

Energy Use Disclosure Programs: Information Sheet

A part of the Buildings Handbook

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Energy Use Disclosure Programs Initiatives

Climate Caucus has ranked the following initiatives from beginner to expert, based on Complexity to implement, Staff time & expertise, and Political capital. Please note, these rankings are our own best judgements.

- Green Square = Beginner
- Blue Square = Intermediate
- Black Diamond = Advanced
- ◆◆ Double Black Diamond = Expert

Require Landlords to Disclose Energy Costs to Prospective Tenants



Context:

- There is a lack of awareness and information regarding operational energy costs for renters.
- Renters who pay for energy costs above their rental costs lead to a split incentive between renters who pay for energy costs and landlords who have to pay for upfront costs associated with energy efficiency retrofits. So why would landlords make energy efficiency improvement investments when they do not benefit from operational savings?
- We need municipal leadership and municipal authority to require energy disclosure as it is a new action for municipal governments. A municipality (or ideally a group of municipalities) will likely need to lead on this effort and test out authorities and challenges.

The Basics:

- Introduce a motion to require landlords to disclose operating costs related to energy to potential tenants so tenants can know how much energy will cost them.
 - This will also raise energy literacy for renters and incentivize landlords to reduce energy use.
- Ask staff to develop an education program for renters to advance energy
 efficiency awareness and action, focusing on operational savings that renters
 can undertake to reduce their energy use and GHG emissions without
 significant infrastructure improvements.

Examples:

- Minneapolis to require residential energy disclosure
- C40 How to use reporting and disclosure to drive building energy efficiency
- <u>CaGBC</u>, <u>Energy Benchmarking</u>, <u>Reporting and Disclosure in Canada: A Guide</u> to a Common Framework



Case Study - <u>City of Winnipeg Voluntary Building Energy Disclosure</u> Project, MB

The City of Winnipeg has launched the Building Energy Disclosure Project (BEDP) as part of its commitment to the city's Climate Action Plan. This initiative targets commercial and institutional building owners, aiming to enhance their understanding of their buildings' energy performance while facilitating reductions in greenhouse gas emissions and energy consumption. Additionally, the project seeks to:

- 1. Highlight the proactive measures undertaken by building owners to promote low carbon and energy-efficient buildings in the community.
- 2. Advocate for data transparency in Winnipeg by establishing a centralized and accessible database.
- 3. Advance industry knowledge and capacity in disclosure and benchmarking to prepare organizations and building owners for potential future federal or provincial disclosure requirements outlined in the Pan Canadian Framework on Climate Change.

Implement a Home Energy Disclosure and Labelling Program



Context:

- Many energy programs often get higher uptake with renewable energy projects than energy efficiency measures, even though there is a greater economic business case for retrofits over renewables.
- This is likely because renewable energy is often visible from the outside of the house. In contrast, most energy efficiency measures are often hidden in basements, attics and behind walls.
 - Therefore, there is a significant opportunity to increase energy retrofit uptake by using social norms and profiles for those buildings that have undergone energy efficiency retrofits.
 - This can include profiling labels such as Energy Star, LEED, Passive House, CaGBC Zero Carbon Buildings Program, and Net Zero Home Program.

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- In addition to home energy labelling, there are significant benefits to requiring the disclosure of an NRCan score or energy use costs at the time of sale of buildings.
 - This will advance energy literacy and better enable prospective owners to consider operational costs in their decision-making.
 - This will also significantly increase the value proposition for energy efficiency upgrades beyond energy savings by enabling it to be a factor in property values over time.
- An award program and recognition efforts can further augment the energy literacy and value proposition and highlight the leading efforts to others and advance social norms/expectations/opportunities to those who lag on actions.

The Basics:

• Introduce a motion asking staff to develop a home energy disclosure and labelling system that includes an award and recognition program.

Examples:

- ACEEE Building Energy Disclosure State and Local Policy Database
- Efficiency Canada Buildings Score Card and Policies Database
- European Union Labelling and Certification Guide

Advance a Commercial and Large Building Energy Disclosure Program



Context:

- Energy benchmarking is how a building's energy performance is tracked to gauge changes in performance over time. The need for energy benchmarking rests on the fundamental principle that, in order for owners, managers, or regulators to manage or reduce building energy use, they must first measure it.
- Energy use data from a large group of buildings are often not available to building owners and operators. As such, they cannot understand if and when their building is performing as it should and in comparison to other buildings.

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- Requiring the tracking and disclosure of energy use allows building owners to compare their energy performance with their past performance and with others in their sector.
- Building owners and operators can use this information about their buildings' performance over time to make informed decisions about managing and operating their buildings and strategically investing and implementing building improvements.
- Benchmarking data also:
 - Allows stakeholders to understand trends in building performance across geographic areas or sectors, allowing program administrators to identify poorly performing buildings and sectors and target demand-side management (DSM) programs more effectively.
 - engages the market in energy conservation and allows for the inclusion of energy performance into real estate market valuation, sending a market signal.
 - provides consumer and investor protection and creates jobs for skilled workers in energy audits, upgrades, and retrofits.

The basics:

 Introduce a motion asking staff to develop an energy disclosure and labelling system for commercial and large buildings that includes an award and recognition program.

Resources:

- CaGBC Energy Benchmarking, Reporting & Disclosure in Canada
- <u>Building Benchmark BC</u> voluntary benchmarking and disclosure.

Examples:

- <u>City of Winnipeg Building Energy Disclosure Project</u>, MB
- Province of Ontario Energy, Water, Reporting and Benchmarking
- Four cities are currently participating in the Benchmarking BC pilot



Case Study - <u>City of Edmonton Building Energy Disclosure and</u> Benchmarking Program, AB

The Building Energy Benchmarking Program in Edmonton enhances the energy efficiency of buildings and plays a crucial role in achieving notable energy savings and reductions in greenhouse gas emissions. By furnishing building owners with vital information about their properties, the program empowers them to make informed decisions that reduce energy consumption. Moreover, it assists owners and operators in transitioning towards the compulsory building energy labelling initiative mandated by the Federal Government under the Pan Canadian Framework on Clean Growth and Climate Change.

