

June 22, 2015

Carol Kaustinen
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100 Queen Street West
Toronto, ON M5H 2N2

Parks and Environment Committee

RE: PE4.2: Update on Energy Reporting and Benchmarking By-law for Large Buildings

Councillor Berardinetti and Ms. Kaustinen,

The Building Owners and Managers Association of Greater Toronto Area (BOMA Toronto) would like to thank the City of Toronto for its ongoing collaboration and consultation with respect to *Mandatory Energy Reporting and Benchmarking for Large Buildings (ERB)*. As a major stakeholder in the province's Commercial Real Estate (CRE) industry, we are supportive of any initiative aimed at promoting building performance and environmental stewardship.

BOMA Toronto is a not-for profit industry association representing all leading building owners, property and facility managers, developers, corporate facility managers, leasing professionals, and a variety of companies that provide products or services to the commercial real estate industry. We develop, promote and advance best management practices in the real estate industry through advocacy, education and networking.

With respect to ERB, BOMA Toronto understands City's motivation for exploring this policy. According to a July 2014 staff-commissioned report, City's sustainability goals to be achieved by:

A. Improving Energy Security: Reduced demand for energy places less strain on Toronto's aging distribution infrastructure and therefore helps to mitigate the risk of power disruptions, while also better managing the needs of a growing city

B. Achieving GHG Targets: Given that approximately half of Toronto's GHG emissions are generated from buildings, the anticipated investment in buildings retrofits will drive gains in energy conservation, and in turn support the city's GHG emissions reduction goals (30% reduction by 2020)

C. Enhanced Programs & Policies: Developing a more accurate database of building energy consumption information provides the city, utilities and industry stakeholders with a resource to identify areas for improvement and better informs decision-making. This would allow for customization of programs and targeted policies to those buildings most in need of support.

We support City of Toronto's initiatives on the energy and environment fronts. However, as an association whose members own and manage buildings across Ontario, we recommend that the ERB initiative be made a provincial initiative by the Ministry of Energy in collaboration with the Ministry of Environment and Climate Change. We also believe that a policy such as this should not be rushed and should be clearly thought through with all stakeholders, and proper attention given to inherent issues associated with obtaining consumption data from the various utilities Ontario, lack of industry accepted data normalization methodologies that could be applied across all the asset types, as well as potential privacy concerns surrounding public disclosure of certain information that could be otherwise considered strategic by our members. Every effort must be made to protect the privacy and business interests of building owners and managers, and the businesses housed within the buildings.

It should be noted that 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 the ERB policy because of their own internal CSR and sustainability objectives and policies. For these properties, complying with the City's/MOE's ERB policy would be a reasonably straightforward extension of their current practice as long as it does not become a cost or administrative burden. However, these buildings constitute only a small fraction of the building stock covered by the ERB policy. As such, attention must be given and sufficient resources be allocated to engage the majority of the building stock, and 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.

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. As a major stakeholder, we applaud 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 to date, 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.

Sincerely,



Bala Gnanam
BOMA Toronto
Director, Sustainability & Building Technologies