
Independent Electricity System Operator

1600-120 Adelaide Street West
Toronto, ON

May 9, 2025

Re: Local Generation Program – April 23rd Engagement

The Atmospheric Fund (TAF) appreciates the opportunity to provide input into the IESO's Local Generation Program (LGP) design. As a regional climate agency working across the Greater Toronto and Hamilton Area (GTHA), we support efforts to enable local, non-emitting electricity generation that supports reliability, affordability, and decarbonization.

Local generation offers multiple system-level benefits that should guide the design of the LGP. It is cost-effective, helping to avoid significant capital investments and long-term maintenance costs associated with extending or upgrading transmission infrastructure. Local generation also enables more flexible and responsive solutions that can be deployed quickly and tailored to specific community needs and conditions. By serving local demand, it relieves pressure on the transmission system and frees up capacity for broader system use.

As the program is developed, we recommend consideration of the following:

1: Easily accessible information and capacity data

Proponents require clear, current data on distribution system capacity to develop viable projects. The recent publication of local distribution company (LDC) load capacity maps is a positive step forward, improving transparency and accessibility for developers. Similar generation hosting capacity maps should be required to guide placement of local generation facilities. In addition, information on connections and capacity upgrades should be easily accessible to proponents. These LDC capacity maps should be supplemented with additional hosting capacity forecasting tools to enhance long-term planning.

It is also important to ensure that this information is accessible to smaller and community-scale generators, who often lack the resources of larger developers. We are encouraged by the IESO's stated aim to create an administratively simple application process for both suppliers and LDCs. To further reduce barriers, the IESO should work with LDCs to standardize interconnection costs and address prohibitively high transfer trip costs – which can make participation unfeasible for small, distributed energy resources without coordinated LDC support.

2: Community ownership and participation

The program should be designed to enable local ownership, community benefits, and Indigenous participation wherever possible. The LGP presents an opportunity to enable Community Ownership Models (COMs), to allow local communities to share in the benefits of renewable energy projects. By facilitating COMs within the LGP, the IESO can help unlock broader participation in clean energy, support local ownership, and ensure that the benefits of local generation are experienced within communities. COMs are particularly well-suited for dense urban areas where smaller,

individual projects may be impractical and/or uneconomic, and align with the LGP's goals of simplicity, equity, and local energy resilience.

3: New generation project stream

TAF supports the development of a new generation stream within the LGP that prioritizes non-emitting, renewable energy projects. Renewable energy sources are particularly well suited to the program's objectives: they can be rapidly deployed, are highly scalable, and offer low operating costs. In addition to the system benefits they provide, renewables also support emissions reductions, are aligned with municipal climate action plans and targets, and are compatible with community and Indigenous ownership models.

TAF appreciates the opportunity to provide feedback on the development of the Local Generation Program and looks forward to continued collaboration through future stakeholder engagement sessions. We remain committed to working collaboratively to help advance a decarbonized, affordable, and resilient electricity system in Ontario. Thank you for considering our input.

Sincerely,

Bryan Purcell



VP of Policy & Programs

The Atmospheric Fund

About the Atmospheric Fund

The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. Please note that the views expressed in this submission do not necessarily represent those of the City of Toronto or other GTHA stakeholders. We are experienced leaders and collaborate with stakeholders in the private, public and non-profit sectors who have ideas and opportunities for reducing carbon emissions. Supported by endowment funds, we advance the most promising concepts by investing, providing grants, influencing policies and running programs. We're particularly interested in ideas that offer benefits in addition to carbon reduction such as improving people's health, creating local jobs, boosting urban resiliency, and contributing to a fair society.