

# Regional Group's net-zero journey

## Background

Founded in 1958, Regional Group is a leading, vertically integrated real estate company serving the Ottawa and Gatineau regions. Known for its commitment to enriching communities and promoting sustainable development, Regional Group oversees more than 40 commercial properties totaling over three million square feet – including government buildings, retail centers, and malls – as well as more than 2,000 rental suites and counting.

Regional Group manages a diverse portfolio of properties, from government office buildings to community-focused retail malls, and has long been a champion of sustainability. Early investments in energy-efficient retrofits – such as LED lighting – set the stage for more ambitious initiatives. Today, the company is undergoing a transformative shift to decarbonize its portfolio and lead Ottawa's real estate sector toward a net-zero.





## Challenge

Despite a strong foundation in cost-saving sustainability measures, Regional Group faced new challenges in meeting increasingly ambitious climate targets – both self-imposed and externally driven by evolving federal mandates. Many of its tenants, particularly federal agencies, have strict sustainability requirements tied to national net-zero goals for 2030 and 2050.

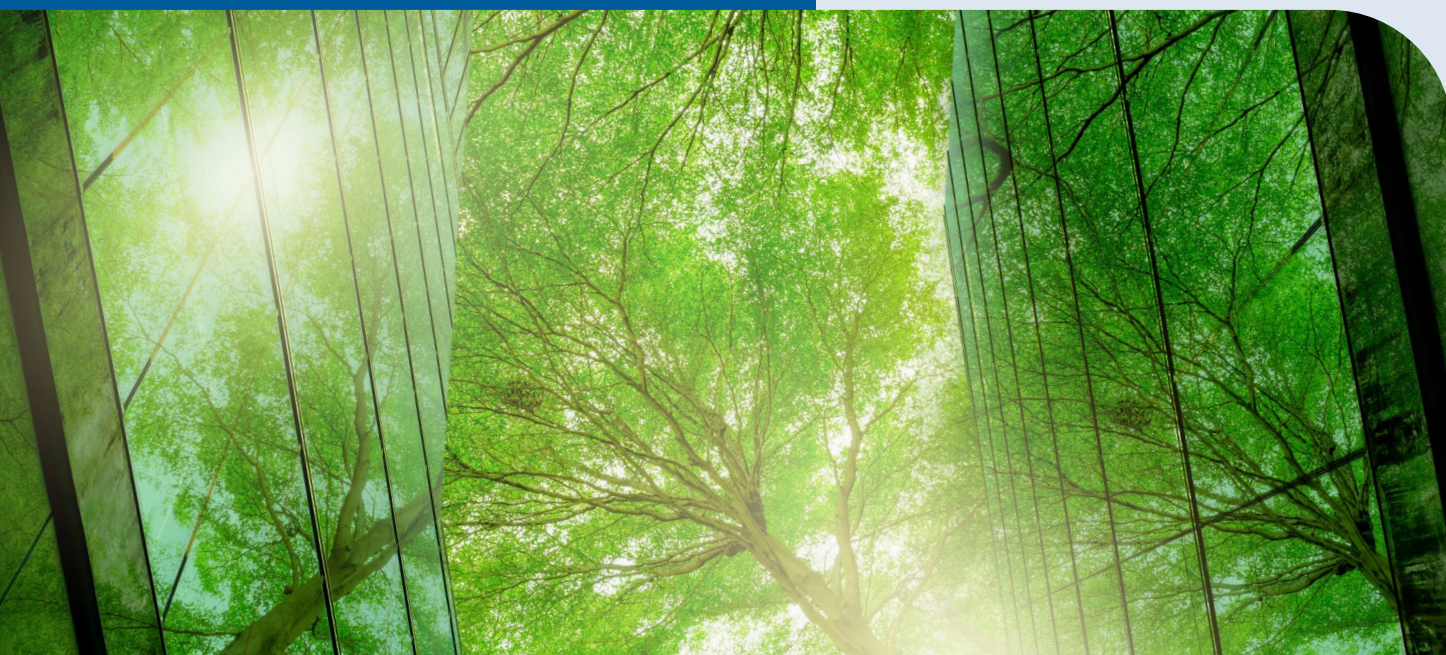
But Regional Group wasn't interested in pursuing sustainability for optics – it was committed to creating measurable value. The challenge was clear: how to decarbonize meaningfully and cost-effectively across a diverse property portfolio – without compromising tenant satisfaction or investor returns.



## Solution

Regional Group found its solution in the Ottawa Retrofit Accelerator (ORA) – a Hydro Ottawa program designed to help property owners implement deep energy retrofits. ORA provides generous funding, covering up to 75 per cent of the costs for carbon pathway studies, and connects participants with a short list of pre-approved expert consultants, from which Modern Niagara was selected.

Regional Group embraced the program as a strategic opportunity. As the first real estate company in Ottawa to join ORA, they committed to a comprehensive, portfolio-wide evaluation of their carbon reduction potential. The resulting carbon pathway studies became a blueprint for informed, incremental, and strategic investment decisions.



## Process

**1. Portfolio assessment:** Modern Niagara conducted site visits across Regional Group's properties to gather data on existing conditions and energy use. They identified two buildings already close to net-zero certification.

**2. Custom carbon pathways:** For each building, three decarbonization strategies were developed:

- Full electrification
- Phased transition to net-zero
- "Net-zero ready" path, where systems are replaced over time

**3. Collaboration and creativity:** Decision-making was collaborative. Modern Niagara provided technical expertise; Regional Group contributed financial insight. The result: creative, phased plans that aligned environmental goals with practical business realities.

**4. Tenant and community focus:** Each property was treated as a unique community. Strategies also aimed to enhance tenant experience, improve comfort, and foster long-term resilience.





## Outcomes

- **Immediate impact:** Four buildings are set to achieve net-zero certification within a year – a major milestone.
- **Scalable model:** The success of these initial studies confirms that Regional Group’s approach is replicable across its portfolio.
- **Team engagement:** Internally, the program sparked high levels of excitement and buy-in, fostering a culture of purpose and innovation.
- **Community leadership:** Hazeldean Mall, a community hub, is being positioned as a sustainability showpiece for Ottawa – proof that even retail assets can lead in environmental impact.
- **Future readiness:** With detailed data now in hand, Regional Group can make strategic capital investments that align with both ESG targets and long-term return on investment.

## Conclusion

Regional Group’s experience with the ORA program demonstrates that sustainability doesn’t have to come at the expense of sound investment. Instead, it can be a catalyst for smarter decisions, community enrichment, and long-term value creation.

As Tal Scher, VP of Asset Management and Government Relations, puts it: “Net zero isn’t a buzzword for us—it’s a benchmark. We’re building the strategy and partnerships that turn that vision into reality”.

By leading the way in sustainable real estate, Regional Group has become a role model in Ottawa – and a powerful advocate for others to follow suit. Their advice to fellow property owners? Don’t wait. The cost of inaction is far greater than the price of getting started.

**Join the movement – start your path to net zero with the Ottawa Retrofit Accelerator today. [hydroottawa.com/ora](https://hydroottawa.com/ora)**

