VICTORIA RESIDENTIAL BUILDERS ASSOCIATION

Community Builders... Building Communities

June 16, 2024

Mayor and Council Municipality of North Cowichan 7030 Trans Canada Highway North Cowichan, BC V9L 5A1 council@northcowichan.ca

Dear Mayor Douglas and Council,

Re: Zero Carbon Step Code

There are many reasons to take a more balanced approach to the Zero Carbon Step Code. Emissions Level 4 is neither viable nor necessary - the province is not planning to require this until 2030. In addition, electricity provides only 16% of BC's energy needs, while natural gas provides 29%. There are very real concerns about BC Hydro's capacity and rising energy costs.

The data support Renewable Natural Gas. The BC govt's own metrics report says "RNG as a percentage of total natural gas required to meet Zero Carbon ready GHG target is 85% - 90%." pages 100 – 102 https://energystepcode.ca/app/uploads/sites/257/2022/10/BC-Energy-Step-Code Metrics-Report 2022-09-29-R1-Compressed.pdf

Yet curiously the BC government does not permit RNG in their emissions calculations for GHG targets.

Saanich, Victoria and Oak Bay essentially banned gas by passing EL4, and in doing so undermined their own multi-million dollar RNG project. Renewable Natural Gas is a product produced by residents in the form of waste/biogas from the Hartland Landfill. Adopting EL 4 is the equivalent of banning RNG making the financial viability of distribution questionable. It's like asking FortisBC to buy residents' RNG, use their distribution system, then passing a bylaw preventing distribution of the RNG. The incongruity and unfairness of this is obvious. The benefits of RNG are such that the Capital Regional District is mothballing its electricity plant. They say in their news release:

"A lifecycle GHG assessment of this project found that decommissioning Hartland Landfill's current electricity plant, a facility nearing the end of its life, and building a new RNG facility at the landfill would be the most effective beneficial use of this resource from a climate change perspective. The upgrade to renewable natural gas will not increase the footprint of Hartland's current landfill gas-to-energy plant."

"FortisBC will purchase this RNG and inject it into the region's local gas system. As RNG mixes seamlessly into the existing natural gas infrastructure, it decarbonizes the natural gas supply, displaces equivalent volumes of conventional natural gas and lowers overall GHG emissions."

Saanich, Victoria and Oak Bay councillors are part of the CRD board that approved this project. Their municipalities' early adoption of EL 4/zero carbon lacks basic fairness, transparency and undermines housing affordability.

RNG assists new housing supply for young families challenged by rising construction costs and high interest rates. According to CMHC, housing starts are down 37% in North Cowichan during the first quarter of 2025 vs 2024.

Every decision by municipal councils impacting housing makes a difference. For example, the BC govt claims there is under 3% added cost to the Zero Carbon Step Code for Part 3 buildings. However, they exclude other construction costs added this year including new seismic requirements in the code estimated at a 15% to 20% cost increase. There are also more costs for the adaptability/accessibility regulations.

Councils are actually making decisions on the cost of housing every time a new regulation, bylaw or fee is on the agenda. The agenda may say EL4 but the unintended consequence is another new home unavailable for families, seniors – every member of the community.

VRBA opposes fast-tracking to EL 4 zero carbon and recommends North Cowichan follow the provincial timeline to 2030. We suggest council enable RNG, which the BC government's own RNG data and CRD news release indicate is a responsible GHG target supporting both housing affordability and energy security.

Feel free to contact me for any more information.

Sincerely,

Casey Edge Executive Director