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December 2, 2025

Infrastructure and Environment Committee

Toronto City Hall

100 Queen Street West

Toronto, ON M5H 2N2

RE: Commercial Building Emissions Performance Standards (BEPS) in Toronto

We are writing to express strong support for the adoption of a Building Emissions Performance Standard (BEPS) for commercial buildings in the City of Toronto, in line with the targets set out in the TransformTO Net Zero Strategy. We are disappointed in the recent decision to pause progress on BEPS, as delaying action risks slowing Toronto's momentum at a critical moment. As organizations committed to advancing effective decarbonization policy, market transformation, and building sector competitiveness, we believe that a well-designed BEPS for commercial buildings will drive cost-effective emissions reductions, enhance building performance, and strengthen Toronto's position as a leader in North America's clean building transition.

BEPS are no longer experimental policy. They have been enacted in leading jurisdictions, including New York City, Boston, Washington, D.C., Denver, St. Louis and Vancouver. These cities have found that BEPS regulations deliver predictable, measurable emissions reductions while improving operational resilience, lowering operating costs and supporting local retrofit economies. The City of Toronto's own analysis shows that a BEPS policy can create up to 16,000 jobs.

Toronto is also home to one of Canada's strongest commercial real estate markets by size and economic significance, and it has a highly skilled building operations workforce (reflected by a high concentration of BOMA BEST-certified buildings). A BEPS program would leverage these strengths to deliver energy savings and emissions reductions while improving building marketability, tenant appeal and resilience.

As other major cities implement performance-based standards, the absence of a BEPS in Toronto risks creating long-term competitive disadvantages for the city's commercial real estate sector. Approving the development of a BEPS for commercial buildings within the current Council term – with clear compliance periods, an efficient administrative structure, and a strong support system for building owners in line with what city staff have proposed – would ensure that Toronto real estate remains aligned with leading jurisdictions and prepared for national and international capital market expectations.

We understand that a BEPS for commercial buildings will lay the groundwork for future standards, including for MURBs, and we are supportive of advancing this work with adequate protections for residents in place. We also expect the City of Toronto to maintain an open and collaborative engagement process with stakeholders throughout this evolution.

Signed,

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Corey Diamond, Efficiency Canada

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Cliff Majersik, Institute for Market Transformation