



BOMA BC RESPONSE TO GVRD BOILER REGULATION AND FEE PROPOSALS

29 June 2006

BOMA BC has reviewed the GVRD discussion papers for the proposed regulation of emissions from boilers & heaters and the fee structure and wishes to register the following comments:

1. The discussion papers put forth have minimal information and the opportunity to fully examine the impact on commercial real estate is not possible given the short period of time for stakeholder feedback.
2. The case for applying any fees to building owners is weak and is perceived as nothing more than another tax grab by an unaccountable government entity. While the current proposed fees are not considered sufficient to cause serious financial harm to building owners, nor effect their capital equipment decisions, they do add yet another straw on the backs of commercial building owners who already pay an unfair share of the property tax burden including those already paid to the GVRD. As well, the fees are likely not cost recoverable as they are arbitrarily established on an unregulated revenue requirement.
3. The proposed fee structure is unfair in that it applies to a small group of end-users, which generate less than 5% of the region's NOx emissions thus failing tests of equity.
4. The GVRD information received is unclear as to how and why boiler capacity is considered useful or administratively practical when BOMA members' equipment is sized to accommodate rare peaks or to have backup standby capacity. Regardless, it doesn't make sense to penalize building owners based on the capacity of their boilers. What's important is that the boilers are efficient and updated with new technology on a life cycle basis. The GVRD proposals to use capacity is unfair considering there is always going to be engineered capacity for backup and to meet conservative engineering practices. Commercial buildings in particular have made significant energy reduction progress from on-going retrofits, enhanced technology and through energy-efficiency management and operations. The establishment of an emissions standard is more appropriate.
5. Air quality experts advise BOMA that 'particulate pollution' is the key health concern regarding regional air quality. Their research has demonstrated that buildings, because of their air filtering systems and practices, actually have a net positive effect on air quality by filtering out particulate pollution. The GVRD should identify means,

possibly partnering with our utilities and the Province, to provide incentives for encouraging good HVAC maintenance practices.

At a time when GVRD air quality is improving, BOMA expects the GVRD to support our industry initiatives such as our 'BOMA Go Green™' environmental certification program and our 'BOMA e-EnergyTraining' program to help with building market transformation. We believe our approach of encouraging building owners to achieve the industry endorsed Go Green standard (promoting energy & water conservation, waste reduction and air quality enhancement) is more effective and broader based than the proposed GVRD approach to add more regulation and charge fees.

The GVRD is encouraged to step back and have further consultation with BOMA, and our utility suppliers, before proceeding any further.

A handwritten signature in black ink, appearing to read 'P. LaBranche', written in a cursive style.

Paul LaBranche
Executive Vice President

cc Lois Jackson, GVRD Chair
Hon Ida Chong, Minister of Community Affairs
BOMA BC Board of Directors