

The CleanBC Review and Communities

Summary of the recommendations and implications for local governments

Dec. 2025

Analysis of the CleanBC Report

During the summer of 2025, the Community Energy Association (CEA) collected input into the CleanBC review from communities around the province. This included the local government members of CEA's topical peer networks and from the Northern BC Climate Action Network. In addition, CEA produced its own submission, drawing on CEA's track record as a BC-based organization working with communities on local climate and energy topics for nearly 30 years.

From this outreach and the production of the submissions to the CleanBC review, CEA identified five themes that were of the greatest importance to communities. Together they highlight the need for clarity, consistency, support, and flexibility when it comes to CleanBC policies and programs.

- 1. Establishing a clear, coordinated, long-term provincial energy plan and strategy.
- 2. Maintaining strong, ambitious climate policies, including not backtracking on the Energy Step Code, Zero Carbon Step Code, or the Zero Emissions Vehicle Act.
- 3. Providing long-term, predictable funding and capacity support for local governments.
- 4. Ensuring CleanBC policies and programs are equitable and regionally relevant, especially for rural and northern communities.
- 5. Investing in workforce development to enable low carbon retrofits, high-performance new construction, and clean transportation.

The analysis below identifies how the recommendations in *Rising to the Moment* relate to these five themes and how "local governments are key partners in CleanBC progress" (p. 38). While the Report includes recommendations that are largely in line with the needs of communities, there remains some gaps, as discussed below.

Note: All page numbers and action numbers referenced in this document refer to *Rising to the Moment,* the final report of the CleanBC Independent Review Panel.

About the CleanBC Review

In May 2025, the Province of BC launched an independent review of CleanBC and invited input from citizens and organizations.

The final Report, *Rising to the Moment*, was released Nov. 26, 2025.

The CleanBC review was initiated to ensure that BC's efforts to reduce greenhouse gas emissions also contributed to affordability and economic development.

Some key links:

- <u>Launch of the CleanBC Review</u>
 May 7, 2025.
- <u>Rising to the Moment</u>, the final Report of the CleanBC Independent Review Panel.
- Recommendations of the CleanBC <u>Review</u> by Merran Smith and Dan Woynillowicz, Nov. 26, 2025.

Appendix A provides an outline of the Report, including guiding principles for the renewal of CleanBC and seven priority action areas.

Establish a clear, coordinated, long-term provincial energy plan and strategy.

BC needs a roadmap that integrates electricity planning, renewable fuels, energy-efficiency, resilience, and regional needs. A coordinated strategy would give certainty to local governments, industry, and utilities, allow for adequate planning, and inform decision-making around policies, programs, and investments needed to support the energy transition.

WHAT THE REPORT SAYS

The CleanBC Review report authors make clear statements about the role of efficiency and electrification in a renewed CleanBC. However, there has long been uncertainty and mixed messaging about the future energy system in the province, which makes setting local policy difficult. The Report includes findings that could give local governments the certainty they need, including clarifying investments in electrification (e.g., grid modernization, distributed generation, etc.) and the role of renewable gases. It also addresses the need for electricity and gas systems to be integrated and optimized, noting that "BC Hydro's *Integrated Resource Plan* and FortisBC's *Long-term Gas Resource Plan* are premised upon differing assumptions and, as a result, paint differing pictures of the province's energy future and their respective roles within it" (pp. 25-26).

The Report calls for the acceleration of clean electricity production and electrification (which are seen as the foundation of energy security and economic growth) with many relevant recommendations including:

- Working with BC Hydro and FortisBC (electricity) to develop and track progress against electrification targets (Action 1.a.i).
- Reaffirming BC's clean electricity requirement (100% clean by 2030) and clarify whether abated gas-fired power is considered a "clean or renewable resource" under the Clean Energy Act (Action 1.a.ii).
- Working with BC Hydro to undertake and publish analyses of the potential future role of batteries, nuclear technology, offshore wind, pumped storage, and deep geothermal in BC's electricity system, considering dispatchability, costs, risks, safety, and reliability (Action 1.a.iii).

- Establishing an electricity allocation framework that ensures:
 - Sufficient electricity to support policy-driven fuel-switching in existing industries, buildings, and from EV adoption.
 - Prioritizes industrial allocation to sectors and activities that maximize economic benefits, provincial revenues, and are net-zeroaligned (Action 1.a.iv).
- Working with BC Hydro, FortisBC, and the BC Utilities Commission (BCUC) to undertake a distributed energy resource (DER) potential study, followed by a roadmap and implementation plan (Action 1.a.v).
- Reviewing and amending, as necessary, the Utilities Commission Act to:
 - ensure BCUC decisions are consistent with CleanBC policies and targets.
 - empower BCUC to allow electric utilities to acquire additional energy, capacity, and transmission more proactively.
 - enable the BCUC to consider and implement low income or incomebased rates for energy utility customers (Action 1.b.i).
- Directing and empowering the BCUC to advance integration of gas and electricity resource planning to optimize for emission reductions at lower cost to ratepayers across both electricity and gas systems and ensure economically efficient compliance with provincial policies and regulations (Action 1.b.ii).
- Directing the BCUC and utilities to prioritize energy efficiency in resource planning (Action 1.b.iii)
- Recognizing electrification's broad economic and societal benefits by investing directly in the sustained buildout of the electricity system (Action 1.d).
- Setting targets and tracking progress towards increased electrification of BC's energy use (Action 1.e).

Maintain strong, ambitious climate policies—do not roll back Step Codes or the ZEV Act.

The Step Codes and ZEV mandate are working. Policy backtracking is a significant risk to local climate action and market transformation.

Along with the focus on electricity production and electrification, the Report also recommends increased production of clean biofuels and renewable natural gas in BC (Priority for Action 5, p. 57). However, the Report does not indicate the potential roles of local governments in advocating for these facilities as part of local economic development strategies.

WHAT THE REPORT SAYS

The Report recognizes that CleanBC policies and programs have contributed to successes such as surpassing provincial targets for EV adoption and the transformative shift to heat pumps for home heating. While there is an acknowledgement that policy predictability and "durability" (p. 21) are imperative to drive investment and change, the Report still recommends softening several long-standing policy targets. The rationale provided by the authors is that a renewed CleanBC should "set ambitious but achievable targets" (p. 11). Citing achievability and affordability concerns, the Report recommends actions to:

- Amend the Energy Step Code to remove the net-zero energy-ready step (Step 5 for Part 9 and Step 4 for Part 3 buildings) (Action 2.b.i).
- Amend the Zero Carbon Step Code to achieve Strong Performance (EL3) in 2027 and Zero Carbon Performance (EL4) in 2030 for climate zones 4 and 5, and Strong Performance (EL3) in climate zones 6-8 in 2030 (Action 2.b.ii).
- Push the Energy Step Code timeline for implementation of Step 4 for Part 9 buildings and Step 3 for Part 3 buildings requirements to from 2027 to 2030 (Action 2.b.iii).
- Reduce the Zero Emission Vehicle Act 2030 target to 50-60% of new vehicle sales and eliminate the 2035 ban on internal combustion vehicles, replacing it with a 90% target (Action 2.d.ii).
- Extend the 2030 legislated emissions target to 2035 (Action 7.f.iv).

Still, there are some progressive policy suggestions. For example:

- Implement the Highest Efficiency Equipment Standard (HEES) to require all new space and water heating equipment sold and installed in BC to be at least 100% efficient by the early 2030's (Action 2.C.ii).
- Develop requirements for 100% EV readiness for residential parking at new and substantially upgraded buildings, and improved EV readiness at medium and heavy-duty vehicle commercial loading bays (Action 2.D.v).

WHAT WE HEARD AND CONVEYED

Provide long-term, predictable funding and capacity support for local governments

Communities—especially small, rural, and remote communities—need ongoing, stable funding to plan and implement climate actions. The Local Government Climate Action Program (LGCAP) should be maintained and expanded to enable local governments to act on climate priorities.

WHAT THE REPORT SAYS

The Report recognizes that adequate funding is necessary to enable local governments to enact policies and programs that support CleanBC goals. The LGCAP provides flexible funding to allow local governments to pursue initiatives that are right for them, rather than following strict guidelines that may limit opportunities. However, more clarity on priorities from the Province, better coordination among relevant provincial ministries and departments, and greater access to data is necessary if local governments are to make informed decisions on where and how to invest funding.

Therefore, a priority action identified in the Report is deepening relationships with First Nations and local governments and continuing to support local governments as key partners and contributors to CleanBC's success, with key recommendations (pp. 58-61) that include:

- 1. Extend funding for the Local Government Climate Action Program (LGCAP) and continue collaboration (Action 6.b.i).
- 2. Equip local governments with a roadmap of CleanBC priorities- including examples that are mindful of the unique needs and opportunities of different regions of the province for LGCAP funding (Action 6.b.ii).
- 3. Continue to work with local governments, utilities, and others to improve timeliness and predictability, granularity, and sector coverage of the Community Energy and Emissions Inventory (CEEI) (Action 6.b.iii).
- 4. Require regulated utilities and Crown corporations to share more detailed data with local governments, such as for building energy use and vehicles, to support effective policy making and program development (Action 6.b.iv).

4. Ensure CleanBC policies and programs are equitable and regionally relevant—especially for rural and northern communities.

There should be tailored supports for different regions with different needs, not differentiated or lowered climate targets, to enable equitable outcomes. This includes investing in regional collaboration; designing incentives and programs that work in colder climates and remote contexts; ensuring access to EV infrastructure and transit in the north; encouraging community-scale renewable energy; and involving northern communities early in policy design.

WHAT THE REPORT SAYS

"Recognizing regional differences" is identified in the review as one of the eight principles that should guide the renewal of CleanBC (p. 47). "Giving more attention to regional considerations" is also one of the cross-cutting themes identified from the stakeholder feedback (p. 75) with the review recommending regional "flexibility" and "calibration for regional fairness" that reflects differences in climate and context around BC. This includes longer timelines for adoption of high-performance building standards, for example, in colder regions outside of the south coast, and making the highest steps voluntary.

However, the recommendations lack ideas for investment and support that would enable northern and rural communities to identify and implement opportunities for leadership. This would have been especially relevant for the recommended actions related to the creation of a Clean Economy Diversification Fund (p. 56) and the production of electricity and clean fuels, which occurs in northern and rural areas of BC at a level that is disproportionate to their populations. Similarly, there is no recognition of the regional challenges associated with making it easier for British Columbians to own an electric vehicle (p. 55).

5. Invest heavily in workforce development to enable low carbon retrofits, high performance new construction, and clean transportation.

Workforce gaps and shortages are major barriers to the clean energy transition. BC must invest in workforce development, including training for trades and energy advisors, especially in northern and rural contexts, and support industry readiness for new codes and standards and technologies.

WHAT THE REPORT SAYS

The Report recognizes the need for a trained and skilled workforce to meet CleanBC goals, and finds that while CleanBC policies and programs are driving job creation, there remains a gap in investment and planning to support workforce attraction, retention, training to sufficiently transition the workforce and fill the roles that are needed to support clean construction and transportation (pp. 77-78).

Leveraging BC's clean energy advantage to create more jobs in the energy transition (p. 56) is as a priority action with recommendations to "align labour market outlooks with workforce development plans and provide sufficient support for associated training requirements," as well as support the Youth Climate Corps to enable youth engagement and employment aligned with CleanBC priorities.

Conclusion

The CleanBC review report provides a series of recommendations based on the expertise and experience of the reviewers, as well as the thousands of surveys that were completed and the hundreds of submissions (both written and verbal) that were provided as part of the public engagement process. There is, however, no requirement for any government to implement the recommendations. Instead, this will require a commitment on the part of many constituencies, including local governments, to advocate for policy solutions that either mirror the recommendations in the review or consider alternative perspectives.

"To rise to this moment, the Province of British Columbia and its agencies must respond in a manner that reflects the scale of both the challenge and the opportunity" (p. 4).

The Community Energy Association will continue to provide forums and information that will help communities "rise to the moment." This includes the community of practitioners and organizations that come together as members of CEA. CEA also convenes peer networks that feature dialogue and information-sharing for such constituencies as elected officials, regional groups, and experts in topics such as electric mobility and resilience. It will be important to leverage these existing networks and spaces to further discuss the Report's recommendations and collaborate to bring forward specific feedback to the Province. We have work to do, but the Report can be an opportunity refine, localize, and strengthen the tools communities have at their disposal to contribute to provincial ambition and progress while advancing local priorities and goals.

Appendix A

Summary of the CleanBC Review for Local Governments

The CleanBC Review reinforces that communities are central to achieving B.C.'s climate targets and affirms that the partnership between the Provincial and local governments must continue and deepen through extended funding support, enhanced coordination of programming and communications, and data-sharing to inform policymaking.

The review found that CleanBC is working, overall. Many CleanBC policies such as methane regulations, EV requirements, and building-energy standards are delivering measurable results; for example, methane emissions have fallen by 60% even as natural-gas production has increased; sales of heat-pumps now exceed gas furnaces; and the zero-emission vehicle mandate is functioning as intended. Nevertheless, while CleanBC has lowered climate pollution and resulted in tangible benefits such as job creation, improving community health, and lowering costs, the province is on track to fall well short of its 2030 climate change targets. An overarching message of the review is that the government should extend and strengthen approaches that are working: "what is needed is a renewal of CleanBC, not a retreat" (p. 9).

Eight Key Principles

The reviewers recommend that a renewal of CleanBC should be guided by eight key principles:



Affordability and Competitiveness

In the press release for the report, the reviewers particularly emphasized protecting affordability and ensuring economic competitiveness. Attention to affordability concerns is woven throughout the recommendations, as are economic considerations.

A major theme for communities is the need to make it easier and more affordable for residents to adopt clean energy solutions. The review highlights widespread public interest in heat pumps, EVs, and efficiency upgrades, but also significant concerns around cost, access to electricity, and misinformation. Recommendations include providing income-tested incentives, improved communication, and using provincial climate-related revenues such as BC Hydro energy-credit revenues or Clean Energy Levy proceeds to directly support household and community adoption. The review recommends the Province work directly with utilities such as BC Hydro to focus on energy efficiency, as well as with the BC Utilities Commission and consider affordability measures such as income-based rates.

The review also stresses the importance of economic considerations including competitiveness, predictability, and innovation, calling for clear regulatory direction, support for clean-tech entrepreneurs, transparent recycling of carbon revenues, and establishment of a Clean Economy Diversification Fund using natural-gas royalties. For local governments, these recommendations align with regional economic-development strategies and efforts to attract clean-energy investment and skilled workers.

Communications and Co-Benefits

The review highlights significant co-benefits to CleanBC policies and programs, such as affordability, health, air quality, job creation, competitiveness, and long-term economic resilience. A key message is that the Province needs to communicate these benefits more clearly to British Columbians. To support clear communication about the community, economic, and climate benefits of climate action, the report

recommends shifting the emphasis from targets and modelling to a more tangible set of indicators – eg. the total number of registered EVs, the number of e-bikes sold per year, the total number of heat pumps installed, household savings from heat pumps, and the number of new clean-energy jobs created – that represent the real-world progress that people can see in their communities. This approach is also relevant to local governments as they consider how best to summarize their own progress towards their 2030 targets and report to their communities.

Seven Priorities for Action

The report identifies seven priorities for provincial action:

- 1. Accelerate clean electricity production and electrification as the foundation of energy security and economic growth
- 2. Make it easier for British Columbians to cut energy bills and climate pollution
- 3. Leverage B.C's clean energy advantage to create more jobs in the energy transition
- 4. Support B.C.'s industries to become cleaner and more competitive
- 5. Increase production of clean, made-in-B.C biofuels and renewable natural gas
- 6. Deepen partnerships with First Nations and local governments
- 7. Focus on delivering effective, achievable and fiscally responsible outcomes

Specific actions related to each of the priorities are listed beginning on page 49 of the report, with detailed advice for how to deliver on the priorities for action provided in Appendix A of the Report (p. 53).