

Canadian Home Builders' Association of BC (CHBA BC) role in B.C. Energy Step Code Council

Summary Statement

CHBA BC's participation on the B.C. Energy Step Code Council **does not indicate** widespread endorsement across the province, especially in areas where no previous energy-efficiency bylaw existed or no incentives are provided. CHBA local associations should be considered the authoritative voice on implementation in their communities when raising key concerns. Lastly, each municipality should be evaluated separately using the clear policies set in the Local Government Best Practices Guide, including factoring costs and capacity into all decisions.

CHBA BC Participation on the Council and Committees

The provincial *Building Act* section 5 states that if a matter is regulated in provincial building regulation, such as the BC Building Code, then any requirements for that matter in local government bylaws will have no legal force. This came into effect on December 15, 2017.

Prior to this change, a working group was established to discuss harmonizing energy-efficiency requirements across the province, which could be considered one of the most common types of local bylaws that superseded the Building Code in the past.

CHBA BC participated in this working group, which later became the B.C. Energy Step Code Council, because there was a need to look at efficiencies across local government boundaries and various programs created to meet local climate targets, more specifically focused in the Lower Mainland and South Coast. In addition, as a Service Organization for energy advisors, CHBA BC wanted to ensure sufficient quality assurance and training measures for energy advisors were part of the discussion.

CHBA BC currently is involved directly through the following:

- Participation on the B.C. Energy Step Code Council;
- Compliance and Energy Advisor Sub-Committee;
- Technical Support Sub-Committee;
- Communications Sub-Committee.

Local Builder Input and Costing Data in Decision-Making

CHBA BC had many key asks throughout the provincial consultation process. These included:

- Robust costing data to protect housing affordability and a cost-benefit approach to decision-making;
- Sufficient consultation and transition times for local builders before any changes would happen; and
- Significant incentives for voluntary building to higher steps rather than mandatory requirements.

In local consultations of all types, CHBA BC's nine local associations should be considered the **authoritative voice** for the Step Code rollout in their local area. As builders on the ground each day, they are best positioned to speak to costing, timelines, capacity, and any other problems established.

CHBA BC also affirms that its local builders are positioned to speak on concerns with presented costing data. It should be noted that data provided in government costing studies only focuses on the lowest-cost scenario. It also does not confirm that lowest-cost technologies are readily available, nor that trades costs would not change or increase. Housing affordability is a significant issue in B.C., and cost-benefit analyses should take place for all decisions.

Lastly, there is concern when the Step Code is applied in a mandatory format without appropriate incentives. This was not the intent of the regulation, as evidenced by the [Local Government Best Practices Guide](#), page 13 statement: "The new standard will have a greater chance of success if local

governments implement it thoughtfully, with due care to appropriate incentives, industry capacity, affordability, and market conditions,” and page 18 chart outlining suggested incentives.

Applying the Step Code in a local area

In areas with previous bylaws, the intent to harmonize has been met. Further application of the new standard **should be limited** in the transition period to 2020 in order to ensure best practices are met, costing data studies are measured against actual builds, and any problems are identified and resolved before moving into new areas. What works in one municipality may not be successfully mirrored in another.

Before implementing the Step Code in new areas, the following should be considered with rigour:

- Costing studies in local areas and impacts on wider housing affordability;
- Significant incentives, including density bonusing, permit timelines, rebates, and others;
- Previous industry knowledge and capacity;
- Trades and building inspector capacity to meet new standards;
- Availability of materials; and
- Proximity of energy advisors to local area to ensure a cost-effective and competitive environment.

Not taking prudent steps to ensure capacity, training, and costing considerations can lead to challenges for both local governments and builders. It is not, and should not be considered, a bad approach to seek changes only in coordination with the provincial building code. Municipalities can, in the meantime, provide **voluntary** municipal incentives for builders and homeowners that would like to use the Step Code framework in their upcoming builds.

Resources

There are several resources available on the [B.C. Energy Step Code website](#) to assist with consultations.

To share other concerns related to the B.C. Energy Step Code for home builders, or for further clarification, please email CHBA BC at info@chbabc.org.