

July 14, 2025

The Honourable Tim Hodgson, P.C., M.P.
Minister of Energy and Natural Resources
House of Commons
Ottawa, Ontario K1A 0A6
By email

RE: Urgent Action Required to Safeguard ENERGY STAR Portfolio Manager for Canada's Building Sector

Dear Minister Hodgson,

On behalf of the Canada Green Building Council (CAGBC) and the Real Property Association of Canada (REALPAC), I am writing to express our deep concern regarding the potential discontinuation of the U.S. Environmental Protection Agency's ENERGY STAR Portfolio Manager® (ESPM), and to urge the Government of Canada to take immediate steps to ensure continuity of this critical tool for Canada's real estate and sustainability sectors.

As you are aware, the U.S. administration's fiscal year 2026 budget proposal includes the elimination of funding for the ENERGY STAR® program, with ESPM potentially being phased out as early as October 1, 2025. This development poses a significant risk to Canada's green building sector, which relies heavily on ESPM for benchmarking, compliance, and performance tracking.

Recommendations

We respectfully urge your office to:

- Direct your Department to develop a plan to ensure continuity of the ENERGY STAR Portfolio Manager program in Canada and consider the potential acquisition of the platform from the U.S. Environmental Protection Agency;
- Fast-track procurement to secure a Canadian-hosted version of ESPM, ensuring long-term data sovereignty, regulatory compliance, and uninterrupted service for Canadian building owners and managers; and
- Engage with the building sector as well as provincial and municipal governments to guide the transition.

A Strategic Asset for Canada's Real Estate and Building Sectors

ESPM is a cornerstone in the transformation of Canada's commercial real estate sector and the broader building industry. It facilitates compliance with provincial and municipal regulations, supports green building certifications like LEED® (Leadership in Energy & Environmental Design) and drives data-informed investments in energy efficiency.

More than 53,000 Canadian buildings are registered on the platform, covering 52 percent of the nation's commercial and institutional floor space—over 537 million square metres. The tool is actively used by 17 jurisdictions, spanning federal to municipal governments, and by six major utilities for benchmarking, regulatory reporting, and tracking building performance over time.

Discontinuation of ESPM could result in:

1. **Disrupting the Real Estate Sector** – Thousands of building owners and managers rely on ESPM for regulatory reporting, utility benchmarking, and investment planning.
2. **Undermining Market Confidence** – The platform supports consistent, comparable data that underpins financial programs from banks (e.g., green loans) and environmental, social and governance (ESG) reporting.
3. **Delaying Innovation and Modernization** – ESPM is integrated into numerous public and private programs. Losing it would stall progress on digital modernization, performance-based building management and decarbonization of the building sector.

Alignment with the federal government's mandate and priorities

Ensuring the continuity—or Canadian stewardship—of ESPM directly supports the federal government's priorities. Prime Minister Mark Carney's mandate calls for Canada to become a global energy leader and to accelerate infrastructure modernization. ESPM is a proven, low-cost and high-impact digital asset that enables clean energy investment, regulatory efficiency, and economic resilience.

As the government advances its “Made-in-Canada sustainable investment guidelines”, announced in October 2024, the need for standardized, science-based metrics is critical. Buildings are a priority sector in the Canadian green taxonomy, and ESPM will be a critical part of the infrastructure needed to classify green real estate assets and credibly support the transition toward better sustainability performance.

ESPM also plays a key role in implementing the federal Greening Government Strategy by enabling benchmarking and performance tracking across federal buildings. Its continued availability aligns with broader goals of digital modernization, public sector leadership, and private sector mobilization.

As a low-cost, high-impact platform, ESPM fuels innovation in building performance and energy management, enabling billions of dollars in smart, data-driven investments that are positioning Canada's real estate sector at the forefront of global efficiency and sustainability. We are at a pivotal opportunity to shape a smarter, more resilient built environment—and we stand ready to support your office in advancing this vital work.

Sincerely,



Thomas Mueller

President and CEO of the Canada Green Building Council



Michael Brooks

CEO of the Real Property Association of Canada