



# Energy and Carbon Emissions Reporting Requirements

**Engagement Summary Report: April 2024**

## Contents

Introduction .....	3
Engagement Objectives .....	3
Engagement Activities .....	4
Engagement outcomes .....	6
Interviews .....	6
Focus Groups .....	6
Information Sessions .....	8
Online Feedback .....	9
Conclusion .....	10
Appendix A: Pre-Focus Group Proposed Requirements .....	11
Appendix B: Post-Focus Group Proposed Requirements .....	17

## Introduction

The City of Victoria and District of Saanich conducted engagement on a proposed requirement for large buildings to report their energy use and carbon emissions (ECE) every year. The goals of this proposed requirement are to:

1. Develop a better understanding of greenhouse gas emissions from buildings
2. Use data to support development of programs, policies and incentives to support climate action
3. Increase owners and managers understanding of their buildings' performance
4. Improve energy and carbon management practices, and
5. Increase industry and public understanding and valuation of building performance

This proposed regulation aligns with the District of Saanich and City of Victoria's Climate Leadership Plans.

If adopted, the proposed regulation would require that building owners submit information about how much energy their buildings use and the amount of greenhouse gases (GHGs) they release. The program will offer a benchmarking service that compares a building's energy use with other similar buildings. This will help building owners make smart decisions to save energy, money and help the environment.

The City of Victoria and District of Saanich collaborated with the Capital Regional District (CRD) to conduct a series of engagements to inform the development of the proposed ECE Reporting requirement and supporting program. Staff from each organization supported multiple engagements with building and property managers across the two jurisdictions.

This document summarizes the three rounds of engagement:

1. The initial round of interviews with industry stakeholders
2. The second round consisted of four focus groups, which presented a proposed ECE reporting requirement for discussion and feedback; and
3. Two information sessions that reported out on the final proposed requirement, including changes that were made based on the results of the focus groups.

In addition, information on the proposed requirement was shared on the online engagement platforms Have Your Say (Victoria.ca) and HelloSaanich (Saanich.ca), with an opportunity to provide written feedback to the municipalities.

## Engagement Objectives

The engagement objectives were to:

### Phase 1 engagement:

- Share information regarding the benchmarking initiative.
- Obtain initial input on
  - The best means to connect with building owners, managers and strata councils.
  - Potential impacts of the requirements building owners, managers and strata councils.
  - Potential supports needed, and
  - Thresholds (i.e. which buildings would be required to report, and which would be excluded)

### Phase 2 engagement:

- Obtain input on the proposed energy and carbon emission reporting requirements (proposed requirement)
- Identify supports to manage any challenges to complying with the proposed requirement

Phase 3 engagement:

- Inform meeting attendees of the proposed requirement changes subsequent to the focus group sessions.
- To create a space for additional feedback

## Engagement Activities

Engagement was conducted over four months from December 2023 through to the end of March 2024. The three rounds consisted of interviews with key stakeholders that represent building owners, managers, and strata council interests, four focus groups, and two information sessions. Feedback was also sought on an ongoing basis through both the City of Victoria and District of Saanich online platforms. Changes to the proposal were made throughout and following the engagement.

### Industry Stakeholder Interviews:

A series of interviews was held with industry association representatives in December of 2023 by staff from the Capital Regional District (CRD), City of Victoria and the District of Saanich. The associations consulted included:

1. Building Owners and Managers Association (BOMA).
2. Urban Development Institute (UDI): Vancouver Island Chapter.
3. BC Non-Profit Housing Association (BCNPHA).
4. LandlordBC (LLBC).
5. Vancouver Island Strata Owners Association (VISOA).
6. Condominium Home Owners Association (CHOA).

The one-hour interviews included a short presentation by municipal representatives on ECE reporting and benchmarking followed by clarifying questions from the industry associations. Local government staff asked series of interview questions on issues of reporting, data collection, jurisdictional alignment, and disclosure. Greater Victoria Housing Society was also included in the interviews and BC Housing was engaged prior to the focus group meetings.

The information from the interviews, the experience with Building Benchmark BC energy and emissions reporting program, and a draft resource titled *Step by Step Guide Supporting Local Government in British Columbia to Implement Energy Benchmarking* developed by BC Hydro and Introba Canada, was used to develop the proposed requirement found in Appendix A. Appendix A was the subject of the focus group sessions.

### Focus Group Sessions:

A series of four focus group sessions were held online in early March of 2024. These sessions were promoted through the associations mentioned above and widely via direct mail to building owners on the municipal tax rolls from the District of Saanich and the City of Victoria. Each of the first three focus groups focused on a specific building use:

1. Commercial buildings.
2. Strata and condo buildings.
3. Market and non-market rentals.

The fourth session was a catch all for those who were not able to make the first three meetings. Thirty-seven participants participated across the four focus groups.

The focus groups were two hours long and were hosted by staff from CRD, City of Victoria and the District of Saanich. Each involved a short presentation of the proposed requirement (Appendix A) followed by open discussion guided by a municipal facilitator. Discussion topics included:

- Data access and reporting.
- Building owner supports needed for reporting.
- Jurisdiction overlap and alignment.
- Privacy and disclosure.
- Thresholds and reporting exclusions.

## **Information Sessions**

At the information sessions staff presented the revised proposed requirements, highlighting the changes that were informed by the focus group feedback. The intent was not to facilitate a discussion but rather communicate the updates, answer any clarifying questions and encourage attendees to provide further feedback in writing via email or online. 25 people participated in the two information sessions. The information presented at the information sessions and the changes made is detailed in Appendix B.

## **Additional Feedback**

Continuous feedback was collected between February 21 until March 25 via the online engagement platforms Have Your Say (@City of Victoria) and HelloSaanich (@District of Saanich). The information sessions and the asynchronous online engagement opportunities were also promoted through the industry associations mentioned above and via direct mail to building owners on the municipal tax rolls from the District of Saanich and the City of Victoria.

# Engagement outcomes

## Interviews

Industry associations were all aware to some extent of the concept of ECE reporting and benchmarking in other jurisdictions. Many had members that participate in Building Benchmark BC, a voluntary program that is supported by both Victoria and Saanich. In the case of the BCNPHA, they have been operating a benchmarking program for their members. After Saanich and Victoria staff presented their respective Council's direction regarding ECE reporting, the industry associations provided their insights about their member's circumstances, potential limitations, and potential challenges including fringe cases that the ECE policy framework would have to contend with.

### *DATA ACCESS AND REPORTING*

Many comments related to potential energy utility data issues. In the case where there are multiple units, utility account aggregation would be required so that no one person's energy consumption is being examined and reported. In rental buildings, for example, one interviewee commented that: "Fortis[BC] doesn't provide any type of aggregation at this time. Although to be fair usually it is only one or two meters." Several interviewees indicated that BC hydro currently provided a working aggregation service for 10 or more units and that BC Hydro were looking to "drop that to 4 units sometime."

One of the issues reportedly holding FortisBC back from sharing the data was privacy. One industry representative indicated that the energy data was confirmed to be private by a correspondence with a provincial official.

Issues were also reported with automated processes when the building owner had requested that data be uploaded to an online benchmarking software. One interviewee indicated that when account owners linked their accounts to the Energy Star Portfolio Manager (ESPM) reporting software that "Every year they have to go and fix the data. In some cases it's from dropped data. In lots of cases FortisBC has to go and enter the data manually."

In some more fringe cases the data might be complicated by a special strata organization in a building called an Air Space Parcel. In this structure, ownership may be stacked. According to representatives, "Each 'section' will take a separate analysis. A building with airspace parcels will have unpredictable energy results."

The last data concern expressed was building owners access to their building area. "Accurate data is key..." "They [building owners] don't necessarily know the square footage."

### *DISCLOSURE*

Overall, industry representatives indicated concern with disclosure where the building address was identified on a map in terms of how it might affect the building owner or potentially, the tenant.

All interviewees indicated that they would provide support with membership engagement.

## Focus Groups

The content of the four focus groups varied. A small minority of participants spoke in opposition to the proposed requirement, while others spoke in direct support of the initiative. All participants spoke to how the proposed requirement might be made beneficial to them.

Specific exemptions were a topic of conversation in the strata focus group, but very limited discussion occurred on the topic in the other groups. Public disclosure and reporting were the focus of the other session. The importance of clear communication from the municipalities was also a topic of discussion

across the focus groups apart from the strata focus group. Overall, there was limited discussion about specific supports needed, although all sessions underscored potential capacity issues with reporting and those with experience in reporting energy and emission data underscored that support was critical.

#### DATA ACCESS AND REPORTING

As with the interviews, participants across the focus groups *cited concerns about accessing FortisBC natural gas data*. One participant indicated that they “don’t remember seeing a gap on Hydro, but it happens often with Fortis. Until we have consistency we are going to have problems with hundreds of accounts because of Fortis.” Municipal facilitators were able to indicate that FortisBC was in the process of improving their data request, aggregation, and automation processes.

*Harmonization and capacity constraints* of data reporting was raised, with one participant indicating “we have different regulatory agencies asking for a lot of things. A lot of private owners are going to struggle with this.” Other participants indicated that they had other reporting requirements related to corporate ESG commitments, energy management initiatives, or in the case of strata corporations, the need to provide an electrical capacity report in response to new provincial legislation. Strata participants saw this as a potential duplication with one participant commenting that “the electrical planning report is far more useful to provide options for energy efficiency as it is building specific after a review by a professional.”

On the other hand, several participants indicated the proposed requirement appeared to be similar to existing energy monitoring practices and regulations outside of BC. A commercial participant indicated that “this is in alignment with what we are already doing [in other jurisdictions].” Reporting energy consumption of buildings via Energy Star Portfolio Manager was also considered a common practice by numerous participants with buildings only in this jurisdiction. The process of data validation was discussed in two of the focus groups, as were the reporting deadlines for various jurisdictions in relation to harmonization.

*Accessing tenant or occupant data* was the subject of conversation at all focus groups. Municipal facilitators indicated that utility data aggregation is expected to support most of the reporting for tenant owned data, and that where data aggregation was not feasible, tenants would be required to provide data to the owner so that owners can report.

#### COMMUNICATION

Participants across several of the focus groups indicated that *clear lines of communication between the local government and the owners/tenants was critical*. This issue was a particular point of discussion for those owners or managers of commercial properties whose tenants may be required to provide their utility account number or report their energy use data through their landlord or building owner. Participants expressed the need to for the municipality to articulate the requirements so that the landlord was not put in the position of having to effectively enforce the municipality’s requirements, which would compromise their relationship with their tenant. A participant who was a tenant also underscored this as the communication thus far about the proposed requirements did not make it clear who was responsible for reporting.

Owners also felt it was important that the regulation apply to the building occupant, and not only the owner, so they would have the leverage needed to collect the data from tenants. They also cited some specific supports that municipalities could provide in this regard, such as standard form letters about reporting requirements that they could share with their tenants.

Another discussion point was the need to *clearly communicate the benefits of ECE reporting* and being careful not to “assume building owners are wasteful” of energy in the process of communicating the benefits.

#### THRESHOLDS

Strata participants provided some unique details related to data concerns, with one example in which a strata complex included some buildings that would be subject to the proposed requirements, and other buildings that would not be. The participants raised questions about whether these buildings were discretely metered, and whether BC Hydro would be able to effectively aggregate them at the building level. This led to the *suggestion that the entire strata complex be exempted if not all buildings within the strata corporation*

*meet the thresholds* for the proposed requirement. An *exemption* was also suggested for stratas that are in the process of “winding down” to no longer own the subject property in common.

#### **PUBLIC DISCLOSURE AND PRIVACY**

Disclosure was the subject of discussion at all focus groups. There was *concern with full disclosure of data*, that includes a map and an identified address across all building types. For rentals, a concern was that the tenant advocates would “weaponize this information” and it would lead to greater hostility between landlords and tenants. Another commercial building owner indicated a “safety concern for our tenants”, with a fear that there could be hostilities from the public if the building performed poorly or if they were seen to be lagging on environmental action. One strata participant indicated that they were concerned about the affect disclosure could have on “selling units.” The most common sentiment from participants was that full public disclosure would be undesirable.

This was not unanimous though, for one commercial building operator, disclosure was the “last of [their] worries.” One rental operator indicated that “mandates to disclose are absolutely necessary if we are going to make any meaningful impacts from buildings.” Further, they noted that as a potential purchaser of rental buildings, energy use information would be “useful to know,” though they added the caveat that access to this information was “not a deal breaker, but a convenience thing.”

#### **CONCURRENT JURISDICTION AND BUILDING EMISSION LIMITS**

The issue of *future regulations* came up in two focus groups. The first concern which was discussed across the focus groups was that the proposed requirements would become redundant and duplicative if the Province is planning on implementing their own requirement for buildings to report ECE data annually. Municipal facilitators indicated that municipalities have requested that the province establish a benchmarking requirement and that the Province has signalled that no requirement is forthcoming. The second concern was that future building emission regulations were being considered by the City of Victoria and District of Saanich and the proposed regulation was the precursor to such a regulation. Municipal facilitators indicated that emission regulation were not being considered as a part of this initiative and that there was no mandate from council to pursue such a regulation.

#### **SUPPORTS**

Participants identified several potential supports or examples of programs that provide support including:

- “informational webinars” on any reporting requirements established in bylaw
- “a list of things needed to set up the account and the utility account connection... ‘you will need these five things to set it up’ (in ESPM)”
- “Tenant engagement resources (green lease language)- on boarding with any new tenant”
- “easy-to-follow instructions for a strata council member.”
- “I’d like to see the system tested by more stratas before any regulation is implemented.”
- “Marketing [material to] stratas as a support not a burden”
- “The City of Vancouver and FRESCo made it very easy [via the Rental Apartment Retrofit Accelerator Pilot Program (RARA)]. Providing that level of support would be great.”

### **Information Sessions**

The Information sessions followed a week after the focus group sessions. The information sessions presented feedback heard to date and an updated proposed requirement (Appendix B) based on the results of the focus groups. The changes included:

1. A shift to voluntary disclosure, with an option for “opting out” of a building being displayed on a public map, and only anonymized data to be published publicly for all buildings (no address or ownership/management information)
2. Adding language to highlight the importance of climate adaption, in addition to GHG reductions
3. Including the requirement that building owners/managers provide contact information

4. Additional definitions to make it more clear on buildings that are excluded from reporting
5. Additional exemptions, including for newly constructed buildings (year of occupancy), and where utilities are unable to provide data

The two information sessions had 25 participants with very few questions. These sessions included a short presentation about the Building Benchmark BC voluntary benchmarking program. The Building Benchmark BC program was introduced as a case study of what a reporting requirement and associated support program might look like.

Most of the questions from the first information session focused on understanding the Building Benchmark BC program including the cost of and other questions about participating, and the specifics of reporting.

Two questions were answered pertaining to the Proposed Requirement these included:

1. What happens if they don't report? ... When it's mandatory, will they be financially penalized if they don't report?
  - a. The District and the City will promote compliance, particularly in the early phases of program implementation, with capacity building, education and by providing incentives to participation, such as by providing valuable report scorecards to program participants. - excerpt from the program proposal... like any bylaw of this nature, there will be an enforcement mechanism, the details of which are TBD. Like all bylaws, the enforcement mechanism will be used when many other efforts have failed, and no exception applies. If someone is actively trying to report, then it is hard to imagine them being fined, or otherwise caught on the wrong side of an enforcement mechanism.
2. Comments I heard seemed to be inconsistent. Once the property is "registered" is the data being entered "automatically"? If so, why would a manual "annual report" be necessary. You should have all the data that was uploaded automatically.
  - a. All the information should be, through the portal, available to the local government through the read only access the local government has been granted. We should be able to access the data without you having to do anything. However as we mentioned, sometimes there might be missing bills from the previous year or an account that has been dropped. So there is a requirement for the building owner to make sure everything is complete by the deadline each year.

There were no questions from the second session.

## Online Feedback

Collectively, nine email correspondences and three comment threads were received regarding the proposed requirement. The themes of the correspondences aligned with the focus group results.

The most frequent comments or requests via the online feedback were *requests for more information*, including about who reports, how the reporting might occur for stratas, and what would be required to be reported. These conversations led to reference material developed and allowed for refinement in those materials. These respondents did not reject the proposed requirement, but rather were seeking to understand it.

On theme with the results from the focus groups, several comments brought up *concerns about owner capacity to fulfill the proposed requirements*; this implicated the relationship between tenants and landlord/owners. One respondent went as far to indicate that this proposed requirement will result in "more costs, with zero benefits," but did not go into any detail with regard to why that was the case.

The remaining comments expressed *concern about the goals* as it relates to targeting the building types in the proposed requirements, and how this might lead to penalties for emitting carbon. Respondents were informed that neither local government has a mandate to pursue any carbon emission penalty.

One respondent *questioned anthropogenic climate change* and the need for the new regulation.

One correspondence spoke to how *valuable this data will be for region specific research*, and for potential policy and program development at the provincial level. In other words, the results of this requirement could support policy and programs at multiple levels of government.

## Conclusion

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The engagement participants provided many thoughtful comments that have helped to shape the proposed requirement. The repeated comments and discussion between the sessions and engagement phases suggest that most of the potential issues associated with the proposed requirement are now known.

Based on the feedback collected it is reasonable to conclude that the proposed requirement is in-line with other requirements in other jurisdictions and is generally feasible. There is some concern that this will lead to undue reporting burden for building owners, which underscores the need to provide supports that enable building owners to report. There is also concern that the proposed requirement will lead to owners being penalized for carbon emissions, which underscores the need to be very clear what the proposed requirement means, and what it does not. The major thrust of the feedback focused on making this work for building owners and local governments.

The feedback provided through this engagement process will inform the final program proposals which will be presented to various council's in the Capital Regional District. It will also help to inform the development of supports for property owners, managers and strata council members to ensure that participation in an energy and carbon emissions reporting and benchmarking program is as clear and simple as can be.

## Appendix A: Pre-Focus Group Proposed Requirements

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District of Saanich and City of Victoria

### **Energy and Carbon Emissions Reporting Requirement**

DRAFT POLICY

February 2024



## Purpose

The purpose of this document is to outline a proposed Energy and Carbon Emissions Reporting Requirement for feedback. Interested parties can offer feedback at any point during the engagement process.

## Background

The City of Victoria and District of Saanich are working together to address climate change and help building owners and managers reduce greenhouse gas (GHG) emissions. To do this, we are introducing a requirement for large buildings to report their energy use and carbon emissions every year. This regulation aligns with our municipal climate plans and goals.

Building owners will need to submit information about how much energy their buildings use and the amount of greenhouse gases (GHG) they release. We will also offer a benchmarking service that compares a building's energy use and operation with similar buildings. This will help building owners make smart decisions to save energy, money and help the environment.

Energy and carbon emissions reporting (ECE reporting) has several benefits for building owners and managers as well as municipalities:

1. **Insightful Data Collection:** ECE reporting will allow for the collection of monthly data on energy consumption and emissions, providing a detailed understanding of how buildings use energy resources.
2. **Identification of Efficiency Opportunities:** Analyzing energy use data empowers building owners to identify specific areas where energy efficiency improvements can be made to reduce energy waste.
3. **Financial Savings:** Improved energy efficiency informed by benchmarked energy and emissions data often leads to reduced utility bills.
4. **Environmental Impact Reduction:** Reduced energy consumption directly contributes to lower greenhouse gas emissions by allowing building owners and municipalities to track and manage emissions.
5. **Market Competitiveness and Tenant Attraction:** Energy efficient and low carbon buildings are increasingly attractive to tenants and investors. By showcasing commitment to sustainability through benchmarking, building owners can attract environmentally conscious tenants and potentially enhance property value.
6. **Policy and Planning Initiatives:** Energy and carbon emissions data can inform decision making by city planners and policy makers, allowing them to design effective energy policies and develop better programs to support climate action.

## Policy Goals

With the energy and carbon emissions reporting requirement, the District of Saanich and the City of Victoria aim to achieve the following goals:

- reduce carbon emissions from its buildings sector
- develop programs, policies and funding streams to support climate action
- provide building owners and managers with the data needed to improve their building's energy performance
- enhance industry and public awareness of building energy and emissions performance
- reduce greenhouse gas (GHG) emissions from buildings throughout the community

## Guiding Principles

The following principles are being used to guide the policy development process:

- **consistency:** ensure reporting requirements are consistent in both jurisdictions to make it easier for building owners and managers to comply and allow for comparisons across jurisdictions
- **effectiveness:** design and implement an energy and emissions reporting program to successfully reduce the overall greenhouse gas emissions of large buildings
- **equity and fairness:** avoid any disproportionate impact on specific groups
- **transparency:** provide clear and accessible information to the public about the program's goals and design, as well as share benchmarking data used to inform decision making
- **capacity building:** provide ongoing support and education to building owners and managers to ensure the success of the program.

## Proposed Energy and Carbon Emissions Reporting Requirement

The following section outlines the requirement for energy and carbon emissions (ECE) reporting that is being proposed by the City of Victoria and the District of Saanich and will be the subject of engagement activities in March 2024.

### Reporting Requirement Implementation Schedule

If approved, buildings with a size of 10,000 square feet (929 square metres) or more must share information about their energy use and carbon emissions with the City or District. This will happen according to the schedule in Table 1 below. The requirement to share this data will start gradually over two years to make sure the reporting systems are working well and that support programs can help property owners who are reporting for the first time. In the first year, it's up to the property owners if they want to make this information public. However, in the second year, it becomes mandatory for all buildings that fall under this reporting requirement.

To make things easier, the buildings are split into two groups for this gradual process.

#### Cohort 1

All buildings, 30,000 square feet or larger.

First Reporting Deadline: June 1, 2026, reporting 2025 performance.

First Public Disclosure year: 2027

#### Cohort 2

All buildings, 10,000 square feet or larger.

First Reporting Deadline: June 1, 2027, reporting 2026 performance.

First Public Disclosure year: 2028

Year	2025	2026	2027	2028
Implementation	Voluntary	Cohort 1	Cohort 2	
Disclosure	Voluntary		Cohort 1	Cohort 2

### Data Reporting Requirements

Each year, owners or managers of buildings that are required to report must submit energy data for the previous calendar year by **June 1**. For example, when Cohort 1 is required to report in 2026, they will be required to share their data for January 1, 2025 – December 31, 2025 by June 1, 2026.

If a building owner would like to contest that they are subject to the requirement based on their building floor area, they may be required to submit one or more sources of verification, such as:

- a recent energy audit
- engineering drawings
- other documents signed off by a professional engineer

### Required Data

Every energy and carbon emissions report must include:

- building address
- building's primary occupancy as defined in Energy Star Portfolio Manager (ESPM)
- other occupancies as defined in ESPM
- gross floor area for each building occupancy
- percentage of building occupied

- name of person submitting the report
- owner(s) of the building
- year of construction
- number of residential units
- number of active energy meters by fuel type
- number and level of electric vehicle chargers (where applicable); and

Building performance information, as follows:

- annual site energy use
- annual site energy use
- annual weather normalized site energy use
- annual weather normalized energy use intensity
- annual greenhouse gas emissions
- annual greenhouse gas emissions
- monthly utility data in aggregated units (where available)
- energy use through electric vehicle chargers (where applicable).

Data on energy consumption will be collected by:

- (1) obtaining data through ESPM
- (2) obtaining data from a utility provider
- (3) collecting site energy data from all tenants

## **Mechanism for Reporting and Disclosure**

The energy and carbon emissions reporting requirement will apply to any building over 10,000 square feet. It is up to the building owner to submit their energy data; if the utility cannot aggregate the data, tenants will be required to provide their utility data to the owner.

Data must be reported through Energy Star Portfolio Manager (ESPM) by setting the City/District and a designated third-party administrator (contracted by the City/District) as “read-only” on the building’s ESPM account. This will enable the City/District to extract the information and metrics required for reporting.

## **Why this approach?**

- minimizes time and capacity requirements for owners by taking advantage of automatic data uploads from the utilities, eliminating the need to prepare and submit an annual report
- uses verification features that will improve data quality and alert the owners of any data issues that need to be resolved
- uses standardized analysis methods to incorporate weather and climate effects on energy performance
- uses the free, online tool that is licensed by the Government of Canada and accompanied by a wide range of cost-free training resources and technical assistance

Public disclosure of data will be provided in a public dashboard (an online, interactive map), and may include:

- building address
- building ownership
- property type (benchmarking category)
- gross floor area
- year of construction
- energy use intensity (EUI)
  - EUI benchmarked rank
- GHG intensity
  - GHG intensity benchmarked rank
- Total GHG emissions
  - Total GHG emissions benchmarked rank

- Energy Star score
  - Energy Star score benchmarked rank
- Compliance status

## Compliance and Enforcement

The District and the City will promote compliance, particularly in the early phases of program implementation, with capacity building, education and by providing incentives to participation, such as by providing valuable report scorecards to program participants.

## Exemptions and Extensions

The following are exempt from the requirement to report:

- buildings smaller than 10,000 square feet
- residential buildings that are considered “Part 9” under the BC Building Code or take the form of single family detached or single family attached buildings (including rowhouses, townhouses, multi-plexes and duplexes)
- buildings with a single residential occupancy and four or fewer residential units
- mixed use buildings where the primary occupancy (i.e. 50 per cent or more of gross floor area) is residential and containing four or fewer residential units
- buildings which have received an annual reporting exemption

A process for requesting annual exemptions to report and/or publicly disclose data will be provided and considered in extenuating circumstances, such as:

- where a demolition permit has been issued and demolition has commenced
- where over 50 per cent of the building’s gross floor area was not occupied by the owner or tenant throughout the consecutive 12-month period prior to the reporting compliance date
- where a building owner can demonstrate financial distress such as:
  - the building has arrears of property taxes that resulted in the building’s inclusion on the City’s annual tax lien sale list
  - the building has a court-appointed receiver in control of the asset due to financial distress
  - the building is owned by a financial institution through default by the borrower
  - the building has been acquired by a deed in lieu of foreclosure

## Support Services

The District and the City in collaboration with the CRD will support you to ensure the program is effective and ensure you receive value for your participation.

These services are likely to include, but are not limited to:

- 1. Help Desk/Help Centre:** You can ask questions or get help if you're having trouble following the rules. They can help you find the information you need, set up an account and fix any problems with the data.
- 2. Resource Library:** There will be a collection of written materials to help you understand rules. This includes fact sheets, checklists, guides, FAQs and links to other helpful resources.
- 3. Webinars and Training:** You can attend online or in-person sessions to learn about the rules, how to follow them, and what support and resources are available. You can also ask questions during these sessions.
- 4. Data Interpretation Tools:** Tools will be provided to help building owners understand the benchmarking information and make smart decisions about improving their building's performance. This might include maps, yearly reports, or plans with information on other programs and incentives.

## Appendix B: Post-Focus Group Proposed Requirements

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District of Saanich and City of Victoria

### **Energy and Carbon Emissions Reporting Requirement**

DRAFT POLICY

March 2024



## Summary of Edits

Page 4: Adding in additional language to highlight the importance of supporting climate adaptation

Page 5: Adjusted the language for the disclosure of data to reflect the change to optional disclosure

Page 6: Including the requirement that building owners/managers provide current contact information

Page 7: Significant changes to disclosure policy. Making it an option for building owners/managers who wish to, to opt out. Also describing the way anonymized data will be made available for research purposes.

Page 8: Some changes to definitions to make it more clear which buildings are excluded from reporting. Providing for additional annual exemptions for data disclosure, and data reporting.

## Purpose

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Building owners will need to submit information about how much energy their buildings use and the amount of greenhouse gases (GHG) they release. We will also offer a benchmarking service that compares a building's energy use and operation with similar buildings. This will help building owners make smart decisions to save energy, money and help the environment.

Energy and carbon emissions reporting (ECE reporting) has several benefits for building owners and managers as well as municipalities:

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6. **Policy and Planning Initiatives:** Energy and carbon emissions data can inform decision making by city planners and policy makers, allowing them to design effective energy policies and develop better programs to support climate action.

## Policy Goals

With the ECE reporting requirement, the District of Saanich and the City of Victoria aim to achieve the following goals:

- reduce GHG emissions from buildings throughout the community;
- support the adaptation of buildings to the changing climate
- develop programs, policies and funding streams to support climate action;
- provide building owners and managers with the data needed to support improvements to their building's energy performance; and
- enhance industry and public awareness of building energy and emissions performance.

## Guiding Principles

The following principles are being used to guide the policy development process:

- **consistency:** ensure reporting requirements are consistent in both jurisdictions to make it easier for building owners and managers to comply and allow for comparisons across jurisdictions;
- **effectiveness:** design and implement an energy and emissions reporting program that supports a reduction in the overall GHG emissions and improves the climate resilience of large buildings;
- **equity and fairness:** avoid any disproportionate impact on specific groups;
- **transparency:** provide clear and accessible information to the public about the program's goals and design, as well as share benchmarking data used to inform decision making; and
- **capacity building:** provide ongoing support and education to building owners and managers to ensure the success of the program.

## Proposed Energy and Carbon Emissions Reporting Requirement

The following section outlines the draft requirement for ECE reporting that is being proposed by the City of Victoria and the District of Saanich. This has been developed to help inform the engagement activities in March 2024. The intention is to receive input and feedback on the proposed approach.

### Reporting Requirement Implementation Schedule

If approved, buildings with a size of 10,000 square feet (929 square metres) or more must share information about their energy use and carbon emissions with the City or District. This would happen according to the schedule in Table 1 below. The requirement to share this data will start gradually over two years to make sure the reporting systems are working well and that support programs can help property owners who are reporting for the first time. In the first year, it will be up to the property owners if they want to make this information public. However, in the second year, public disclosure will become mandatory for all buildings that fall under this annual reporting requirement.

To make things easier, the buildings are split into two groups for this gradual process.

#### Cohort 1

All buildings, 30,000 square feet or larger.

First Reporting Deadline: June 1, 2026, reporting 2025 performance.

First Public Disclosure year: 2027

#### Cohort 2

All buildings, 10,000 square feet or larger.

First Reporting Deadline: June 1, 2027, reporting 2026 performance.

First Public Disclosure year: 2028

Table 1: Schedule for First Year of Energy and Carbon Emissions Reporting Requirements

Year	2025	2026	2027	2028
Implementation	Voluntary	Cohort 1	Cohort 2	
Disclosure	Voluntary	Voluntary	Cohort 1 – Disclose by default – opt out available	Cohort 2 – Disclose by default – opt out available

### Data Reporting Requirements

Each year, owners or managers of buildings that are required to report must submit energy data for the previous calendar year by **June 1**. For example, when Cohort 1 is required to report in 2026, they will be required to share their data for January 1, 2025 – December 31, 2025 by June 1, 2026.

If a building owner would like to contest that they are subject to the requirement based on their building floor area, they may be required to submit one or more sources of verification, such as:

- a recent energy audit;
- engineering drawings; or
- other documents signed off by a professional engineer.

### Required Data

The software used for data inputs and reporting will be [Energy Star Portfolio Manager](#) (ESPM), which is a free online tool licensed and maintained by the Government of Canada.

### Energy Star Portfolio Manager Set Up

Setting up an ESPM account for a building requires the following inputs, which will also be included in the ECE report:

- building address;
- building's primary occupancy as defined in Energy Star Portfolio Manager (ESPM);
- other occupancies as defined in ESPM;
- gross floor area for each building occupancy;
- percentage of building occupied;
- name of person submitting the report;
- owner(s) of the building;
- year of construction;
- number of residential units;
- number of active energy meters by fuel type; and
- number and level of electric vehicle chargers (where applicable).

In addition to building information, current building management contact information must be made available including:

- email address
- mailing address
- phone number

### Annual Reporting

Building owners may connect their energy utility (i.e. BC Hydro and FortisBC) accounts to their ESPM account to enable automatic data uploads for their monthly energy use. Building performance information that is required in the ECE is calculated by ESPM and includes:

- annual site energy use;
- monthly utility data in aggregated units (where available); and
- energy use through electric vehicle chargers (where applicable).

These three metrics will be used by the program administrator to calculate:

- annual weather normalized site energy use ;
- annual weather normalized energy use intensity;
- annual GHG emissions and intensity;

Data on energy consumption will be collected by:

- (d) obtaining data through ESPM, as described above
- (e) obtaining data from a utility provider, and uploading/entering it into ESPM
- (f) collecting site energy data from all tenants, and uploading/entering it into ESPM

BC Hydro aggregates building data for residential buildings that contain five or more units, and for commercial buildings that contain three or more electricity service accounts. For buildings or occupancies with fewer accounts than these thresholds, a building data authorization form may be filled out to make the request and signed off by the account holder or authorized user.

FortisBC is also developing an automated data aggregation service that we expect will be similar to BC Hydro's system. It is expected this will be in place before any requirement is in effect.

### Mechanism for Reporting and Disclosure

The energy and carbon emissions reporting requirement will apply to any building over 10,000 square feet. It is up to the building owner to submit their energy data; if the utility cannot aggregate the data, tenants will be required to grant permission or provide their utility data to the owner as described above.

#### Set Up a Property: Basic Property Information

Tell us a little bit more about your property, including a name that you will use to look up your property and its address.

**About Your Property**

Name: \*

Country: \* --- Select ---

Street Address: \*

City/Municipality: \*

County: \*

State/Province: \* --- Select ---

Postal Code: \*

Year Built: \*

Gross Floor Area: \* [ ] Sq. Ft. [ ] Temporary Value

Gross Floor Area (GFA) is the total property floor area, measured from the principal exterior surfaces of the building(s). Do not include parking. [Details on what to include.](#)

Irrigated Area: [ ] Sq. Ft.

Occupancy: \* [ Select ] %

Property Photo (optional): [ Choose File ] No file chosen

Select an image file on your computer with the format type of .jpg, .jpeg, .png or .gif. Photos will be resized to fit a space of 2.78 inches wide x 2 inches tall.

Data must be reported through Energy Star Portfolio Manager (ESPM) by setting the City/District and a designated third-party administrator (contracted by the City/District) as “read-only” on the building’s ESPM account. This will enable the City/District to extract the information and metrics required for reporting.

*Why this approach?*

- minimizes time and capacity requirements for owners by taking advantage of automatic data uploads from the utilities, eliminating the need to prepare and submit an annual report;
- uses verification features that will improve data quality and alert the owners of any data issues that need to be resolved;
- uses standardized analysis methods to incorporate weather and climate effects on energy performance; and
- uses the free, online tool that is licensed by the Government of Canada and accompanied by a wide range of cost-free training resources and technical assistance.

## **Public Disclosure**

Public disclosure of data will be by default (see exemptions for more details) and will be provided in a public dashboard (an online, interactive map), and will include:

- building address
- property type (benchmarking category)
- gross floor area
- year of construction
- energy use intensity (EUI)
  - EUI benchmarked rank
- GHG intensity
  - GHG intensity benchmarked rank
- Total GHG emissions
  - Total GHG emissions benchmarked rank
- Energy Star score
  - Energy Star score benchmarked rank
- Compliance status

All data, with the following exceptions, will be made available for public use in .csv format through an open data portal:

- name of person submitting the report;
- owner(s) of the building;
- building address;
- Contact information

Intention is to exclude identifiable information while providing access to data for research and development purposes.

## **Compliance and Enforcement**

The District and the City will promote compliance, particularly in the early phases of program implementation, with capacity building, education and by providing incentives to participation, such as by providing valuable report scorecards to program participants.

## **Exemptions and Extensions**

The following are exempt from the requirement to report:

- buildings smaller than 10,000 square feet
- single family detached or single family attached buildings including rowhouses, townhouses, houseplexes, triplexes and duplexes
  - houseplex means a building having no less than three and no more than six self-contained dwelling units, with at least half of the total dwelling units having direct access to the outside for ingress and egress

- buildings with a single residential occupancy and four or fewer residential units
- mixed use buildings where the primary occupancy (i.e. 50 per cent or more of gross floor area) is residential and containing four or fewer residential units
- buildings which have received an annual reporting exemption

A process for requesting annual exemptions to report data will be provided and considered in extenuating circumstances, such as:

- where a demolition permit has been issued and demolition has commenced
- where over 50 per cent of the building's gross floor area was not occupied by the owner or tenant throughout the consecutive 12-month period prior to the reporting compliance date
- where a building owner can demonstrate financial distress such as:
  - the building has arrears of property taxes that resulted in the building's inclusion on the City's annual tax lien sale list
  - the building has a court-appointed receiver in control of the asset due to financial distress
  - the building is owned by a financial institution through default by the borrower
  - the building has been acquired by a deed in lieu of foreclosure
- the property is newly constructed with a final certificate of occupancy issued in that year
- annual exemptions can be provided where one or more utilities are unable to provide access to the required data
- annual exemptions for public disclosure can be requested by building owners managers. This annual exemption will need to be requested each year, however, it is automatic and not subject to approval process.

## Support Services

The District and the City in collaboration with the CRD will support you to ensure the program is effective and ensure you receive value for your participation.

These services are likely to include, but are not limited to:

- 1. Help Desk/Help Centre:** You can ask questions or get help if you're having trouble following the rules. They can help you find the information you need, set up an account and fix any problems with the data.
- 2. Resource Library:** There will be a collection of written materials to help you understand rules. This includes fact sheets, checklists, guides, FAQs and links to other helpful resources.
- 3. Webinars and Training:** You can attend online or in-person sessions to learn about the rules, how to follow them, and what support and resources are available. You can also ask questions during these sessions.
- 4. Data Interpretation Tools:** Tools will be provided to help building owners understand the benchmarking information and make smart decisions about improving their building's performance. This might include maps, yearly reports, or plans with information on other programs and incentives.