



Would you pay an extra \$100,000 for a net-zero home?

By Richard Lyall

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Richard Lyall is president of the Residential Construction Council of Ontario and has represented the residential construction industry in Ontario since 1991.

Net zero is set to push the dreams of new-home buyers further out of reach. So, what is net zero? While open to interpretation, net zero is in place when your new low-rise home generates as much energy as it uses.

Well, who wouldn't want to do their part for the environment by buying a home like that? Here's the catch — by our estimates, net zero will cost an extra \$100,000 for a new single-detached home.

Earlier this year, a federally subsidized \$4.2-million, four-year project made up of 26 net-zero homes across Canada was completed. The five builders involved were mostly able to meet net-zero status by using upgraded materials and equipment.

The net-zero upgrades included solar panels (photo voltaic system), triple-glazed windows, extra insulation (exterior building envelope insulation), heat pumps, water heating equipment, nearly air-tight building enclosure, training for skilled trades and extended building timelines (net zero takes longer to build). Builders, however, discovered quickly that few buyers were willing to pay extra for net zero.

Why do we need a net-zero requirement when new construction standards are already very high? Using 1990 as a baseline, the Ontario government set overall greenhouse gas (GHG) reduction targets of 15% to be achieved by 2020, and 37% by 2030.

As of Jan. 1, 2017, new low-rise homes in Ontario will reduce GHG emissions by 43.5% since 1990 through the evolving Ontario Building Code, says energy consultant John Godden.

The added cost and hardship to buyers, especially millennials and working families, will cause a knock-on effect on our economy. New-home buyers and renters are already squeezed and have

less money to spend on goods and services. This also reduces Ontario's ability to attract new jobs and investments — already suffering because of a rising cost of living.

Frankly, it isn't new housing and buildings that aren't performing up to snuff — it's the existing stock built decades ago. The federal government recognizes this with a recently proposed retrofit program which has a better bang for the buck than net zero.

But has net zero become an untouchable issue? Opposing seems to give the perception of being anti-green. Nonetheless, I strongly believe net zero's marginal benefits relative to the costs must be examined and explained.

RESCON wrote to the government recently to let them know about the \$100,000 issue. We'd like to start a dialogue.

Without one, this initiative will be imposed. Many more of you will be priced out of the market. Is that fair? Let's talk.