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—
Chair

The Honourable Diane Marleau

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• (1540)

[English]

The Chair (Hon. Diane Marleau (Sudbury, Lib.)): I'm going to call to order this 40th meeting of the Standing Committee on Government Operations and Estimates.

Madame Nash, would you like to say a word?

Ms. Peggy Nash (Parkdale—High Park, NDP): Thank you, Madam Chair.

I have tabled two motions that I'd like the committee to look at. Of course, the procedure is that today I give notice of motion, and there is normally a 48-hour notice period.

The two motions are concerning the Public Appointments Commission Secretariat. One of them deals with the report of the secretariat prepared for the Minister of Citizenship and Immigration.

The other motion is about the activities of the secretariat and whether they're in compliance with the Federal Accountability Act. It then asks the minister responsible to come here to report on the activities of the secretariat.

I would ask the committee to waive the 48-hour notice. I'm aware that we would need unanimous consent to do that, but I seek that consent because we are about to have a hiatus of two weeks when the House won't be sitting. If we were able to deal with these motions today, that would allow two weeks for those motions to be implemented and for those responsible to be prepared to come before the committee. So I think it is a reasonable request that we waive the normal 48-hour notice.

The Chair: Do we have unanimous consent?

An hon. member: No.

The Chair: We do not.

Ms. Peggy Nash: If we can't get unanimous consent to waive the 48 hours, can I just ask if it would be possible to have an emergency meeting during the two-week period that the House is not sitting so that we can deal with this?

The appointments issue has been very high-profile. Appointments continue to be made, and we have not had the opportunity to examine the work of the secretariat. In fact, some of us were surprised that the secretariat was even conducting work. I certainly wasn't aware of that.

So if we can't get unanimous consent to waive the notice, I'm wondering if we could agree to have an emergency meeting over the two-week hiatus when the House is not sitting.

The Chair: Mr. Wrzesnewskyj.

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): I would like to support that motion.

The Chair: You're supporting the motion that we have a meeting during the break?

Mr. Borys Wrzesnewskyj: Yes.

The Chair: That's possible, but it depends—

Mr. Pierre Poilievre (Nepean—Carleton, CPC): On a point of order, this is a motion and it would require 48 hours' notice to be introduced.

Mr. Borys Wrzesnewskyj: Unless there's unanimous consent.

Mr. Pierre Poilievre: Are you going to seek unanimous consent?

The Chair: Yes.

Mr. Pierre Poilievre: Okay, then there is none.

An hon. member: That's it. We move on.

The Chair: I guess we're not meeting during the two weeks.

Our guests are waiting to speak to us. I know one of them is looking to take a flight at six o'clock, so we won't hold them up any longer.

Pursuant to our study on the greening of government, and especially the buildings in government, we have with us two witnesses. They are Ms. Deb Cross, from the Building Owners and Managers Association of Canada Inc.; and Thomas Mueller, from the Canada Green Building Council.

Perhaps we'll start with Mr. Mueller. I believe he has to take a flight at six o'clock.

Mr. Thomas Mueller (President, Canada Green Building Council): Thank you very much.

The Chair: Normally, we ask you to make a statement. Perhaps we'll get a statement from you and a statement from Ms. Cross, and then we'll ask our questions and go from there.

Mr. Thomas Mueller: How long would you like the statement to be?

The Chair: Normally, you have five to ten minutes. You're both speaking, but sometimes it's better if there's more time for questions.

Mr. Thomas Mueller: I'll keep it as short as possible.

Thank you very much for inviting me to address the committee. I have a handout that I'll take you through. Given the time, I'll skip over some slides and emphasize just the important ones.

The Canada Green Building Council, for those of you who are not familiar with it, is a national non-profit organization made up of mainly industry representatives. It was created in 2002. Ours is an elected board, with cross-representation from the industry, across Canada, in our committees and chapters.

We are a largely self-funded organization that delivers programs to the industry to improve the performance of buildings. We use the LEED building rating system in Canada as an avenue to accomplish this. LEED is a building rating system that came originally from the U.S. We adapted it for Canada's use in 2004. Since then the LEED adaptation has been used in Canada to certify new and existing commercial, institutional, and high-rise residential buildings, as well as for tenant improvements. These two rating systems are directly applicable to Public Works and Government Services Canada.

There are four levels of certification: certified, silver, gold, and platinum. The certification is done through third-party assessment teams. Really, it's a true third-party certification of building performance, as designed.

There's often the question of why buildings should be LEED certified. LEED provides a common framework or language that defines what a green building is. It covers five areas: energy, water, materials, indoor environmental quality, and site development. As I mentioned before, it verifies the actual performance of a building through a third party. It supports performance benchmarking with other jurisdictions. It has become, for new buildings, the de facto national green building standard in Canada over the last three years.

More importantly, the application of LEED results in the lowest life cycle cost for buildings. Quality assurance is built in to the LEED system to really ensure that buildings that go through the LEED process target high performance and ensure that things are maintained that might otherwise fall off the table through the design process. As well, the focus and discipline are maintained in the design to achieve certain performance goals for a building.

The LEED uptake in Canada has been significant. On page 6 we have listed a range of organizations that have adopted LEED. Provincial and local governments, the 2010 Winter Olympics, and a variety of private sector developers, such as Victoria's Dockside Green, have adopted LEED with a requirement to certify the buildings under the LEED system.

The levels of certification vary that the organizations have committed to. Usually it's between silver and gold. At least one organization, Dockside Green, has committed itself to a platinum level for all buildings they are developing. That's a private sector development.

The cost of LEED has often been discussed. I can show you some slides that present the current knowledge on the cost of LEED and LEED certification.

On page 7 is the LEED cost for the General Services Administration in the U.S. Basically the graph line on the left-hand side is for the courthouse, which is a new building. The office building, on the right-hand side, is a renovation where the GSA did an in-depth analysis. It basically shows that certified, silver, and some gold buildings can be delivered within the existing construction contingency budget established by this national organization.

GSA is the largest building owner in the United States, and they have studied this issue in great depth. They have found that even without incentives, they could quite easily achieve LEED certification on their buildings. However, if additional money were available, they could achieve even higher levels of certification.

One page 8 we mention a study done in California. The findings correlate the average cost premium with the level of LEED certification. The findings here are consistent with what we're finding with Canadian LEED projects. On average, a LEED silver building and a LEED gold building can be delivered with an additional cost of about 2%. As the experience grows in the industry with green building, we will see those costs continue to be reduced. Basically, we're still in a learning curve in Canada, which is reflected in these costs.

The costs and benefits of LEED certification are broken down on page 9. These are California numbers, but they clearly show that the energy value really exceeds the cost premium for green buildings over a 20-year net present value.

● (1545)

Even though our energy costs are lower here, our experience shows that the additional costs can be paid back in a very short period of time and benefit the building owner over the life of the building.

So the question for most building owners to ask is whether they are willing to pay a little more money now and save over the life of the building or operate the building using more energy. Basically it's pay now or pay later. I think that's really the decision to be made.

Clearly the benefits are there, and the often overlooked benefits are in productivity and health benefits for buildings. As an employer, your investment is in your staff rather than the building, because they consume so much more in salaries.

The California study has found that 70% of the benefits are health and productivity benefits. The productivity benefits they identified will accrue to 70% only if they get 1% more productivity out of state employees, which is five minutes per day. So you can see the magnitude of the investment a good working environment and good buildings can provide to employees of a federal government, or any employer in the country.

The LEED costs are on page 10. These are the average costs associated with LEED registration and certification fees, and they always depend on the size of the building. They are charged per square foot.

There are also the LEED documentation costs. These are the packages that have to be prepared for our assessment teams. They cost an average of \$25,000 to \$30,000. This is pretty consistent and represents 25 buildings that have been certified in Canada under the LEED system. These are quite manageable costs to achieve LEED certification.

On the progress to date with the Government of Canada, Public Works was one of the first organizations that adopted a LEED policy in the country—a green building policy with LEED gold. To date, four buildings have been certified under the LEED Canada system, and 16 are currently registered. There are projects in every part of the country that are owned and operated by the federal government. The registered buildings are currently under design or construction.

The federal government projects make up over 5% of our registered and certified buildings in Canada. We are making some good progress. However, the application of LEED in different regions is still somewhat inconsistent. I think the government has a LEED gold policy. When we look at the four certified projects, two are certified, one is gold, and one is platinum. There's a Parks building in Saanich, British Columbia, that's the leading green building in Canada. It is a LEED platinum building, and the only one so far in Canada.

Two recent reports have shown that green buildings can make a significant contribution to reducing greenhouse gases in Canada. A study by the National Round Table on the Environment and the Economy shows that if we reduce energy used in residential and commercial institutional buildings by 50%, it will take us almost halfway toward our Kyoto commitment.

The second study was done by NRCan on energy efficiency trends in Canada. It gives a lower figure, but it confirms that buildings can make a significant contribution to achieving greenhouse gas reductions and taking us closer to Kyoto. A 30% reduction in consumption load could be achieved, and a 20% reduction could be achieved by changing the operating period—how long your fan, chiller, or air conditioning is running. So there's room in readily available technology and design knowledge to achieve those goals.

On the recommendations of the Canada Green Building Council, we encourage the Government of Canada to adopt the 50% greenhouse gas reduction challenge in buildings in Canada. It is possible now. It could start with its own buildings, with the help from LEED as a tool to achieve this goal. Over time it could also develop some programs to encourage the private sector to do that as well.

The government could develop an overall real estate property policy with respect to new and existing buildings.

Sustainability goals for green buildings can apply to all kinds of projects, whether it involves designing or building new buildings, leasing, purchasing, or leasing-purchases. On leases, there are all kinds of properties the government owns and operates that could benefit from a green building policy.

The government also has a number of custodian departments that could be encouraged under the policy to develop a strategy on how to achieve the target.

● (1550)

LEED certification at this point is key. We're still early in green building, and LEED certification could really help establish the baseline from which you continue to measure the performance of buildings once they are designed—how they operate—and create feedback loops to ever increase and better improve the performance of buildings across Canada. This is really important. It is data-driven,

performance-driven, and benchmark-driven in how we approach buildings.

The Canada Green Building Council has several programs that could help support the federal government. We help with training and education. We can also help with policy implementation. We have several courses that we offer to building owners on how they can implement policy. We also have courses that educate industry, contractors, and designers to deliver better buildings.

The next step could be for the Government of Canada, the custodian departments, and the Canada Green Building Council to work together toward performance benchmarking and verification, education and training, and green policy and standards development and implementation. We would also encourage the custodian departments to become members of the Canada Green Building Council, as all the revenue generated from the work they are doing goes directly back into accelerating green buildings in Canada.

Thank you very much.

● (1555)

The Chair: Madam Cross, did you want to say a few words?

Ms. Deb Cross (Executive Vice-President, Building Owners and Managers Association of Canada Inc.): Absolutely, and thank you so much for inviting me to be here. I'll follow along on that great presentation.

An awful lot of the information that was provided by Thomas is very relevant to the information for our organization. In fact, if I may say so, we are in the process of working on a formal agreement to collaborate as two organizations, because of the compatibility and the synergy of the system that is delivered by the Canada Green Building Council for new construction and BOMA Canada's program, which is for existing commercial buildings.

So just by way of a bit of an introduction, BOMA Canada, the Building Owners and Managers Association of Canada, is a national, not-for-profit association representing the commercial real estate industry, primarily office buildings and some industrial and retail. It does not cover the residential area, just to be clear, but primarily the office buildings across the country.

As a national organization, we represent about 1.9 billion square feet of commercial space across the country, and our members are real property owners and managers, developers, asset managers, leasing agents, and brokers. That's the sort of realm we're dealing in.

The organization addresses issues of concern to the industry, and one of the biggest initiatives we have launched very recently, in the last couple of years, is BOMA Go Green, which is a national environmental certification and recognition program. That's the reason I'm here and that's the reason we are working with Canada Green Building Council.

Again, I would like to emphasize that it's a Canadian-developed program. It was created here by BOMA, by the industry, by representatives of the industry. A portion of the program is related to benchmarking, and that's in the Canadian context. It is a voluntary program, and it's available not just to BOMA members but also to any buildings in the country. In this case particularly, we are continuing to work closely with Public Works and Government Services Canada to roll the program out across the crown-owned portfolio of buildings for the government.

I'd like to just give you a few details about the program itself.

Again, for existing buildings it's a voluntary program. It is designed to encourage environmentally conscious management and operation of buildings. So once they already exist, then it's the next steps in the life cycle of a building to make sure it's operated in an environmentally efficient manner and that they've looked for ways to reduce resource consumption. This program is designed to facilitate that, to measure that, and to recognize that in the industry.

We have over 250 properties that have been certified across Canada in pretty much all provinces right now. We have about 10 of the major commercial real estate firms that have committed their entire portfolios to going through the program in the next period of years, to be certified and to participate in this whole process.

Public Works and Government Services Canada...of course, we're in the process of rolling that out, as I indicated, to the 300 crown-owned buildings in Canada, and the Alberta Ministry of Infrastructure and Transportation has adopted the program for Alberta. I should also mention, just as an aside—and you may have seen it in the paper yesterday—that the Ontario Power Authority is collaborating with BOMA Toronto in a conservation demand program that is directly linked to the Go Green program, whereby the Go Green program is the measure by which the conservation will be determined and therefore incentives delivered. So that was a pretty exciting announcement from our standpoint.

Go Green basically has two elements. The BOMA Go Green program, which was originally developed, is a best practices program, probably designed more for smaller buildings that are not in a position to be able to undertake the full program but wish to show environmental leadership and wish to be recognized as such. Go Green Plus is a performance-based program that's based on the Green Globes online web assessment tool. BOMA Canada delivers Green Globes for existing buildings in Canada now under the banner of Go Green Plus. It's the Go Green Plus program that we're looking at for Public Works and Government Services Canada.

The specific reason for that is because it not only encourages environmental leadership, but it also provides the tools to measure and to assess changes, advancements, and improvements in resource consumption and energy usage, for example, and it also involves the building management in the whole process. It's not an outside consultant who comes in and does the process. The building management is involved in assessing their building and measuring it on an ongoing basis.

• (1600)

The areas that are covered are very much the same as the LEED program: resource consumption in energy and water use; waste

reduction, construction, and recycling; building materials, including hazardous materials and material selection; interior environment, including indoor air quality and HVAC maintenance; and a very specific component related to a communications program and tenant awareness, because in commercial buildings and office properties in particular, the tenants are participants in the process.

The Chair: Excuse me. I am worried about our translators, because you are going very quickly

Ms. Deb Cross: I will slow down. I am excited about the program.

Go Green Plus, as I indicated, is a more in-depth benchmarking tool that uses the web-based Green Globes system, and the data is gathered online. When an organization participates in the program, they are signing up for three-year access to this online survey. So they can participate and continue to go back and assess their improvements as they go along. The key point is that it enables the participants to participate in the process, as I said.

The other part of the online system involves portfolio management. So a group of buildings, including the Public Works portfolio, for example, can be measured against each other and measured against industry standards as well. So it is not isolated, building-specific.

The program identifies savings, and it can certainly provide the basis for strategic decisions on how to improve performance.

I included a quote on page 10 from one of the building participants, which is CREIT Management, on the measured savings they have seen from participation in the program. I am not going to go into the brief and the statistical information that Thomas did, because that is representative. But in this case, this particular building site had significant savings from a reduction in water consumption, decreased landfill waste, and increased recycling by over 30%. So those are tangible results.

On Public Works and Government Services Canada's involvement, obviously we are just delighted to have had the opportunity to work with government on that. We think that's showing a leadership role, and that's certainly our objective in delivering the program. And we think it is the right thing to do to have public and private merge for the same purpose.

I thank you for the opportunity. I am sorry for talking so fast.

The Chair: Thank you very much.

You know, when you're speaking English and you speak quickly, it always takes more words to translate into French. Our translators are wonderful, but I was getting a little worried for them.

Mr. Thomas Mueller: I can attest to that. Our new reference guide is available in both languages, and the French is a little bit thicker than the English one.

The Chair: It always is, yes.

We'll go with our first questioner, Monsieur Simard.

Hon. Raymond Simard (Saint Boniface, Lib.): Thank you very much, Madame Chair, and thank you for being here this afternoon.

I wonder if I could just get a bit of clarification on both LEED and the Go Green program. Are you competitors? Are they both similar programs? Are you both doing a rating of buildings?

Mr. Thomas Mueller: They are a little bit different. They are both rating systems, but they are a little bit different. Internationally, there are a whole bunch of rating systems.

I think we would say that they are actually complementing each other. We focus on new building stock, and BOMA Canada, with the Go Green program, is focusing, actually, on existing commercial buildings.

Hon. Raymond Simard: So when Public Works is speaking to BOMA, it would be about their existing buildings.

Mr. Thomas Mueller: Yes.

Hon. Raymond Simard: And then for new buildings, they would be talking to you.

So in our case, BOMA would probably be the rating organization that we would be talking to most, I would think. Right? There are not a lot of new buildings going up. Or am I wrong?

Ms. Deb Cross: I would assume so, certainly based on our understanding of the portfolio.

Hon. Raymond Simard: I know that Mr. Mueller was talking about \$30,000 to \$35,000 per building. Maybe, Ms. Cross, you could tell us what that includes.

I think I would rather hear about an existing building. Does an inspector go in, analyze, assess the building, and make recommendations, and then somebody goes in and does the work, and then you go in and certify? Is that how it works?

Ms. Deb Cross: No. Actually you're describing the system the way LEED works.

Hon. Raymond Simard: But LEED is for new buildings.

•(1605)

Ms. Deb Cross: That's right.

Hon. Raymond Simard: So you would certify it at the architectural level.

Mr. Thomas Mueller: No. All buildings are certified after occupancy. It is basically that we are very prescriptive about what credits to pursue, what strategies to pursue, and what they have to submit to us for certification.

Depending on the size you pursue, they would submit that to us. And it depends on the credit. It can be from just a signed letter from the architect to a plan, depending on what it is. Then we review that—not we, but our assessment teams—and then based on that, they assign a level of certification to the building.

Hon. Raymond Simard: So do you have any input into the whole architectural process in terms of making recommendations for energy efficiency? Not really?

Mr. Thomas Mueller: We don't have direct input in the design process. Our reference card is pretty detailed around the strategies. As part of the process we provide some assistance to the design team in terms of LEED and the credits they want to pursue, but it's limited. It's up to the design team, with the owner, to decide what kind of building they would like to achieve.

What we do is we train the industry. We have a LEED accreditation program. We accredit professionals. LEED-accredited professionals have to take an exam, and they provide support to the industry. We recommend that they be on design teams. It can be within the owner organization or it could be as a consultant. That's how we assist design teams to achieve—

Hon. Raymond Simard: To achieve their rating. The rating, if I'm not mistaken, lasts for three years.

Mr. Thomas Mueller: No, there's no time limit on it.

Hon. Raymond Simard: There's no time limit.

Mr. Thomas Mueller: Not right now. In the future there might be, but there's no limit on it right now.

Hon. Raymond Simard: You would think in 10 or 15 years they may lose some efficiencies.

Mr. Thomas Mueller: I agree, but the program has only been around for three years in Canada, so we're still working on it.

Hon. Raymond Simard: Okay. So that time limit may come at one point.

Ms. Cross, with regard to the private sector, I'm curious. I imagine you would go into an existing building and assess it, make recommendations, they would renovate the building, and you would go in and rate it. Is that how it works?

Ms. Deb Cross: Not exactly. That's the subtle difference between the two, and certainly the price ranges or the costing that he was referring to for the LEED program are at a different range than for our program because we're not dealing with outside consultants.

The process is that a building operator or an owner would apply for the program. In the case of Go Green Plus they would receive access to the online survey, which is a password-protected access. They themselves, their managers, and their operations staff complete the survey, answering about 150 questions about all aspects of the building. Then once they've achieved a 70% score, which is the minimum required, they notify BOMA, and a BOMA-appointed verifier will come in and verify that the data are correct.

Hon. Raymond Simard: Verify these facts, right?

Ms. Deb Cross: That's right, exactly. So the bulk of the work is done by the building staff or building management themselves. Part of the theory is, as I said earlier on, that it's a learning process for them in going through this.

Hon. Raymond Simard: Is there a time limit on your certification?

Ms. Deb Cross: Yes, there is. It's a three-year certification, and after three years they need to reapply and be verified again.

Hon. Raymond Simard: Can you give me an idea of what it would cost somebody to be certified?

Ms. Deb Cross: It depends on the size of the building.

Hon. Raymond Simard: It's per square foot?

Ms. Deb Cross: Yes, it's per square foot. On the smallest building, 20,000 square feet would be only \$750, and the largest would be closer to \$2,500.

Hon. Raymond Simard: That's reasonable.

Ms. Deb Cross: Part of that is the function of the amount of effort required to do the verification.

Hon. Raymond Simard: Are you doing buildings for provincial governments as well?

Ms. Deb Cross: The Alberta infrastructure, the Government of Alberta, yes, absolutely.

Hon. Raymond Simard: We are hearing a lot at this committee about Quebec and Manitoba, for instance, in terms of being leaders in the environmental field. I'm just curious to see if you can give us an idea of how the federal government compares to what the provincial governments are doing at this level.

Ms. Deb Cross: At this point I certainly would like to cite the fact that of the 250 buildings, 90 of them are in Quebec. So Quebec has shown a leadership role in the program. In fact, our BOMA organization in Quebec was instrumental in developing the French version of the Go Green program, which was developed in the west. So we were—

Hon. Raymond Simard: Is that because it's subsidized to some extent?

Ms. Deb Cross: No, I don't think so. It could well be, but it's more awareness and eagerness to support the program and participate, and recognizing the value of it. So in terms of provincial governments, the Alberta government is the only one that has explicitly endorsed the program and is rolling it out. The Province of Quebec very definitely is supporting it, but they haven't made a formal statement as such. But there are buildings.

Hon. Raymond Simard: By “supporting”, do you mean financially?

Ms. Deb Cross: No. There's no external financial support on this.

Mr. Thomas Mueller: There are some statistics at the back of my package. It shows you the provincial distribution of the LEED system. We have about 351 projects now registered in Canada. Ontario is leading, followed by B.C., Alberta, and Quebec is in fourth place. There are 34 buildings registered and two buildings certified.

• (1610)

Hon. Raymond Simard: Those are the new buildings.

Mr. Thomas Mueller: Yes. And we also have a new system as well. It's called LEED for commercial interiors, and it allows you to do tenant improvement. So it gives the power not to the owner but to the tenant, to improve the tenant space along the LEED environmental guidelines. So anybody who rents or leases a space, the private or public sector, can use LEED CI for the tenant improvement—just the floor, for example.

The Chair: Thank you very much.

Madame Thibault.

[Translation]

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): I am sorry I was late and missed part of your presentation, but I had to make a speech in the House. Let me ask my questions right away.

Ms. Cross, I realize your organization deals with commercial buildings only. Do we have in Canada one or several well-established companies that can certify residential properties?

[English]

Ms. Deb Cross: I'm quite certain it does. We don't cover that area.

Mr. Thomas Mueller: It actually does. There's an organization in Alberta that has started up. It's called Built Green Alberta. It's a certification program. It's a green program for home builders that does provide some certification of homes, single-family detached homes.

Our organization as well has just started to introduce a program called LEED for Homes, as a national standard, to rate low-rise residential construction.

[Translation]

Ms. Louise Thibault: Of course, when you talk about millions of square feet of space, the benefits are obvious, but millions of residences could be much more energy efficient. Since there are millions of houses, there could be benefits there too.

In the Go Green program, I would like to know how long a building can keep its certification. What should the building owners do to keep their certification. What is their responsibility about this?

Comparisons are never perfect, but this system seems to me to be similar to the ISO standards. Once you get the ISO 9002 standard, for example, you keep it for 20 years. But one can wonder whether the level of quality is always maintained.

For how long does the certification last? What should the owner do to keep it or avoid being rapped on the hand?

[English]

Ms. Deb Cross: As I mentioned earlier—and I think “rapped on the hand” is a good expression—the certification is valid for three years, so right off the bat that's the baseline. After three years, they need to reapply. They need to go through the full certification process and answer the questions again. They need to show that they continue to reach the required level, and they are verified again. In the case of the Go Green program, which is a best practices standard that lays out some groundwork, there must be a plan in place for energy savings.

They then, after the three years, need to prove that they've actually taken action on that plan that is in place. So the measure after three years, to be recertified, is to show that they've actually made an improvement and acted on their action plan.

[Translation]

Ms. Louise Thibault: The environment is one thing, but a business is there to make a profit. Business owners do not want their costs to be higher than their revenues. I have nothing against making a profit. We are all in favour of that.

What will the costs be, every three years, to make a new application, meet the requirements, complete a questionnaire, and so on? Once they get their certification, how much will it cost to keep it three years down the road?

[English]

Ms. Deb Cross: The recertification cost is the same as the initial certification cost, which was, as I indicated, in the range of anywhere from \$750 to \$2,500. So the benefits, in my mind, far outweigh the fairly reasonable cost.

[Translation]

Ms. Louise Thibault: How would you rate the performance of the Conservative government in the greening of its buildings? I am not talking here about its good intentions, but about tangible results. I know it is just a beginning.

•(1615)

[English]

Ms. Deb Cross: If I may ask for clarification, are you asking whether we are assessing now what has been achieved or how will we assess...?

[Translation]

Ms. Louise Thibault: No.

On the basis of its achievements to date, how do you rate the federal government's approach to the greening of its operations? Is it going in the right direction?

I do not think we need to rush, but is its approach rigorous enough and does it move forward fast enough? Have the buildings been identified? Is it a systematic approach?

This is the context of my question on the present record of the federal government. This is not a partisan question. I am not talking about the Conservative government but about the government that launched six years ago a 15 year plan of action. What is your assessment of the present situation?

[English]

Ms. Deb Cross: I guess the simplest answer to that would be that we've had a very positive working relationship with government since the Office of Greening Government Operations has been established, working towards the certification of the crown-owned portfolio buildings. I think the commitment to undertake the program is, to us, an indicator that the government is going in the right direction.

[Translation]

The Chair: You have one minute left.

Ms. Louise Thibault: My colleague Mr. Simard asked a very interesting question, and it is not surprising. You said a commitment was made since the office was established.

What are the good intentions and the record of other jurisdictions like the provinces? Does the federal government's record compare favourably with that of the provinces.

[English]

Mr. Thomas Mueller: I don't think they do compare favourably. You have a larger organization to change, and it's more far-reaching.

If you take the province of Alberta, the geographical area is more focused. From coast to coast you have a larger area to deal with, and I think it just takes longer.

In terms of the level of policy, I think it's comparable. The provincial governments that have adopted the LEED system have committed to certification. I think that's a really important thing. In terms of the federal government here, we have not always seen that the facilities are certified. Certainly the intent is there, but following through all the way has sometimes not been achieved. There's certainly a willingness, but it has not always been followed through, and it is somewhat inconsistent at this stage.

[Translation]

Ms. Louise Thibault: My last question is on the existing buildings. One of our concerns has to do with the built heritage. This includes buildings that can be 50 years old, they can be old and very nice, but some buildings can also carry a special designation.

Can the Canadian government succeed in greening its heritage buildings, or should we be more reasonable and accept to exclude buildings that are a 100 years old or more? Are there some opportunities with these buildings?

[English]

Ms. Deb Cross: I would certainly say there are. Obviously, there are certain infrastructure elements of the buildings that can't be changed because of their heritage status, but there are resource consumption changes that can be made there. The way the building is managed can be changed. All of these are components within the program that are encouraged. They may not achieve top status, but the demonstration of intent is an important component as well.

Mr. Thomas Mueller: I would agree with that. The LEED program for commercial interiors, for example, would allow you to do a lot of things in any kind of building that bring up the performance.

[Translation]

Ms. Louise Thibault: Thank you.

[English]

The Chair: Mr. Albrecht.

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Thank you, Madam Chair.

Thank you to both of you for being here today.

I have a number of questions related to a few different pages of your presentation, Mr. Mueller, so I'll try to sort of hop around on them.

On pages 8 and 9, you refer to some of the cost benefits that are a result of certification. I'm just wondering how you measure those. You mentioned especially productivity and health benefits. Do you measure that by the number of sick days? Do you measure it by the fact that your employees now take two steps at a time up the stairs? How do you measure that productivity?

•(1620)

Mr. Thomas Mueller: It's mainly individuals and schools that do these studies to measure. Productivity is hard to measure, but absenteeism—

Mr. Harold Albrecht: Okay, so it's basically sick days.

Mr. Thomas Mueller: Yes, for example, it's sick days. In health care, for example, it is how long people actually stay in the hospital, how long they take to recover. There are certainly indications that in facilities that have daylight, natural ventilation, and proper views of nature outside, the stays are shorter.

Mr. Harold Albrecht: As far as the financial payback goes, do you have figures that would help us to understand how many years' payback—for example, qualifying at a platinum level, it would take more years for payback, I assume. Do you have an average of years' payback for platinum, gold, and silver?

Mr. Thomas Mueller: We don't have, in fact, because there are so many variables in buildings. It depends where the building is, how big it is, how committed the owner is, what level of certification has been targeted, what technologies have been applied. There are so many variables.

Generally, we say what we have found—and I have to tell you this anecdotally—is that in areas where there's more experience.... For example, in western Canada, and in Ontario as well, you can get a LEED-certified building, a LEED silver building, at virtually no additional cost. Additional costs are very low—maybe 1%. So the paybacks are within the year.

Mr. Harold Albrecht:

They're instant.

Mr. Thomas Mueller: There are regions where, for example, for some of the early LEED buildings, it cost 6% to 8% more. They were relatively small. The payback then was 10 years, but with just the slide in energy prices they were paid back in five or six years. There are a lot of variables that play into that, but what we found is that the payback periods, actually, are quite reasonable over all.

The bigger the building is, the easier time you have of it, obviously.

Mr. Harold Albrecht: Yes, it certainly sounds as though the payback is worth the initial investment in virtually every case.

Mr. Thomas Mueller: Absolutely.

Mr. Harold Albrecht: You've never had someone declined because of too long a payback period, if you're well under 10 years or so?

Mr. Thomas Mueller: Yes. It's a smart investment.

Mr. Harold Albrecht: On page 12 you mention in the last paragraph that the “design knowledge, construction practices and technologies readily exist across Canada to achieve this 50% reduction”.

Mr. Thomas Mueller: Yes.

Mr. Harold Albrecht: How long would it take to accomplish that goal, and do we have the workforce to accomplish it? It's fine to have the technology there, but it seems to me it would take a huge workforce to accomplish a goal like that.

Mr. Thomas Mueller: I think it would, but particularly when it comes to energy, we have a lot of experience in Canada already. This has been going on for a long time. Just in terms of the retrofit of buildings, the energy performance contract has been around a long time.

And it includes not just putting in better windows. We're looking at a more holistic approach that can range from growth consumption and having a better envelope and better windows and better lighting that is readily available to just how you operate the building: you are smarter in operating the building; you also may be bringing in some renewable energy. It's a number of strategies that would get you to the target, not just one. Several strategies would get you there.

Even in the short period of time that we have existed, we have close to 3,000 LEED-accredited professionals now in this country whom we have trained and accredited. On top of that, there are virtually thousands of people who have taken our workshop: professional engineers, architects, landscape architects, cost consultants, contractors. It is really quite pervasive. We have made a very good dent in the industry.

That is not to say that we don't still have to build capacity in the industry. There is no doubt about that.

Mr. Harold Albrecht: I think you may have partially answered this question relating to uptake. You point out that the federal government has roughly 5% of their buildings—

Mr. Thomas Mueller: Yes.

Mr. Harold Albrecht: And then, in your graph on page 22, it's clear that local government is at almost 20%.

• (1625)

Mr. Thomas Mueller: Yes.

Mr. Harold Albrecht: Is it primarily because of smaller geographic areas to focus on? Do you think that's the primary reason you have greater uptake at the local level?

Mr. Thomas Mueller: I think so. The local governments, just like the federal government, were among the first ones out of the gate. They saw that there was a great opportunity locally to demonstrate sustainability on the ground and that there are operating savings. It's a kind of win-win for them, and I think it's similar for the federal government as well.

But I think the local governments have more control of what's happening. That's what I was saying. You are a much larger organization that spans from coast to coast, so obviously it takes longer to change the procedures and the policies you have, and so on. I think at the local level you just have more control on how the change happens.

Mr. Harold Albrecht: It seems to me that would create an argument for the federal government—our level—to put more incentive, more initiative, more weight behind the fact that we want to be leaders in terms of the image we present to all Canadians that this should be a priority for all of us.

Mr. Thomas Mueller: Yes.

Mr. Harold Albrecht: In relation to the third-party assessment teams that you have—that's an interesting concept—how do you choose them? Are they in there for a couple of years? Are they all industry leaders?

Mr. Thomas Mueller: Basically, it is done through a request for proposal process, and the teams are selected based on the expertise they have in green design. They are made up sometimes out of two or three firms that have experts who have experience in green building design and construction.

They are selected on very specific criteria. Right now we have five assessment teams across the country. So, for example, if you have a building in British Columbia that's being submitted for certification, we'll give the documentation to a team in Quebec so that there's really no interference in terms of interest. Really, we only manage the process. We sometimes arbitrate around credits, but it's really they who make the recommendation, and it's really through third-party certification. And the LEED system is quite rigorous.

Mr. Harold Albrecht: Do I have any more time?

The Chair: Another minute.

Mr. Harold Albrecht: Here's just one question, then, for Ms. Cross. Does the federal government pay an enrollment fee to be part of your system, or is it simply based on a cost per certified building?

Ms. Deb Cross: It's a cost per building.

Mr. Harold Albrecht: And you gave some figures before as an example. Is it per square foot?

Ms. Deb Cross: Yes, per square foot.

Mr. Harold Albrecht: And that dollar amount is...?

Ms. Deb Cross: Well, the smallest one is \$750 for a 20,000-square-foot building, and for an over-500,000-square-foot building it would be \$2,000.

Mr. Harold Albrecht: Thank you.

The Chair: Mr. Dewar.

Mr. Paul Dewar (Ottawa Centre, NDP): Thank you, Chair, and thank you to the guests today. A lot of the questions I had have been answered, but I'm just looking at a document I received when I was in Washington recently for a G-8 plus five conference on energy.

The approach being taken in Europe and in the United States is quite interesting as well, in looking at a sectoral approach to dealing with greenhouse gas emissions and energy use—because of course when you're talking about GHGs and reductions and abatement, you need to look at energy.

There were numerous documents, but one of them that was interesting is on innovation and collaboration at the city level. It was in May of last year in Europe that more than 1,300 cities got together to set targets to retrofit buildings, look at transportation systems, and share and collaborate best practices with companies involved in this kind of process. I thought it was a smart way of going about it, because no one has the one answer for anything, and if they did, we wouldn't be here, I guess.

I would like to hear from both of you about your experience to date, as to whether you have worked outside of Canada, and if you have not, contractually speaking, then tell us some of the techniques you have employed and whether you have had the experience of seeing what's being done in the United States or in Europe, how it has helped you, and what things you have learned.

Ms. Deb Cross: I think probably my answer will be simpler because ours is a Canadian program. We have only delivered it in Canada, and the premise was based on the Canadian environment.

We have an affiliated or parent organization based in Washington, BOMA International, and there's great interest in the Go Green program, but we haven't actually delivered it in the U.S. or elsewhere.

Mr. Thomas Mueller: For my part, you can probably hear from my accent that I actually grew up in Germany, and I've spent quite a bit of time in both Europe and the United States.

There is the U.S. Green Building Council organization. We do quite a bit of work with them around LEED development and policy development and so on involving green buildings. Things in the United States with regard to green buildings are really accelerating at a rapid pace, both federally now, with the change in the Congress, in the Senate, but also—and this refers back to what you said about cities—there are I don't know how many cities that have signed on now to a climate change agenda in the States, and they are supported by the Clinton Foundation global initiative around climate change. There are 42 cities worldwide now that have signed on to it.

There is a lot of cooperation going on among cities. I haven't seen a similar collaboration in Canada. I know that FCM has Partners for Climate Protection, but it hasn't been as visible. We actually have it in our business plan this year that we want to get the 13 largest cities in Canada together around the issues of green buildings and climate change and around what you are referring to: information sharing and green buildings.

It extends not just to the kind of building but to where we also think about buildings in the community context. Really, what we need is to build cities that are more compact, of higher density, and that also have buildings that perform at a much higher level than they perform right now.

This is really in a nutshell our agenda. We want to start with the 13 largest cities—Toronto and Montreal and so on. Many of them already either have policies in place or are in the process of putting policies in place with regard to green buildings. Often they also commit to LEED.

So in terms of the States, I think we're lagging a little bit behind in this area, but then we are ahead in other areas. There's a lot of capacity, a lot of knowledge and innovation here in Canada when it comes to green buildings and sustainable community development, which we can really draw on. There's a real, I would say, economic cluster forming in Canada with that expertise.

As for the performance of buildings—and I haven't spent as much time in Europe as some other members of our council—we are part of the World Green Building Council as well. It is an international body that brings together councils from across the world. There are currently nine—actually ten members as of this week, including, just this week, the U.K. Green Building Council, which has joined. We have India, the U.S., Australia, New Zealand, the United Emirates, Japan—these are some of the countries that have green building councils and green building rating systems, not necessarily LEED, but their own homemade green building rating systems—and we have Europe as well.

I can tell you that in the European context, what I saw the last time I was over there, last year, is that in terms of energy they are considerably ahead of North America. I have seen different houses. One house is called the passive house, of which they have now built about 6,000 in Austria and Germany. They use only 25% of the energy of our top-rated energy house in Canada. This is a commercialized technology. It is low technology that uses wood frame construction. These kinds of technologies are out there, and it is quite fascinating to see.

• (1630)

Mr. Paul Dewar: There's a recent development. An architect in Winnipeg is behind the very well-known Mountain Equipment Co-op building here in Ottawa, and there's one in Winnipeg too. Now he's built an energy-neutral building and claims that it's going to generate energy. That's how far ahead people are going.

I have a question about propriety. If you're working with government, and they don't own the building, does that make it more complicated in terms of getting involved?

Perhaps I could hear from you, Ms. Cross. How does this work? Obviously you've been involved in that kind of situation. With whom do you deal, and how do you assess things? The lines of authority in the flow chart—

Ms. Deb Cross: Sure.

First and foremost, it should be clear that the building is certified, not the management company. Although the question might be that the management company is very involved in the measurement or the success of a building, that's the other value of the after-three-year recertification. If there's a change in ownership and management, then there's a requirement for that.

In the case of the government, obviously the buildings that we undertake in the first part of the program are buildings that are owned and managed by the Crown. As I indicated earlier, the process of completing the application and participating in the program requires the on-site personnel to complete the forms, do the measures, and so on. So it's sort of a collaborative process.

We have buildings that are owned by one organization and managed by another. If one of those decides to become Go Green certified, they're the one that will pay and apply. But it's ultimately the building management that will complete the information.

Mr. Paul Dewar: That's helpful. Thank you.

The Chair: I wanted to throw in one thing. Have you seen any municipalities or jurisdictions that have imposed the kinds of building codes that would ensure this occurs in a certain area—say, a city planning department or anything of that nature? My sense is that if you have a city, they want the building, so they're not likely to turn down anybody who wants to build a new building. But perhaps they should start thinking of how they impose or push people into being more energy conscious, and so on.

I'm wondering whether you've run into that anywhere in Europe where—

• (1635)

Mr. Thomas Mueller: There's only one in Canada.

The Chair: Where?

Mr. Thomas Mueller: It's the city of Vancouver.

The Chair: And it has...?

Mr. Thomas Mueller: Because of the Vancouver charter, they can adopt things in the building code that other municipalities can't. They are actually in the process of greening their code. Originally they wanted to make LEED mandatory, and we advised them against it because LEED is not a code. It's a rating system, not a regulation.

But what they are doing now is being very supportive of LEED, also for the private sector, and they're starting to bring the code in line with the LEED requirements in terms of water, energy, and so on. So at least it meets the baselines in the LEED rating system a bit better. So far, I understand this is the only jurisdiction in Canada to have undertaken this.

I note that the Province of Ontario has a new building code that's very forward looking in terms of energy. It's the first time that I've seen "environment" actually mentioned in a building code.

These are the only ones I'm aware of that have taken those steps. I think the B.C. premier said they would bring a green code in by 2010.

The Chair: Thank you.

Mr. Warkentin.

Mr. Chris Warkentin (Peace River, CPC): I'll say it on the record: I prefer not to have a carbon tax; I'd prefer to let senior citizens have a decent price for energy.

But I want to talk a bit. I'm a little more familiar with Alberta's Built Green program for residential buildings. But I can see that there are a number of similarities with the LEED program.

From your understanding, is there a similar type of criteria in terms of getting a certain number of points for different things that a contractor puts into the particular construction of a complex?

Mr. Thomas Mueller: They have a similar structure in terms of the five areas you addressed. I would say that Built Green Alberta is structured a little bit differently and may be a more appropriate structure for the industry targets, which are homebuilders who have maybe less tolerance in terms of the cost because most of them are fairly small and they're very closely linked to the market. Built Green Alberta has a mandatory component around energy, and then they have a very long checklist, where builders have 300 or so options they can choose from. It's a long list of, let's say, using water efficient appliances or something like that, which they can choose from.

It's very prescriptive, and builders have a lot of choice in what they want to pursue, whereas LEED is more performance-based. LEED is more rigorous in terms of how it rates the system, but it really depends on the sector. Systems have to be appropriate to the building sector they're targeting.

Mr. Chris Warkentin: Explain the difference to me. From what I understand about the Built Green Alberta program, contractors can get a certain number of points for every type of option they include, if they have renewable siding or siding that's going to last a lot longer, so they are not filling landfills, or if they have water- or energy-efficient appliances or better insulation, insulated block basements and those types of things. Once the project is done, you would then rate the building to see if it's energy efficient or not and if it's a pass or fail scenario.

Mr. Thomas Mueller: I'll explain the difference. In Built Green Alberta, the only thing that's verified is the energy performance of the building. It is linked to the EnerGuide 80 energy standard. That's a Canadian-made standard. That's the only one that's verified with what's called the blower door test; they test it on-site.

For all the other credits, builders just have to check them off and say they have done them. With LEED, it's different. With LEED, when you do a building—right now it applies to different, larger-scale buildings—they have to do an energy model, and for every point they want to get acknowledged, they have to submit documentation that this point has been achieved. There is a difference in the level of terms of verification.

Mr. Chris Warkentin: In terms of a larger building, there would be room in the budget for that type of scrutiny.

Mr. Thomas Mueller: Yes, for homebuilders who build five homes per year, you have to adjust it to the level they can afford and would be willing to do.

Mr. Chris Warkentin: Right.

I've watched it, and it seems as if the market is going to respond favourably to the Built Green Alberta homes. Have you noticed a market reaction to the buildings that have certification in terms of the commercial buildings you're involved in?

• (1640)

Mr. Thomas Mueller: Yes, there is. We see that. Last September, we had a meeting with the largest commercial spec developers in Canada, Giffels, and the pension funds as well, such as Great-West Life Assurance. They have a lot of interest in having their office buildings LEED certified. There is a building in Toronto, the SAS building, that was partly owner-occupied and partly leased. Because it was LEED certified—and that was from them, not from us—it has rented faster and at a higher rate than similar buildings in that area.

This building has been the catalyst for the three largest office developments in Toronto now, the RBC tower, the Telus tower, and the Bay Adelaide Centre. They are private sector developments and they are all seeking LEED certification of LEED silver or better. This is about one million square feet of commercial spec development that is totally private sector, so they are starting to see the market opportunity. For them it's not so much the payback; for them it's return on investments, whether it can be leased faster, for higher rent, and whether the value of the building can be maintained.

Pension funds are looking for that. They want to make sure the buildings they invest in will not be obsolete in 10 or 15 years in terms of their performance.

Mr. Chris Warkentin: That was my sense, that there would be a response in terms of the market. Obviously, that's a positive thing as we look forward.

Mr. Thomas Mueller: It's starting now, yes.

Mr. Chris Warkentin: That will obviously lead to the perpetuation of this type of movement. Certainly, that's fantastic.

I noticed in the documentation you had that five buildings in Alberta had asked for registration. Is that right? Only one had been certified. I'm wondering if they are still waiting to be certified or did they not pass the test?

Mr. Thomas Mueller: Most buildings that go through certification with us do actually pass the test, but it depends on which stage they're registering the building. The average building period, probably from design to completion, is about two to three years. LEED Canada has only been around since December 2004.

What you see now is that buildings have registered—particularly on the commercial and institutional side, these buildings take a long time to design and to construct—and then they submit the documentation. Sometimes they finish it, and then three months after they submit the documentation, it takes us two or three months to do the certification as well. So that's the delay.

Actually, Alberta is one of the provinces that is very proactive on green buildings. They have been first in everything. They had the first city, Calgary, to have a green building policy, and Alberta was the first province in the country to have a green building policy. They have a lot of buildings under way, so there is a huge level of commitment in the province of Alberta to this.

Mr. Chris Warkentin: Yes, absolutely. We're noticing the movement is gaining steam pretty aggressively there, so we certainly do appreciate your involvement in this.

Following up, I just want to talk a little bit about the other program in terms of the utilization of the product. Obviously there is going to be a major cost saving for people who actively pursue the reduction of materials. I'm wondering if you could give us a cost analysis, or in terms of a percentage.

Ms. Deb Cross: That's part of the reason I included the information I did as a quote. This is a relatively young program, so we don't have the history yet for those statistics, but we're in the process of compiling those as part of the process of receiving the information from the submissions. Once we have some of that information, I can provide it to you.

Mr. Chris Warkentin: Obviously it's added motivation for anybody to become involved, and I'm a strong believer that cost drives a lot of attitudes sometimes, so it certainly—

Ms. Deb Cross: Absolutely, and certainly for the government as well as for the private sector, the bottom line is certainly one of the factors. We know there are savings. We just haven't been able to put an amount on it.

The Chair: We'll go to Monsieur Simard.

Hon. Raymond Simard: Madam Chair, do we know whether Mr. Mueller is with us for a little while yet or...?

The Chair: Not much longer.

Your flight is at what time?

Mr. Thomas Mueller: It's at 6:30, so I still have a bit of time.

Hon. Raymond Simard: I'll still ask your question right away.

At the last meeting I was bragging about the Manitoba Hydro building in Winnipeg. It is supposed to be one of the most energy-efficient buildings in the world. It would cost zero to heat or to cool for six months out of the year, which is impressive.

I'm just wondering if they're registered with LEED or if you would know that.

Mr. Thomas Mueller: Yes, they are.

• (1645)

Hon. Raymond Simard: They are.

Mr. Thomas Mueller: Actually they said they would go to LEED gold, and there is word that they are actually aspiring to the highest level of certification.

Hon. Raymond Simard: That brings me to my second question. When you're talking about gold and silver ratings, can you attach numbers to that? In other words, you have your regular building code standards, and after that if you go to silver, is it 10% more efficient than building code? If you go to gold, is it 20% more efficient? Are there numbers you could give us?

Mr. Thomas Mueller: Maybe I can explain it this way. You have 70 credits in LEED, and there are also prerequisites, so these are things that all the buildings have to meet. If they can't meet those prerequisites, they can't use the LEED system.

In Canada, just on the energy side, our LEED system is tied to the commercial buildings incentive program, which is a percentage above the Model National Energy Code of Canada for Buildings. So in terms of prerequisite, you actually have to achieve already a higher level of energy performance to even be able to participate in the program. And it's also a higher level than what the U.S. has in its LEED program, so we actually went higher.

Hon. Raymond Simard: Mr. Mueller, I'm going to have to cut you off there because I do have one question for Ms. Cross—actually two questions.

Maybe you could tell us about the extent of the work you're doing right now with Public Works in terms of numbers. How many buildings are you certifying for Public Works now, and is that number increasing on a yearly basis?

Secondly, how are the buildings selected? Who decides which building you would select to certify? Is it based on the least efficient building?

Ms. Deb Cross: In answer to your first question, there actually are three Public Works buildings that are already certified. Those were ones that independently chose to apply for the program before we established the understanding that it was going to be rolled out across the portfolio.

We're working with the Public Works team and the Office of Greening Government Operations to establish the schedule to roll it out across the country.

In answer to your second question, it's not—

Hon. Raymond Simard: So you're not certifying any buildings as we speak.

Ms. Deb Cross: Not as we speak.

Hon. Raymond Simard: You don't have a list of buildings to certify.

Ms. Deb Cross: Not at the moment. I mean, we have a list; we're just putting—

Hon. Raymond Simard: There are no funds?

Ms. Deb Cross: Sorry?

Hon. Raymond Simard: It is all very nice in theory, it would seem to me. How many buildings have we got in Public Works?

Ms. Deb Cross: There are 300 crown-owned ones.

Hon. Raymond Simard: It's tons, right?

Ms. Deb Cross: That's right.

Hon. Raymond Simard: It would seem to me that you would have a list of 15 or 20 or 30 to do this year. Is that not the case?

Ms. Deb Cross: We are targeting for the launch of the program in April. We're working through the schedule of how the buildings will be certified and in what order.

In answer to the second part of your question, it's not up to us to decide which buildings are going to be certified. It will be the ones that Public Works advises us are ready to be—

Hon. Raymond Simard: In your discussions, are you getting a feeling that you'll be doing 30 a year, three a year? What does it seem to you?

Ms. Deb Cross: The target, I believe, is a three-year rollout of the 300 buildings, so it would be 100 a year.

[*Translation*]

The Chair: Mr. Nadeau.

Mr. Richard Nadeau (Gatineau, BQ): Thank you, Madam Chair.

Good afternoon, Ms. Cross and Mr. Mueller.

If you were given the opportunity do develop the Canadian government's policy to make sure buildings are built according to green criteria in the future, that is to say with an ecoenergetic design which is environment friendly, what would be the main components of that policy that would allow us to set up a concrete orientation or vision that takes this concern into account?

I repeat that this policy should not only result in monetary savings, something that could eventually materialize, but mainly in resource savings.

My question is for both of you.

[*English*]

Ms. Deb Cross: If we're talking about new buildings, I would have to defer to you, but I'll—

Mr. Thomas Mueller: If it's about policy for all of government, I think the report of the National Round Table on the Environment and the Economy, which I mentioned in my presentation, lays out a pretty convincing agenda on how buildings not only contribute to reducing greenhouse gas emissions but what strategies can be used in buildings right now—commercial institutions as well as residential buildings—to get there, to actually get to a 50% reduction in energy use in new and existing buildings across the country. It's very convincing.

That's why I mentioned the technologies and that the know-how exists to do it. I think it really hinges around the willingness both on the part of industry and government to move forward in terms of policy. I think that's the important point to make.

On new buildings on the LEED system, I think what you're talking about would actually be beyond the platinum. LEED platinum would get you a 65% improvement in energy over the baseline. You have a building in your portfolio already—a Public Works building in British Columbia—that is 75% above the current energy standard. That is the kind of model that can show this can be done right now.

I know they didn't spend a fortune on this building to do this. It is as much the technology as it is the process of how you design buildings. We talk about the integrated design process and making it happen. Well, all the players—the owner, the designer, the builder—actually envisioned what the building was supposed to be. It's the integration; that's when you really get the efficiency. The building codes are very linear, and it's this integration where you get buildings that are really performing at a very high level.

In terms of what you're talking about, I would have a policy that would extend to all government departments that own and operate buildings. Given the urgency around climate change, I would talk at a very high level of energy performance that is perhaps 50% by 2010 or 2015, and then you have to ramp it up every year.

These are the kinds of policy approaches you see out there. It's not that we're doing this now and it stays for 10 or 20 years; it's a process for continuous improvement that uses data-driven performance measurements. It feeds it back so you learn to achieve ever higher levels of performance. That is then benchmarked with other jurisdictions such as Europe, Japan, the United States. You can see that you actually are making progress, and it also encourages other jurisdictions to make progress as well. So this is really a data-driven approach to increasing performance in buildings.

I think the goal can be set right now at 50%, and it can be made higher. For example, CMHC has the net-zero housing initiative. I've seen some of the proposals. Again, this is technology that is doable. It actually comes to net zero. So carbon-neutral buildings in the residential sector are possible, and that's certainly also possible in the commercial sector as well, if we take the right approach. A cycle of continuous improvement ramping up over time will get us there.

•(1650)

The Chair: Do we have any other questions from anyone here?

Mr. Fast.

Mr. Ed Fast (Abbotsford, CPC): You referred to a building in British Columbia that has achieved a 75% reduction?

Mr. Thomas Mueller: Yes, it's the Gulf Islands demonstration building—

Mr. Ed Fast: In Saanich?

Mr. Thomas Mueller: Yes, in Saanich. It has an ocean-based cooling system, a geothermal system, and it's built from wood, so a natural material. It has the highest performance rating in our building rating system.

Mr. Ed Fast: What's the largest building in British Columbia that is going to be, or has already been, LEED certified?

Mr. Thomas Mueller: The new convention centre is going to be a LEED gold building. It's going to have the largest green roof in North America.

Also, there is the Olympic village. They registered 20 buildings a few days ago in the Olympic village for Vancouver that are all going to be certified LEED gold. These are mainly residential developments, with the community centre targeting LEED platinum.

Mr. Ed Fast: Thank you.

The Chair: Mr. Dewar.

Mr. Paul Dewar: Thank you, Chair.

I had just a couple more questions. I was going to mention the hydro building in downtown Winnipeg because it has captured a lot of attention. I think it's a model for how governments can really lead by example—or in this case, Manitoba Hydro associated with the government, I guess.

You were talking about the design, and I know Dudley Thompson in Manitoba talks about this. He is the architect I was referring to who was actually talking about building buildings that can generate energy. That's his vision. Certainly in Manitoba there is a little more sun, and you have some wind. Geothermal, I know, has taken off in the last couple of years. We were just talking about it.

When we're looking at intelligent design, as they call it, and really trying to meet targets and go beyond what we had in the past, it really is critical to have everyone there for the design of a building, and to make sure all of the assets are put together. In terms of looking at a building that is already up and going, to look at what affects people, you have to go talk to people working in the building. It makes infinite sense, common sense, that you would do that when you're starting off and building a new building.

When you're working with partners, and you're working with either government or private sector, is there a template for that? Do you have a list of people you must have at the table to be able to achieve your goals?

•(1655)

Mr. Thomas Mueller: Yes. There is a template, and there are several documents out there now. One was recently issued in B.C. It's a workshop to train people on the process. It's very clear how the process has to unfold and what players need to be at the table. The knowledge is out there. In the news, there has been a lot of talk about integrated design process.

The buildings that have used it have been extremely successful. These are buildings that perform at a very high level, and there are some that have actually come in below cost, because of the process alone. This is a very encouraging sign, but it is something you have to ingrain as a new habit among professionals, which is not necessarily easy to do. But it's very key I think in achieving the high performance, and the documents are now available to show what the process ought to be.

Mr. Paul Dewar: Where would I find those? They're online?

Mr. Thomas Mueller: There's one in B.C. There is a group associated with us, a multi-stakeholder group that has just developed it. I'd be happy to point you in the right direction. We also have a product that we deliver to building owners that tells them how they can implement policy, what the process is to actually go from policy into practice. The integrated design process is part of that training.

Mr. Paul Dewar: Thank you.

Thank you, Chair.

The Chair: Thank you.

Are there any further questions? Monsieur Nadeau? No?

I want to thank you very much. You will make your plane. We're giving you lots of time, although the traffic can be heavy at this time.

Thank you very much for coming. It was very informative. We wish you well. I hope you can convince more municipalities to put in different building codes. That would go a long way, although it might be hard to do. Thank you.

Mr. Thomas Mueller: Thank you very much. Thank you for inviting me.

The Chair: The meeting is adjourned.

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