



June 19, 2015
Parks and Environment Committee
City Hall
Toronto, ON M5H 2N2

RE: UPDATE ON ENERGY REPORTING AND BENCHMARKING BY-LAW FOR LARGE BUILDINGS (ITEM 2015.PE4.2)

Dear Committee Members:

Energy Reporting and Benchmarking policies for large buildings are a well established best practice which have already been implemented by leading cities around the globe, including New York City, Seattle, and Chicago. A benchmarking policy has the potential to generate significant environmental, social, and economic benefits for the City of Toronto. TAF supports the implementation of an Energy Reporting and Benchmarking policy in Toronto.

Energy-use in the built environment accounts for 50% of Toronto's greenhouse gas (GHG) emissions. In order to reach the City Council endorsed 2020 and 2050 emissions targets (30% and 80% below 1990 levels), major emissions reductions are required from Toronto's buildings. According to [policy impact research](#) commissioned by the City of Toronto, an energy reporting and benchmarking policy for large commercial and multi-residential buildings has the **potential to reduce GHG emissions by 3 million tonnes CO₂eq by 2035** (cumulatively). This would bring Toronto a major step closer to reaching its emissions targets.

Reducing emissions also means energy savings for building owners and operators. The City's research indicates **potential for \$1.9 Billion in cumulative energy savings by 2035**. These savings would help to improve housing affordability in both the apartment and condominium sectors, where utilities typically account for 30% of operating costs. In the commercial sector, these savings would also help make Toronto a more affordable and attractive place to operate a business and therefore help attract and retain employers and jobs.

Toronto's citizens and businesses currently spend over \$4B on electricity and natural gas each and every year, the vast majority of which leaves the local economy. Since spending on utilities generates very little employment compared to other types of expenditures, the redirection of \$1.9 Billion in cumulative energy savings into the local economy combined with related investments in energy efficiency has the **potential to create a cumulative total of 10,000 person years of employment by 2035**.

An energy reporting and benchmarking policy will also protect consumers and investors from making poor real-estate investment decisions based on lack of information. Consumers shopping for a car can compare the rated fuel economy of all the models on the market, but families buying a condominium, or investors buying real estate, are not able to access the same kind of relative energy performance information. Making building energy performance information available will **protect consumers and investors while strengthening market pressures for improvements in energy performance**.

A city-wide energy reporting requirement for large buildings would also generate a comprehensive database of building energy use information. This information will be of critical value to the City, as well as to utilities and other stakeholders. Access to this data would dramatically improve the City's ability to track progress against its GHG and energy conservation targets. It would also aid City Staff in developing new programs and policies to improve energy efficiency in buildings, and assist utilities in designing and targeting their conservation and demand management programs. Operational savings could be achieved by targeting conservation programs directly at the least efficient buildings. Energy-use data could also be mapped geographically to assess opportunities for district energy systems or other neighbourhood scale sustainable energy infrastructure.

TAF has been working closely with the City over the past year on the research and stakeholder consultation on this critical policy opportunity. The Staff team has done a tremendous job of engaging stakeholders from a wide variety of sectors in the development and evaluation of this policy. As the City's [Policy Development Consultation report](#) makes clear, the response from stakeholders was very positive. We are delighted to hear that the Province is now considering implementing a policy across Ontario. However, if the Province does not move forward, Toronto should join leading cities across the continent in implementing a city-wide energy reporting and benchmarking bylaw.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julia', with a stylized flourish at the end.

Julia Langer
Chief Executive Officer
Toronto Atmospheric Fund

Julia Langer, Chief Executive Officer

416-392-0253 (Office) | 416-338-0616 (Cell) | jlanger@tafund.org | toronto.ca/taf | 75 Elizabeth Street Toronto ON M5G 1P4