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The power to build business

## Push for energy efficiency raises bar for homebuilders

By Ottawa Business Journal Staff

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When Pierre Bernier decided last year to build a green house, the CEO of Ottawa's Metric Homes says he wasn't even thinking about gardening.

"Back in 2004, we decided we wanted to build a more efficient home," he explains. He knew the risks involved – a somewhat higher startup cost being the most obvious – but he says he suspected he was positioning himself half a step ahead of the rest of the industry.

"Our decision was to build something beyond even what we were used to do."

Earlier this year, the federal government kicked off its Energy Star for New Homes project and Mr. Bernier was vindicated. It's a pilot project awarding Energy Star status – a marketer's dream, according to industry insiders – to homes that are at least 40 per cent more energy efficient than those built to minimum Ontario building code standards.



Pierre Bernier of Metric Homes. (Darren Brown, OBJ)

"We quickly reacted by saying we wanted to be a part of the program," he said, "and we were one of the first Ottawa homebuilders registered." The house, he says, was 80 per cent completed by the time the program came into effect, and qualified hands down as the first Energy Star-certified dwelling in Canada.

That means it's an airtight structure with increased insulation in the walls and attic, more efficient hot water tanks and furnaces, CF lighting and higher-efficiency windows, among other things.

"We also aimed the development towards the sunny side, to create passive solar energy in the home," says Mr. Bernier. Thirty-one per cent of the 3,800 square foot home's heating energy comes from the sun, and he says this adds up to more than \$4,500 in savings per year – compared to a similar home under standard regulations – on heat and hydro alone.

Now, almost everyone's trying to get in on the act.

Builders across the city are scrambling to offer "green" alternative and the buyers are listening. Builders like Dharma Developments and Tartan Homes are aiming to have the first Energy Star neighbourhoods in Canada and also offer efficiency upgrades on their existing homes.

Development executives, however, say that in a conservative industry like homebuilding, every company has take care to avoid doing too much, too fast.

"We didn't want to get too high techy or too granola too quickly, because then you alienate yourself from the middle of the market," says Bruce Nichol, Tartan Homes' vice-president and president of Tartan Urban.

"The new home industry is usually by and large behind the general public, unlike other industries. They're not leading the general public."

Mr. Nichol says going green can be a huge risk for bigger companies like Tartan, which have millions of dollars in landholdings and need to move product quickly. "We can't say let's go green and see how it goes," he continues, adding that smaller builders have the advantage when it comes to efficiency, since they tend to be custom builders catering to niche markets.

Moneca Kaiser, a representative of the Ottawa-Carleton Homebuilders' Association and the City of Ottawa's new sustainability committee, agrees – to a point.

"There's money to be made in sustainability. We've already seen that," she explains, adding that Energy Star has had a greater effect than previous new home efficiency initiatives simply thanks to the readiness of the market. Programs like R-2000, an older initiative introduced years ago by Natural Resources Canada, never really took off.

But now, she says, the time is right for homebuilders to invest in energy efficiency. "People want to invest in sustainability these days, and it's only a matter of time before all companies start doing this.

"You don't have to be a martyr. It can be win-win. You can still make a really good living while being sustainable."

The secret to an energy-efficient home, says Metric's Mr. Bernier, lies less in the cost of building and more in the details. The overall airtightness of the house, for instance, has a huge impact, as well as the quality of construction of the house.

"It starts before you start spending money," he says, "It starts with attention to details and the quality of what you build.

"A little bit of effort and common sense can go a long way in making a home more efficient."

**By Jim Donnelly**

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