



Alberta Construction Association

September 20, 2016

Energy Efficiency Advisory Panel
Transmitted via email to: energyefficiency@gov.ab.ca

18004-107 Avenue NW
Edmonton, AB T5S 2J5
t:780.455.1122/f:451.2152
www.albertaconstruction.net
info@albertaconstruction.net

RE: Submission of the Alberta Construction Association to the Energy Efficiency Advisory Panel

Dear Members of the Panel:

The Alberta Construction Association represents 3000 member general contractors, trade contractors, and suppliers across Alberta. Alberta's construction industry employs one in ten working Albertans in communities across the province. With some estimates that buildings account for as much as 40% of greenhouse gas emissions, the construction industry welcomes the opportunity to provide input to the Panel.

Given the large stock of existing buildings, ACA agrees that an energy efficiency strategy is a key complementary program to the proposed carbon levy. Indeed, should the proposed adjustment assistance to individuals, businesses, and communities not provide a strong link to emissions reduction, it may be that the proposed \$645 million allocated over 5 years to energy efficiency should be increased to achieve the largest reduction of greenhouse gas emissions at the lowest possible cost to the economy.

The proposed investments across Alberta in green transit and in low carbon energy generation will provide benefits in the longer term.

ACA agrees that barriers to energy efficiency investments in the commercial buildings sector include those identified in the Panel's Discussion Document. High upfront costs, technological risk, long payback periods, and incentives split between owners and tenants are of particular concern in the commercial buildings sector. One means to address the split incentive problem would be to tie eligibility for financial incentives to two requirements, first, that owners provide evidence of appropriate commissioning of any updated building systems, and second, that recipients submit data of building operating energy performance and costs in a centralized, publicly accessible database. Such data, if in accordance with national and international data assists consumers, provides support for technology proofing, and assists with Alberta reporting for treaty obligations. Incentives for owners to adopt Building Information Modeling (BIM) in design and construction of new builds as well as major retrofits would be a helpful step in accelerating industry adoption of digital information for improved building performance (80% of building life cycle costs arises from operations, with the remaining 20% from the initial capital expenditure).

ACA recommends care in involving parties outside the construction contract on building projects when it comes to implementing the Climate Change Panel recommendation of "**Integrating services for audits, incentives, financing and installation**" for the full range of best new building energy technologies (which) can reduce barriers to adoption". While ACA supports the adoption of successive versions of the National Energy Code by Alberta to drive improvement, there are many examples in the market where the life-cycle operations of a building have not achieved the energy performance designed to a third party green standard. Contractors have also faced delays in

Serving Members in:

Calgary Edmonton Fort McMurray Grande Prairie Lethbridge Lloydminster Medicine Hat Peace River Red Deer



payment while waiting for third party certification, a process beyond the contractor's control. In fact, ACA has adopted the policy of the Canadian Construction Association :

CCA supports 'green building and green building efficiencies and recommends that these objectives be sought and verified by the parties directly involved in the project through the normal building design commissioning and certification processes'.

ACA looks forward to working with Energy Efficiency Alberta to implement and improve energy efficiency programming in Alberta.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Verhesen".

Paul Verhesen
Chair