## Attachment 1 - Energy Step Code Overview

Enacted in May 2015, the *Building Act* (the "*Act*") is designed to modernize and streamline the building regulatory system in BC. One of the primary objectives of this *Act* is to establish consistency for the development and construction industry by limiting local government authority to set technical building requirements. Given the patchwork of approaches that have been employed by local governments to address energy efficiency in new construction, the Building and Safety Standard Branch of the Ministry of Municipal Affairs and Housing led a two-year consultation to develop the <a href="Energy Step Code">Energy Step Code</a> (ESC). This consultation involved local governments, the building and development sectors (and the trades and professions that support them), utilities, and other stakeholders.

As of April 2017, the British Columbia Building Code (BCBC) includes an alternative performance-based compliance path for meeting new construction building standards, the ESC. Local governments have the authority to require and/or incentivize builders and developers to meet ESC in advance of regulation. The technical building requirements of the ESC are included in an amendment made in April 2017 to Subsections 9.36.6 and 10.2.3 of the BCBC.

The Province has signaled in the release of the CleanBC Plan that compared to the current base BC Building Code, new homes must meet the base requirements outlined in Figure 1 below. By 2032, the BC Building Code will move toward the higher steps of the ESC as a minimum requirement. The National Building Code of Canada is similarly moving towards this outcome by 2030.



Figure 1: Overview of increases in Energy Step Code requirements included in CleanBC

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<sup>&</sup>lt;sup>1</sup> https://energystepcode.ca/

ESC is an alternative compliance path for energy efficiency standards rooted in a performance-based approach. A performance-based approach allows for more innovation, enables the market to develop the most cost-effective methods and materials to meet the end target, and provides certainty to building owners and governments that new buildings are designed and built to meet objectives. This echoes the approach in many green building programs, including Built Green, EnergyStar, R-2000, Net Zero Energy, and Passive House. The technical building requirements of the Step Code are included in an amendment to Subsections 9.36.6 and 10.2.3 of the BC Building Code.

The ESC applies to two categories of buildings as defined in the BCBC, depicted below. The stated objectives of this framework are to improve consistency in green building requirements among local governments, to foreshadow future BCBC updates, and to work toward a goal of net-zero energy ready buildings by 2032.



Part 9 residential buildings include single, two-family, attached and apartment buildings up to three storeys and 600 square metres in footprint or less.



Part 3 buildings - residential or business and personal services or mercantile occupancy ("commercial") buildings larger than three storeys or 600 square metres in footprint, and include apartments, offices, shopping centres, hotels, and some mixed-used buildings.

Various metrics define the steps of the ESC, progressing from enhanced base code compliance at Step 1 to zero-energy ready at the highest step. Different building types have different numbers of steps. The steps are categorized into Lower and Upper Steps according to building types, as seen in Figure 1.

Figure 1: Energy Step Code Application by Building Type



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New or expanded requirements for Lower Steps of ESC may be enforced no sooner than six months from the date initial notification on industry consultation is received by the Building and Safety Standards Branch. As of September 24, 2018, the City of Port Moody has submitted initial notification, activating the six-month enforcement transition period.

Over the past two years, the Province and the Energy Step Code Council have created and disseminated many builder and developer resources through various associations and channels. These resources are available on the <a href="Energy Step Code">Energy Step Code</a> webpage<sup>2</sup>. As such, many stakeholders have a basic understanding of ESC and upcoming regulation.

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<sup>&</sup>lt;sup>2</sup> https://energystepcode.ca/