

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 360

, Approved and Ordered June 27, 2022


Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that, effective February 23, 2022, the attached Clean Buildings Tax Credit Regulation is made.



Minister of Finance



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Income Tax Act*, R.S.B.C. 1996, c. 215, ss. 48 and 283

Other: _____

R10580917

CLEAN BUILDINGS TAX CREDIT REGULATION

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Definitions

1 In this regulation:

“**Act**” means the *Income Tax Act*;

“**class 6 property**” means property classified under the *Assessment Act* as class 6 property;

“**class 8 property**” means property classified under the *Assessment Act* as class 8 property;

“**climate zone**” has the meaning given to it in section 6;

“**conditioned space**” means a space that is provided with heating or cooling capable of maintaining the temperature of the space between 10° and 30° C;

“**high-rise**”, in relation to a building, means to have 4 or more stories;

“**low-rise**”, in relation to a building, means to have 3 or fewer stories;

“**qualified energy advisor**” means a person who is

(a) certified as an energy advisor by Natural Resources Canada, and

(b) employed by or under contract with a service organization licensed by Natural Resources Canada to perform EnerGuide Rating System evaluations;

“**type**”, in relation to a building, has the meaning given to it in section 2.

Eligible buildings

- 2** (1) For the purposes of paragraph (b) of the definition of “eligible building” in section 271 [*definitions*] of the Act, subject to this section, the types of buildings set out as Items 3 to 13 in Tables 2 and 3 are prescribed.
- (2) The type of building set out as Item 3 [*accommodation*] in Tables 2 and 3 includes only class 6 property.
- (3) The type of building set out as Item 13 [*other buildings*] in Tables 2 and 3 includes only class 6 and class 8 property.

Energy use intensity

- 3** (1) For the purposes of the definition of “energy use intensity” in section 271 of the Act, the EUI of a building is to be determined according to the following rules:
- (a) the EUI is to be expressed in MJ/m²;
 - (b) the net energy of a building for a year is the difference between
 - (i) the total energy value of the metered energy that enters the building in the year and the bulk fuel that is used by the building in the year, and
 - (ii) the total energy value of the metered energy that leaves the building in the year;
 - (c) the floor area of the building is the following area, measured from the exterior faces of exterior walls and from the centreline of walls between buildings:
 - (i) in the case of a multi-unit residential building, the total of the floor areas of all of the conditioned spaces in the building, including, without limitation, conditioned garages, conditioned basements and conditioned attics but not including crawl spaces, covered walkways, open roofed-over areas, exterior terraces or steps or roof overhangs;
 - (ii) in the case of any other building, the total of the floor areas of all of the spaces within the building, with no deductions for floor penetrations other than atria, but not including covered walkways, open roofed-over areas, porches and similar spaces, pipe trenches, exterior terraces or steps, roof overhangs, parking garages, surface parking or similar features.
- (2) For the purposes of subsection (1) (b), the energy value in MJ of a metered energy or bulk fuel described in Column 1 of Table 1 may be calculated using the conversion factors set out in Column 2 opposite the description.

Qualified persons

- 4** For the purposes of the definition of “qualified person” in section 271 of the Act, qualified energy advisors are prescribed.

Target energy use intensity

- 5** (1) For the purposes of the definition of “target EUI” in section 271 of the Act, subject to this section, the target EUI for the building is the product of
- (a) the base EUI target specified in Table 2 for the building by reference to the type and the climate zone of the building, and
 - (b) the multiplier specified in Table 3 for the building by reference to the type of the building and the number of hours the building is typically operated in a week.
- (2) If different parts of a building belong to different types of buildings, the target EUI for the building is the sum of the partial target EUIs, determined by the following formula, for each of the parts:

$$\text{partial target EUI} = A \times \frac{B}{C}$$

where

- A = the target EUI for the part of the building, determined under subsection (1) as if the part were a separate building;
- B = the floor area of the part of the building;
- C = the floor area of the building.

- (3) If a building or part of a building is used as different types of buildings at different times, the building or part, as the case may be, must be considered for the purposes of this section to belong to the type it is primarily used as.

Climate zone

- 6 (1) For the purposes of section 5, the climate zone of a building being retrofit is to be determined, based on the annual number of heating degree days below 18° C at the location where the building is situated, as follows:
 - (a) if the number is 3 000 or less, the climate zone is 4;
 - (b) if the number is between 3 000 and 4 000, the climate zone is 5;
 - (c) if the number is 4 000 or more, the climate zone is 6.
- (2) For the purposes of subsection (1), the annual number of heating degree days below 18° C at a location must be determined
 - (a) by taking an average over at least 10 years of climatic data from the weather station that is most representative of the location, or
 - (b) if 10 years of data are not available from that weather station, based on the available climatic data, whether or not from that weather station, that is most representative of the location.

**Table 1
Energy Value Conversion Factors**

Column 1 Bulk fuel	Column 2 Energy
Fuel oil #1	37.6 MJ/L
Fuel oil #2	38.7 MJ/L
Fuel oil #4	40.7 MJ/L
Fuel oil #5L	41.3 MJ/L
Fuel oil #5H	41.8 MJ/L
Fuel oil #6	42.9 MJ/L
Natural gas	38.4 MJ/m ³
Propane	25.5 MJ/L
Electricity	3.60 MJ/kWh

Table 2
Base EUI Targets

Item	Column 1 Building type	Column 2 Climate zone 4	Column 3 Climate zone 5	Column 4 Climate zone 6
1	MURB – low-rise	573	550	749
2	MURB – high-rise	644	658	842
3	Accommodation	902	923	1046
4	Colleges and universities	1003	1034	1420
5	Food services	2345	2328	3002
6	Hospitals	1787	2032	2919
7	Logistics and warehouses	470	505	710
8	Long term care	887	922	1272
9	Offices	678	720	864
10	Retail – food	1584	1555	1886
11	Retail – other	635	671	728
12	Schools	553	578	835
13	Other buildings	595	638	734

Table 3
Operating Hour Multipliers

Item	Column 1 Building type	Column 2 ≤ 50 hours	Column 3 > 50 and < 168 hours	Column 4 168 hours
1	MURB – low-rise	1.0	1.0	1.0
2	MURB – high-rise	1.0	1.0	1.0
3	Accommodation	1.0	1.0	1.0
4	Colleges and universities	1.0	1.0	1.2
5	Food services	0.8	1.0	1.2
6	Hospitals	1.0	1.0	1.0
7	Logistics and warehouses	1.2	1.3	1.3
8	Long term care	1.0	1.0	1.0
9	Offices	0.9	0.9	1.2
10	Retail – food	1.0	1.0	1.4
11	Retail – other	0.7	1.1	1.5
12	Schools	1.0	1.0	1.2
13	Other buildings	0.8	1.0	1.2