Labeling Policies, Dr. Robert N. Stavins, Harvard University, 2013

<sup>3</sup> Exploring the Relationships between Carbon Disclosure and Performance in FTSE 350 Companies, the Clean Environment Management Center, Teesside University, 2013

*However, as indicated before, in the Canadian marketplace, very often landlords do not receive or have access to the utility data for industrial or retail buildings.*

*In addition, in many cases there are legitimate privacy concerns with sharing or releasing the utility information of many businesses in retail and industrial buildings. The amount of energy used by many businesses is part of their competitive advantage (or disadvantage, as the case may be), and as such, there is a real sensitivity to collecting and sharing this data.*

**Recommendation (2a) – Office Buildings:** BOMA Toronto proposes the following disclosure schedule for office buildings:

Year	Disclosure
Y1	Only on purchase & sale transactions
Y2	Only on purchase & sale transactions
Y3 onwards	Public disclosure of select data elements

Delaying the public disclosure until the third year would allow for systems to evolve and for market transformation.

For certainty, the above disclosure schedule suggests that for the first two years the select data elements be disclosed to the parties to the transaction only and not to the public.

**Recommendation (2b):** As an alternative (considering the concerns raised in section 2.1), BOMA Toronto recommends that in years 1 – 2 publicly disclose only whether a particular building has met the reporting requirement.

**Recommendation (2c) - Multi-Unit Residential Buildings (MURBs):** BOMA Toronto recommends disclosure only on the purchase and sales transactions, and that public disclosure is delayed until there is an industry-accepted and normalized benchmarking tool available. In the meantime BOMA Toronto is supportive of publicly disclosing only whether certain property has met the reporting requirement.

**Background:** *Without an industry-accepted method to normalize the energy use for MURBs, it will be very disruptive to publically disclose performance that creates “apples-to-pears-to-oranges” comparisons. Normalizing MURB’s is not straightforward for several reasons:*

- *Some MURBs have central air conditioning, while many do not.*
- *Some MURBs are sub-metered by individual tenant, some are not. This alone has a huge impact, because studies have shown that metering in-suite tenant use can reduce consumption by 30%. However, it is not as straightforward as saying “well, if your building is a poor performer because it is not sub-metered, you should install sub-meters”, because there are*

*provincial regulations in Ontario regarding sub-metering residential units without tenant consent.*

- *Some MURBs have pools, fitness centres, or retail areas included within the building, all of which result in a higher energy intensity for the building compared to a building without these features.*

*In addition, the Ontario Rental Act makes implementing energy retrofits more challenging than in other asset classes. It is concerning to have mandatory provincial public energy performance disclosure when there is a provincial Act that makes implementing energy efficiency measures in this building type more challenging.*

**Recommendation (2d) - Multi-Unit Residential Buildings (MURBs):** BOMA Toronto recommends that the province make the necessary amendments to the Ontario Rental Act to make the implementation of energy efficiency measures easier for landlords while addressing the legitimate privacy concerns of the tenants.

**Recommendation (2e) – Retail, and Industrial Buildings:** BOMA Toronto recommends that there be no disclosure for these assets until:

- a) There is an industry-accepted and normalized benchmarking tool available.
- b) Sufficient research has been performed into the privacy concerns of releasing the energy consumption data of retailers and industrial tenants, and these concerns have been addressed.

## 2.2 Disclosure Data Elements:

BOMA Toronto is supportive of disclosing certain data elements through a public registry as long as the privacy concerns are sufficiently addressed and as per the disclosure phase-in schedule proposed above and subject to recommendations in *Section 5* to promote compliance.

**Recommendation (2f):** BOMA Toronto recommends the disclosure of the following data elements only:

- Property Information: Civic Address, Gross Floor Area **range** (actual GFA should be excluded)
- Property Use: Office, Industrial, MURB, Retail, Mixed-Use
- Energy Performance: Energy Use Intensity (ekWh/ft<sup>2</sup>)
- Water Performance: Water Use Intensity (L/ ft<sup>2</sup>)
- Energy Star Score **range**
- Current Green Building Certifications (type & level of achievement)

## 2.3 Public Disclosure Exclusions:

Due to the complexities associated with determining the energy performance with reasonable level of accuracy as well as how such buildings are managed and operated, mixed-use buildings should be excluded from disclosure.

**Recommendation (2f):** BOMA Toronto recommends the exclusion of mixed-use buildings with laboratories, data centers, call centers, television studios, trading floors, food establishments, industrial process from disclosure until such time ESPM accurately model such asset types.

Recommended Policy Clause

*{To the extent allowable under the EWRB regulation, the enacting body shall not make readily available to the public any individually-attributable reported benchmarking information pertaining to a particular building that contains a data center, call center, television studio, food establishments, industrial process, or trading floor that together exceed 10% of the gross floor area of any such building until the enacting body determines that the Energy Star Portfolio Manager(ESPM) can make adequate adjustments for such facilities.}*

**Note:** Any exclusion or exemption have to be applied for annually and be approved by the regulating body.

### SECTION 3: DATA VERIFICATION:

BOMA Toronto endorses verification of reported data being by a third party professional periodically to ensure benchmarking accuracy and fairness.

**Recommendation (3a):** BOMA Toronto recommends **Qualified Verifiers** to include professional engineer, Certified Energy Manager (CEM), Certified Measurement & Verification Professional (CMVP), Certified Energy Auditor (CEA), Certified Building Commissioning Professional (CBCP), and Engineering Technologist.

**Recommendation (3b) – Exclusion:**

Recommended Policy Clause

*{The requirement for data verification may be waived if the landlord of the building under consideration provides evidence supporting one or more of the following: (i) presence and utilization of continuous monitoring, targeting and reporting system as part of the internal energy management plan; (ii) periodic utilization of qualified third-party energy service providers to validate the accuracy of building performance.}*

**Recommendation (3c):** BOMA Toronto recommends that the province of Ontario invest in training and education to build the capacity to meet the regulation requirements.

**Recommendation (3d):** BOMA Toronto recommends that reported data be verified by a **Qualified Verifier** for the second year of reporting, and every 5 years thereafter (subject to exclusions outlined below).

**Recommendation (3e):** BOMA Toronto recommends third party verification to ensure unbiased assessment and accuracy of data. However a Qualified Verifier may be an in-house employee, provided that employee is a professional engineer or other accredited professional bound by professional code of conduct and practice external to landlord's organization. BOMA Toronto further recommends that data verified by persons other than **Qualified Verifier** should be permissible as long as such verification results are approved by a **Qualified Verifier**.

**Recommendation (3f):** The government may elect to periodically audit the quality and accuracy of reported data through random sampling.

**Note:** Any exclusion or exemption have to be applied for annually and be approved by the regulating body.

#### **SECTION 4: CONSERVATION AND DEMAND MANAGEMENT (CDM) PLANS / ENERGY CONSERVATION**

Additional requirements for CDM plans or energy conservation in general under the regulation should not become an administrative burden. The anticipated regulation should avoid duplication of initiatives that are already underway and should not impose additional costs. Furthermore, such additional requirements should not impede great efforts and initiatives that are already being undertaken.

There is no value in expecting landlords to submit copies of their CDM Plans or Energy Assessments as the government neither has the resources to review such submitted materials nor does it have the resources to ensure such plans are implemented.

**Recommendation (4a):** As stated in the previous feedback, BOMA Toronto recommends that audits should only be performed by a **Qualified Energy Professional** as per the same group of professionals as in 3a

**Recommendation (4b):** Should audit requirements be mandated, then landlords should only be expected to attest (through a check box) that an audit has been performed and opportunities identified. There should not be any expectation that recommendations from such audit be implemented as the decision to proceed with any recommended energy conservation measures depends on such factors as economic viability, access to resources, leasing agreements with tenants, etc.

**Recommendation (4c):** A requirement for ASHRAE Level II audit is cost prohibitive for Industrial, Retail and MURB assets. As such BOMA Toronto recommends that should the regulation include a requirement for ASHRAE audits, then it should be only Level I and be limited to Office buildings.

The approach for Industrial, Retail and MURB assets requires further consultation with landlords and industry stakeholders. Factors that need to be considered include:

- a) At assets like Industrial Buildings and many Retail assets, the tenant pays all utility costs directly. In these cases, it does not make sense to mandate the landlord to perform energy audits, as the landlord should not incur the cost for an energy audit that they will see no benefit from.
- b) For many building types, such as large stand-alone, walk-up retail (Home Depot, Canadian Tire, Sobeys, Loblaws, etc.) ASHRAE-Level audits don't make sense because the scope is too detailed and costly for the a) relatively simple systems in these buildings, and b) does not make sense to do in every store, when the stores are essentially 'templates' of one another.

**Recommendation (4d) – Exclusion:**

Recommended Policy Clause

*{The requirement for energy audit may be waived for a building under consideration if the building holds a valid green building certification (such as BOMA BEST®) that requires on-site third-party verification and data validation;*

**Note:** Any exclusion or exemption have to be applied for annually and be approved by the regulating body.

**SECTION 5: COMPLIANCE**

The assessment of EWRB policies in the various US jurisdictions reveals that the intent of such policies is not to hold landlords responsible for improving the performance of their buildings, but rather to account for and to track energy consumption and hope that public disclosure of certain energy data would motivate landlords to improve the performance of their buildings. In the US, such policies do not enforce performance improving and the only measure of compliance is meeting the reporting deadline. In many cases EWRB policies dictates specified fines for noncompliance.

BOMA Toronto does not endorse punitive methods or any form of public shaming (through disclosure of specific performance metric) to improve energy performance. BOMA Toronto believes in bringing about change through education and sustained market/sector engagement. However, there needs to be a constructive system to motivate the landlords to improve building performance.

**Recommendation (5a):** BOMA Toronto recommends that any building (size  $\geq 50,000$  ft<sup>2</sup>) whose ESPM score is less than 50 for three consecutive years with no evidence of improvement over three years, should be required to undergo ASHRAE Level II audit or equivalent with no expectation on building owners and managers to act on the audit.

**Recommendation (5b):** For those subject to Recommendation (5a), if the continuous below average performance is due to non-responsive tenants, then landlords cannot be held responsible for effecting change in those areas that they have no or very little control over. In fairness to the landlord, under such circumstances, the building should be exempt from disclosure if the landlord provides evidence of reasonable efforts to inform the tenant(s) and obtain their energy consumption data.

**Recommendation (5c):** BOMA Toronto recommends that any building (size  $\geq 50,000$  s.f) whose ESPM score is  $\geq 75$  be disclosed on the public registry and prominently recognized as being a “**Top Performer**” without disclosing the actual ESPM score.

**Note:** Any exclusion or exemption have to be applied for annually and be approved by the regulating body.

## SECTION 6: SUPPORT & STAKEHOLDER ENGAGEMENT

It is critical that the City/Province work closely with its local utility companies, industry partners and stakeholders to ensure that that the CRE industry understands this EWRB policy and what is expected of it in order to fully participate and comply with the requirements. The City/Province should also make available adequate resources help enable market transformation including providing education, technical and financial support.

**Recommendation (6a):** BOMA Toronto recommends that the City/Province provide the following support (directly and in collaboration with industry partners) in order to promote higher compliance and to ensure that the objectives of this EWRB regulation are achieved and maintained:

- a) EWRB Policy training
- b) Energy Star Portfolio Manager training
- c) Provide sector-specific education and training on identifying opportunities for efficiency improvements, low cost/no cost solutions, retrofits and enabling technologies, management best practises, etc.
- d) For landlords who have limited staff and limited financial resources (based on certain established eligibility criteria), provide pro-bono assessment and data support to ensure that all covered buildings have access to professional audit and data verification as well as support to help enter data into the ESPM/EWRB system.

As it was previously mentioned during EWRB regulation stakeholder sessions, many of the landlords who own and manage Class A (as well as many Class B) buildings are already ahead of the objectives set out by this EWRB regulation because of their own internal CSR and sustainability objectives and policies. For these properties, complying with the City’s/MOE’s EWRB regulation would be a reasonably straightforward extension of their current practice.

However, these buildings constitute only a small fraction of the building stock covered by the EWRB regulation. As such, attention must be given and sufficient resources be allocated to engage the majority of the building stock BOMA Toronto agrees that if the performance levels of these buildings could be improved it would significantly reduce the total energy consumed and the GHG emitted by the CRE industry.

Once the overall engagement strategies are in place the City/Province could improve efficiencies and effectiveness of programs and initiatives related to EWRB by:

- Collaborating with industry associations who are already engaged with their target stakeholders;
- Leveraging resources that have already been allocated for CDM/DSM programs under the Ontario Long Term Energy Plan;
- Funding industry associations to enhance their existing initiatives aimed at improving building performance and the overall environmental sustainability through continuous building operations and management excellence.

## **SECTION 7: CONCLUDING REMARKS**

We believe that the success of the EWRB regulation should be measured by the level of compliance and its impact on reducing consumption over time. This can only be achieved if the regulation is consistent (subject to idiosyncrasies of various building types), fair, and has the support of the end users as well as other key industry stakeholders and partners. There should also be sufficient resources allocated for education and market transformation.

BOMA Toronto brings close to 100 years of advocating, representing, and working with the commercial real estate sector. From 2007-2011, under contract with the former Ontario Power Authority (OPA), BOMA Toronto designed, managed and delivered a national and international award-winning conservation and demand management program (BOMA CDM Program) for commercial buildings over 25,000 square feet in the 416 region. The BOMA CDM Program delivered over 50MW peak demand reduction while leveraging over \$190M of investment in energy conservation. This is an example of a stellar and a very successful outreach program. BOMA Toronto understands the complexities of the CRE industry and knows how to rally both our membership and the industry in general, to drive positive change.

To ensure long-term success we recommend that the province of Ontario allocate sufficient resources for a special outreach program for the EWRB initiative. We would like to offer BOMA's assistance in managing such outreach program given our:

- Interest in making the EWRB regulation successful,
- Experience in designing, managing and delivering an international award winning energy conservation program,
- Influence in the sector- unique position as advocating for, and working with the real estate sector, and
- Continuous commitment to help improve building performance.

In addition to our unique industry qualifications, BOMA Toronto also maintains good relationships with local utilities, all three levels of governments, local post-secondary education institutions, and other industry stakeholders. This makes BOMA Toronto a real asset to the City's/Province's outreach initiatives related to the anticipated energy reporting and benchmarking regulation. We welcome the opportunity to discuss this with you further.

As a major stakeholder, BOMA Toronto applauds the efforts and the interest shown by the City of Toronto and the Province of Ontario in keeping us and our membership fully engaged in discussions and workshops leading up to the draft EWRB regulation, and we look forward to partner with the City and the Province to ensure that the final outcome is beneficial to all parties, and the overall objectives are achieved and sustained.

## REFERENCES

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2. Conservation First: A Renewed Vision for Energy Conservation in Ontario:  
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