Global Sustainable Buildings Index - Canada

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# Green Certification

## Is there a nationally adopted and recognized form of certification for buildings? What is it and is it mandatory for all new buildings and refurbished buildings?

Canada has no nationally adopted or mandated green building certifications, but federal, provincial and municipal governments encourage a number of certifications. Below are examples of private and non-profit green building certification programs in Canada, as well as examples of other standards and policies promoting green buildings.

**Private and Non-Profit Green Building Certification Programs**

The most commonly used rating and certification systems are as follows:

The Canada Green Building Council (the **CaGBC**) has an LEED rating system that is based on the LEED system established by the United States Green Building Council. Building projects may qualify for four possible levels of LEED certification (i.e., certified, silver, gold and platinum). In addition to levels, the LEED rating system is further classified into the following five categories: (i) building operations and maintenance; (ii) interior design, building design and construction; (iii) building operations; (iv) homes and (v) neighborhood development.

In October 2015, the CaGBC announced the following year-to-date totals for LEED certification in Canada: 79 LEED Certified, 141 LEED Silver, 171 LEED Gold and 26 LEED Platinum.

In November 2015, the CaGBC announced a partnership with REALpac (the Real Property Association of Canada) to promote Building Lasting Change, Canada’s largest annual green building event for industry stakeholders. The CaGBC also announced that it is working with REALpac to develop a national framework for energy benchmarking, reporting and disclosure, and to support GRESB and WELL Building Standard in Canada. The GRESB assesses the sustainability performance of real estate portfolios, while WELL Building Standard measures, certifies and monitors building elements that impact health and well-being.

[LEED Canada shows strong growth during summer of 2015 including first LEED® v4 certified project](https://www.cagbc.org/News/EN/2015/20151102_News_Release.asp)

[Canada Green Building Council partners with REALpac to advance green building in commercial real estate](https://www.cagbc.org/News/EN/2015/20151105_News_Release.aspx)

[Canada Green Building Council](http://www.cagbc.org//)

The Building Owners and Managers Association of Canada manages the Building Environment Standards or BOMA BEST[1] certification, a voluntary national program to assess environmental performance and management of existing commercial buildings across Canada. The program focuses on the following six areas of environmental performance and management: (i) energy; (ii) water; (iii) waste reduction (iv) site emissions and effluents; (v) indoor environment and (vi) environmental management system. To date, BOMA reports that over 3,500 buildings representing nearly 1 billion square feet of Canadian commercial real estate have applied for BOMA BEST certification or recertification.

[BOMBA BEST](http://bomacanada.ca/bomabest/)

Green Globes is an online green building rating and certification tool licensed for use by BOMA Canada. It provides modules for the following: (i) new construction/significant renovations; (ii) commercial interiors; and (iii) existing buildings. Depending on the module, the program assesses up to six areas of environmental performance, including: (i) energy; (ii) water; (iii) materials & resources and (iv) emissions. If a completed assessment exceeds the 35% minimum threshold, then an onsite assessment is conducted by a third party.

 [Green Globes](http://www.greenglobes.com/about.asp)

**Private and Non-Profit Green Building Certification Programs**

Natural Resources Canada (**NRCan**) does not have a green building certification program, but it supports ENERGY STAR®, which addresses the energy aspect of green buildings. The ENERGY STAR® score for offices applies to the following two property types: (i) office and (ii) financial office.

[ENERGY STAR score for offices](https://www.energystar.gov/buildings/tools-and-resources/energy-star-score-offices-canada)

In 1982, the Government of Canada implemented "R-2000" to promote a standard in new home construction that is better than the building code. R-2000 particularly aims to increase energy efficiency and promote sustainability of homes. It employs the EnerGuide rating service, an official mark of the Government of Canada, which is associated with the labelling and rating of the energy consumption or energy efficiency of specific products. The service is available across Canada and allows parties to measure and rate the performance of their homes. Regional initiatives include ENERGY STAR® for New Homes, Built Green Canada, Novoclimat, Green Home, Power Smart New Home and GreenHouse.

Some municipalities have adopted voluntary green building standards. For example, the City of Toronto’s Better Buildings Partnership (**BBP**) encourages energy conservation in new buildings. The BBP has adopted the Toronto Green Standard, which focuses on sustainable site and building design for new private and public development in the City of Toronto. To be eligible for incentives from BBP, a project must meet the Toronto Green Standard.

<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=93a86d820a926410VgnVCM10000071d60f89RCRD>

The Heating, Refrigeration and Air Conditioning Institute of Canada promotes energy conservation practices and oversees or manages several programs relating to energy conservation and environmental practices. Among these programs are the following: (i) the Refrigerant Management Canada Program for the collection, transportation and disposal of ozone-depleting refrigerants; (ii) the Responsible Equipment Management Program for the disposal of decommissioned equipment and (iii) the Heating & Cooling Incentive Program to help homeowners reduce electricity use.

<http://www.hrai.ca/energyconservation.html>

# Energy Performance Certificates and Minimum Energy Standards

## Is there a mandatory form of energy performance certification? When does it apply and are there any prescribed minimum standards?

There is no mandatory form of energy performance certification in Canada, but there are a number of voluntary initiatives that have been introduced by the federal government and some provincial governments.

[National Energy Code of Canada for Buildings 2011](http://www.nrc-cnrc.gc.ca/eng/solutions/advisory/codes_centre_index.html) (**NECB 2011**) established a 25% improvement in energy efficiency over the Model National Energy Code for Buildings (**MNECB**), the previous model energy code. The NECB 2011 serves as a guideline and has been adopted by the Provinces of Alberta (effective November 2015), Nova Scotia (effective December 2014), Ontario (effective December 2014), British Columbia (effective 2013) and Manitoba (effective December 2014).

[https://www.nrcan.gc.ca](https://www.nrcan.gc.ca/)

The Government of Canada has implemented energy performance standards for the buildings that it leases. Environment Canada also promotes government-wide efforts to create green, sustainable buildings.

[https://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=D39CB7AC-1](https://www.ec.gc.ca/dd-sd/default.asp?lang=En&amp;n=D39CB7AC-1\)

# Incentives for Green Retrofit

## Are there any government-funded or sponsored schemes for improving the energy efficiency of existing buildings and, broadly, how do they work?

A number of programs for improving the energy efficiency of existing buildings have been funded or sponsored by the federal, provincial and municipal governments. Examples include:

**National Incentive Programs**

<http://www.sustainablebuilding.com/Incentive_Programs_New.htm>

[**Natural Resources Canada: New Buildings Program**](http://www.nrcan.gc.ca/commercial/newbuildings.cfm)

Natural Resources Canada’s Commercial Building Incentive Program offered financial incentives of up to CAD 60,000 for incorporating energy efficiency features in new commercial/institutional building designs. The program ran from 1 April 1998 to 31 March 2007.

The Industrial Building Incentive Program encouraged energy efficiency in the designs of industrial buildings and offered incentives of up to CAD 80,000. The program ran from 1 April 2002 to 31 March 2006.

**Federal House in Order**

The Federal House in Order initiative is the Government of Canada’s plan for reducing GHG emissions within its own operations in line with Action Plan 2000 on Climate Change.

[**Natural Resources Canada: Buildings Group**](http://www.nrcan.gc.ca/energy/offices-labs/canmet/5715)

NRCan’s Buildings Group staff develops new technologies to improve energy efficiency, indoor air quality, durability and comfort. Initiatives include green buildings, eco-efficient houses, the international Super ETM house, simulation software and tools, distributed power and passive solar and related technologies such as windows, daylighting, building systems and indoor environment.

<http://www.sustainablebuilding.com/Incentive_Programs_New.htm>

[**Federal Buildings Initiative**](http://www.nrcan.gc.ca/communities-government/buildings/federal/federal-buildings-initiative.cfm)

NRCan’s Office of Energy Efficiency offers the Federal Buildings Initiative to assist federal departments and agencies in reducing energy and water consumption and GHG emissions.

The Federal Buildings Initiative promotes private-public sector partnerships to plan and implement cost-effective facility upgrades and retrofits.

<http://www.nrcan.gc.ca/energy/efficiency/communities-infrastructure/buildings/federal/4481>

[**Canadian Industry Program for Energy Innovation**](http://www.nrcan.gc.ca/cipec/ieep/index.cfm)

The Canadian Industry Program for Energy Conservation (**CIPEC**) is an industry-government partnership, sponsored by NRCan, that promotes and encourages energy-efficiency improvements and reductions in GHG emissions through voluntary action across Canada’s industrial sectors. CIPEC is made up of 25 sector task forces that involve more than 45 trade associations.

<http://www.nrcan.gc.ca/energy/efficiency/industry/cipec/5153>

[**Energy Innovators Initiative**](http://www.nrcan.gc.ca/eii/home.cfm)

NRCan’s Office of Energy Efficiency works with organizations to lower energy costs and reduce GHG emissions. The Energy Innovators Initiative encourages commercial businesses and public institutions to invest in existing buildings. Financial and other assistance is available from this initiative.

<http://www.nrcan.gc.ca/energy/funding/current-funding-programs/eii/4985>

[**Renewable Energy Deployment Initiative**](http://www.nrcan.gc.ca/RedirNotifs-ss/eneene.htm)

NRCan’s Renewable and Electrical Energy Division promotes the development of a sustainable renewable energy industry in Canada. The division promotes investments in renewable energy systems for heating and cooling and provides information on renewable energy technologies. NRCan delivers several initiatives to encourage the development and use of emerging renewable energy sources and technologies. Among them are Renewable Energy Deployment Initiative, Wind Power Production Incentive, Market Incentive Program For Distributors of Emerging Renewable Electricity Sources and Government Purchases of Green Power.

<http://www.nrcan.gc.ca/atip/11114>

**Provincial, Municipal and Utility Incentives**

There are also a number of provincial , municipal and utility incentive programs to promote green buildings and energy efficiency. As an example, the City of Toronto developed the Better Buildings Partnership (**BBP**) in 1996 to assist building owners, managers and developers to achieve energy efficiency goals. The BBP programs include an office building program and a commercial building program. The BBP provides financing options to support conservation and demand management projects in the City of Toronto.

<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=e436136696f85410VgnVCM10000071d60f89RCRD>

The Ontario Power Authority’s Electrical Retrofit Incentive Program (**ERIP**) offers incentives for owners and managers of commercial buildings, institutional buildings, industrial facilities, agribusinesses and multi-residential buildings. Incentives are available for replacing inefficient equipment with high-efficiency equipment.

<http://www.hydroone.com/MyBusiness/SaveEnergy/Pages/Retrofit.aspx>

Enbridge Gas Distribution, Canada’s largest gas distribution utility, offers retrofit incentive programs for owners of commercial properties. Owners that Implement approved energy-saving measures are eligible for a one-time rebate of CAD 0.10 per m³ of gas saved. The rebate is for an amount of up to CAD 100,000.

<https://www.enbridgegas.com/businesses/energy-management/commercial/incentives-and-services/retrofit-incentives.aspx>

# CO2 and Energy Targets

## Are there any national targets for CO2 reduction and/or energy use reduction from buildings? If there are, are there any exclusions?

The [National Energy Code of Canada for Buildings 2011](http://www.nrc-cnrc.gc.ca/eng/solutions/advisory/codes_centre_index.html) (**NECB 2011**) established a 25% improvement in energy efficiency over the Model National Energy Code for Buildings (**MNECB**), the previous model energy code. The NECB 2011 serves as a guideline, and has been adopted by the Provinces of Alberta (effective November 2015), Nova Scotia (effective December 2014), Ontario (effective December 2014), British Columbia (effective 2013) and Manitoba (effective December 2014).

<http://www.nrcan.gc.ca/energy/efficiency/buildings/eenb/codes/4037>

[http://www.reminetwork.com/articles/building-energy-code-boosts-performance/](https://www.reminetwork.com/articles/building-energy-code-boosts-performance/)

**Federal House in Order**

The Federal House in Order (**FHIO**) initiative is the Government of Canada’s plan for reducing GHG emissions within its own operations in line with Action Plan 2000 on Climate Change.

# Renewable Energy

## Are there any regulations requiring a percentage of energy consumption to come from renewable sources?

In Canada, the provinces of Ontario, British Columbia, Manitoba, Nova Scotia, New Brunswick and PEI have renewable portfolio standards. Approximately 90% of Quebec’s electricity needs are met by renewable hydroelectric power.

Ontario has adopted a feed-in tariff program to support various renewable energy technologies, such as the following: (i) solar photovoltaic (PV); (ii) wind; (iii) biogas; (iv) biomass; (v) landfill gas and (vi) water power. The program has prices that are intended to cover total project costs and provide a reasonable rate of return over a 20-year contract (40 years for waterpower). In April 2015, Ontario became the first jurisdiction in North America to fully eliminate coal-fired power generation.

According to a report published by Clean Energy Canada on 17 September 2015 (http://cleanenergycanada.org), Canada ranks sixth in the world in terms of renewable energy development. In 2014, provincial governments led the addition of 3.63 gigawatts in renewable power generation. Also in the same year, investments in new clean-power generation approached CAD 10.7 billion - an 88% increase over 2013 figures.

<http://www.energy.gov.on.ca/en/ltep/>

<http://fit.powerauthority.on.ca/>

<http://www.energyplan.gov.bc.ca/>

<http://www.energymanitoba.org/renewable_rps.htm>

<http://www.novascotia.ca/just/regulations/regs/elecrenew.htm>

<http://www2.gnb.ca/content/gnb/en/departments/energy/energy_blueprint/content/renewable_portfolio.html>

<http://energy.gov/savings/renewable-portfolio-standard-prince-edward-island-canada>

<http://www.iea.org/policiesandmeasures/renewableenergy/?country=Canada>

<http://www.energy.gov.on.ca/en/renewable-energy-facilitation-office/>

# Regulation

## What other national regulatory measures are there, such as taxes on energy consumption and/or tax reliefs on energy-saving measures, that can encourage more efficient use of energy in buildings?

Quebec began collecting a carbon tax on "hydrocarbons" (petroleum, natural gas and coal) on 1 October 2007.

Alberta introduced the Specified Gas Emitters Regulation, Alta. Reg. 139/2007, (**SGER**) in July 2007. SGER mandates that producers that emit more than 100,000 tonnes of greenhouse gas annually must reduce their CO2 emissions per barrel by 12%, or purchase an offset in Alberta to apply against their total emissions. In 2015, the New Democratic Party, which won a majority in the provincial election replacing the Progressive Conservative Party that had led the province for 44 years, announced that Alberta would double its price on carbon emissions as a first step in its efforts to tackle climate change.

British Columbia introduced a provincial Carbon Tax on 1 July 2008. The tax applies to certain types of fuel for energy production. It is intended to: (i) discourage the use of fossil fuel and (ii) reduce greenhouse gas emissions.

Ontario announced in April 2015, that it would introduce a cap and trade system for carbon. In November 2015, Ontario released a consultation paper that sets out broad outlines of how the cap-and-trade system would work. The system is expected to be in place in 2017.

In October 2015, the Liberal Party of Canada won a majority in the Canadian federal election and formed a government in November 2015. (This government replaced the Conservative Party of Canada, which had governed for 8 years). Having pledged in its election platform to take action on climate change, put a price on carbon and reduce carbon pollution, the new Liberal government is expected to be more aggressive with respect to dealing with climate change matters.

# Financing

## Are there any public or private “green” financing initiatives for sustainable real estate projects?

Please see our response under Energy Performance Certificates and Minimum Energy Standards.

# Planning

## Is the national or local/state government able to mandate green initiatives via the planning/zoning regime (e.g., district heating systems on large developments)?

In addition to the National Energy Code of Canada for Buildings 2011 (**NECB 2011**), green initiatives have been implemented by municipal governments through incentives rather than through changes to zoning by-laws.

An example of the incentive-based approach is the City of Toronto’s Better Buildings Partnership (**BBP**).

# Green Leases

## Are green leases or green lease provisions mandatory or optional? If mandatory, to whom do they apply? If optional, is there significant take up?

Green lease provisions are not mandatory in Canada. However, leases drafted by larger commercial landlords frequently include provisions requiring the tenant to comply with the landlord’s policies to promote energy efficiency and/or reduce the environmental impact of the building. Given the increasing importance of LEED and related certification in the Canadian market place, this is a trend that is likely to accelerate. Global companies with strong corporate social responsibility policies are also requesting the inclusion of green lease provisions, which may include the right to receive annual compliance reports from the landlord. There remains a tension between landlords and tenants as to how the cost of complying with green lease provisions should be apportioned. While most leases in Canada would not be described as green, green lease provisions are becoming more common.

In 2008, the Real Property Association of Canada (**RealPac**) drafted Canada’s first National Standard "Green" Office Lease for Single Building Projects. An updated version was issued by RealPac in 2010.

<http://www.realpac.ca/?page=GreenOfficeLeases>

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