

# Attachment 4 – Jurisdictional Scan

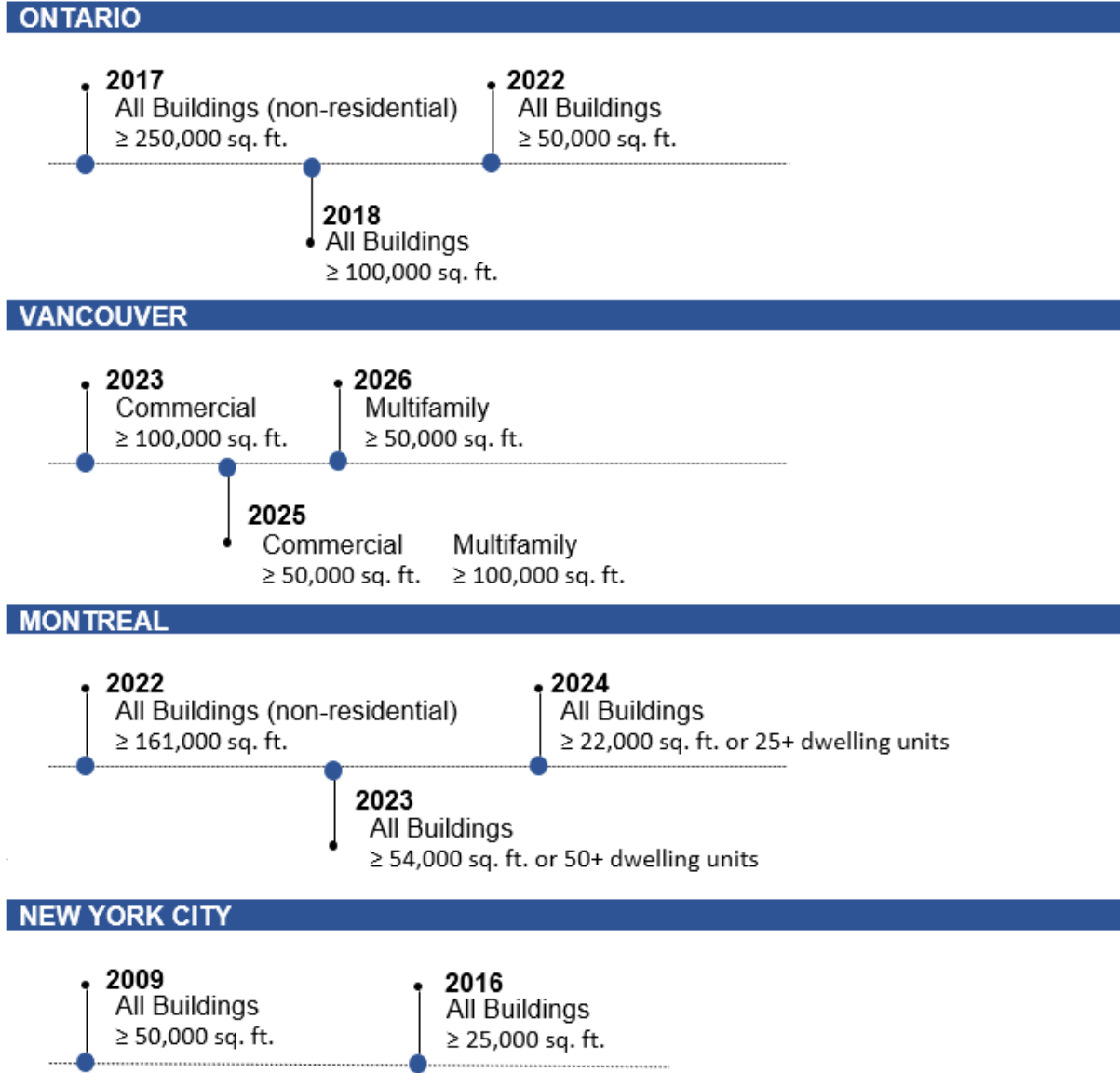
## Building energy performance reporting requirements in other jurisdictions

The reporting of building energy performance information by property owners is emerging as a leading strategy for cities across North America in implementing their climate action plans. The reporting of energy and emissions information by property owners is often referred to as ‘benchmarking and reporting’ requirements because the reporting allows property owners to compare their buildings or ‘benchmark’ their energy use or emissions relative to a certain period in time, relative to other buildings in their building portfolio, or relative to average values for buildings with similar building characteristics. In Canada, the cities of Vancouver and Montreal have already adopted mandatory energy and carbon reporting for large commercial and multifamily buildings. In the U.S., 54 jurisdictions have adopted building performance reporting requirements<sup>1</sup>. Figure 1 , below shows the implementation timelines for adoption of energy reporting laws in some key North American jurisdictions.

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<sup>1</sup> Institute for Market Transformation (2023). *Comparison of U.S. Commercial Building Energy Benchmarking and Transparency Policies*, [IMT-Benchmarking-Matrix-August-2023-1.pdf](#)

**Figure 1: Implementation for Building Performance Reporting laws in other jurisdictions**



Larger buildings continue to be overrepresented in most benchmarking and reporting laws, largely due to their energy savings potential and their ease of compliance – through both the low volume of reporters and the typical availability of dedicated energy management resources in these organizations. However, institutional, and large commercial buildings only account for 17% of Toronto’s total building emissions.<sup>2</sup> Benchmarking and reporting of emissions from smaller buildings is another critical component of reaching the City’s net zero by 2040 target.

<sup>2</sup> City of Toronto (2021). *Net Zero Existing Buildings Strategy*, p. 8, <https://www.toronto.ca/wp-content/uploads/2021/10/907c-Net-Zero-Existing-Buildings-Strategy-2021.pdf>

## Disclosure policies in other Jurisdictions

Several jurisdictions in North America that have adopted building energy performance reporting requirements that include some element of public disclosure of reported building performance information:

### Montreal

The City of Montreal assigns a “GHG emission performance rating” to each building based on reported building performance information. The city’s Greenhouse Gas Emission Disclosures and Ratings of Large Buildings by-law requires the rating to be posted by the owner and is published on the City’s website including both the building address and rating.

### Vancouver

The City of Vancouver’s Annual Greenhouse Gas and Energy Limits By-Law gives their Director of Planning the discretion to make available to the public anonymized information reported by building owners.

### New York

New York City makes non-anonymized information, including building address, property uses, gross floor area, energy and water consumption and performance ratings available online to the public. Additionally, each year, New York City releases a Covered Building List which lists information including building address and gross floor area for properties required to comply with reporting requirements that year.

## Fines & Compliance Rates in other Jurisdictions

The Executive Director, Environment & Climate Division will be applying to the Ontario Court of Justice for any new set fines for the proposed By-law. Given this process is unique to Ontario, it is important to note that the jurisdictional scan below does not include any Ontario municipalities.

### Montreal

Montreal’s Greenhouse Gas Emission Disclosures and Ratings of Large Buildings By-law applies to commercial properties that are at least 2,000 square meters (21,528 square feet) and multifamily properties with at least 25 units.

The fines for noncompliance by natural persons are set as follows:

- \$500 for a first offence
- \$1,000 for a second offence
- \$2,000 for each additional offence.

The by-law sets out more stringent fines (i.e. double the amounts listed above) for noncompliance by ‘legal persons’ (e.g. for buildings owned by corporations). As 2023 was the by-law’s first reporting year, the City of Montreal has yet to release data concerning compliance rates.

## Seattle

Seattle began issuing fines for noncompliance two years after their Energy Use Benchmarking Municipal Code came into effect in 2017.

- \$1,000 quarterly fine for each building larger than 50,000 square feet (6,458 square metres).
- \$500 quarterly fine for each building between 20,000-50,000 square feet (1,858-4,645 square metres).

The above fines accrue quarterly, commencing 90 days after the reporting deadline for each year of required building energy data. Additionally, a tenant that fails to provide benchmarking information to a building owner subject to reporting requirements may be subject to the following fines:

- \$150 fine for first violation
- \$500 fine for subsequent violations

Seattle has maintained a 99% compliance rate in the three years following penalty enforcement. The City attributes its call centre and fines as important contributors to maintaining such a high compliance rate.

## New York

New York City adopted its Local Law 84 benchmarking requirements in 2011, requiring all buildings larger than 25,000 square feet (2,323 square meters) to report annual whole-building energy use.

- \$500 fine each quarter for failure to report or inaccurate data.
- Additional \$500 for each quarter of non-compliance up to a maximum penalty of \$2,000 each year.

New York City completed a comparative analyses of compliance data in the first two years of their reporting requirements. Benchmarking compliance in year one was 64% and increased to 75% in year two. Neighbourhoods, such as Manhattan, with the most covered buildings, experience the highest level of compliance rates at 81%. Conversely, areas with the fewest covered buildings, such as Staten Island, had a compliance rate of only 42% in year one. In terms of sector specific compliance rates, multi-family and office sectors make up the highest compliance rates in all of New York.

New York City considered outreach efforts to be an effective instrument in achieving high compliance rates in a relatively short period of time. They also collaborated with local utility companies to ensure easy access to good quality utility data, and provided a Benchmarking Help Centre to assist building owners to navigate Energy Star Portfolio Manager and submit accurate data. In partnership with state-wide organizations, the City offered free online training and publications.