

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
 To: "Direct to Mayor and Council - DL"
 Date: 11/24/2024 8:48:46 AM
 Subject: RE: Natural gas usage in new construction

Good morning Mayor and Council,

I am writing in follow up to an additional question we received related to the "Allowing Natural Gas" report going forward on Nov 26th. Our staff team has responded below.

Please let me or Josh know if you have any other questions.

Best,
 Paul

Q: Referring to slides 8 and 38 [in the council briefing deck]. Slide 8 reads that for large buildings we have adopted EL2 and EL3 of the Zero Carbon Step Code. And then on slide 38 it says we consulted on moving to EL4 of the Zero Carbon Step Code but after hearing feedback we shifted the compliance path to EL3. What are staff proposing to shift from? I think based on assumptions in Appendix D it is shifting from EL2 currently for large buildings to EL3. So in other words, Recommendation A is proposing more stringent regulations than we have in place today, correct? Or is there more nuance to this change around large buildings.

A: Your understanding is correct; Recommendation A is proposing more stringent emissions regulations for low-rise (3 storeys and under) and high-rise residential (above 6 storeys) than what is currently in place. The rationale for this proposed increase in the Zero Step Code level for those building forms is to provide an option for builders who prefer an electrification pathway and to mitigate the GHG impacts of Recommendation B. This addresses both the council direction to continue to manage and lower emissions from our building stock as well as the council direction to enable natural gas. The proposed change for high-rise residential is also consistent with a VBBL update that Council approved in principle back in May 2022 to come into effect in 2025.

The table below provides a summary of Vancouver's current requirements and the requirements proposed in the Recommendations in the November 26th Council report. Under the Zero Carbon Step Code, the City's current requirements are roughly equivalent to Level 3 for low-rise (3 storeys and under), mid-rise (4-6 storeys) and all commercial buildings, and Level 2 for high-rise residential (above 6 storeys). Recommendation A proposes moving to the Level 4 (highest level) of the Zero Carbon Step Code for low-rise residential and moving to Level 3 for high-rise residential. The other building types (mid-rise and commercial) are unchanged from the current requirements.

Staff explored moving to Level 4 (highest level) for mid- and high-rise residential and all commercial, as per Council direction in 2023, but based on industry feedback are recommending Level 3 instead (to allow some gas to be used for "peaking" events such as during extremely cold days).

| | Name of Level | Effect/Outcome | Vancouver (current) | Proposed Path 1 Recommendation A | Proposed Path 2 Recommendation B |
|------|---------------|--|---|---|---|
| EL-4 | Zero Carbon | Electric space heating and hot water required | Not required | Low-rise residential (1-3 storeys) | Not required |
| EL-3 | Strong | Electric space heating and hot water required (with modest allowance for gas used for "peaking") | Low-rise residential Mid-rise residential (4-6 storey) All Commercial | Mid-rise residential (4-6 storey) All Commercial High-rise residential (above 6 storey) | Not required |
| EL-2 | Moderate | Electric space heating required | High-rise residential (above 6 storey) | All buildings | Not required |
| EL-1 | Measure Only | Report Greenhouse Gas Intensity only | All buildings | All buildings | All buildings (with top step of Energy Step Code) |

• *Note – none of the Zero Carbon Step Code levels prevent the use of gas stoves.*

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
 Sent: Thursday, November 21, 2024 5:23 PM
 To: Direct to Mayor and Council - DL
 Cc: City Manager's Correspondence Group - DL

White, Josh <Josh.White@vancouver.ca>

1/21/2025

Subject: Natural gas usage in new construction

Good afternoon Mayor and Council,

Staff have received several questions recently about the “allowing natural gas in new construction” report that is coming forward for consideration at the Regular Council meeting on Nov 28th. Attached is an FAQ document that responds to those questions.

Please let me or Josh know if you require any additional information.

Best,
Paul

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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x̱m̱ ḵ y̱ m̱ (Musqueam), S̱ wxwú7mesh (Squamish), and s̱ lilw̱ ta̱ (Tseil-Waututh) Nations.