September 16, 2024

BY EMAIL: [redacted]

Lesley Gallinger
CEO, Independent Electricity System Operator (IESO)

Jana Mosley
CEO, Toronto Hydro

Dear Ms. Gallinger & Ms. Mosley:

Re: Toronto's Integrated Regional Resource Plan

As you know, on June 26, 2024, Toronto City Council passed a resolution requesting the IESO and Toronto Hydro to develop an Integrated Regional Resource Plan (IRRP) for Toronto's electricity system that will:

1. phase-out gas-fired electricity generation at the Portlands Energy Centre by 2035, except in extreme, exceptional and emergency circumstances totalling less than 88 hours per year;
2. rapidly increase local renewable energy generation and storage and maximize cost-effective energy efficiency; and
3. provide Toronto with sufficient reliable, affordable, low-carbon electricity to meet present and future needs, including population growth and the electrification of buildings and transport.

On September 5, 2024, the responses of the IESO and Toronto Hydro to the requests of the City of Toronto and others were posted on the IESO's website.

We are writing to provide you with the Ontario Clean Air Alliance's submissions with respect to the IESO's and Toronto Hydro's responses (the "responses").

1. According to pages 9 and 15 of the responses, more than 90% of Ontario's electricity is greenhouse gas emissions-free. This is not true.

   As the IESO noted in its *2023 Year in Review* news release, 12.8% of Ontario's electricity was produced by burning fossil gas in 2023, up from only 4% in 2017.

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To add insult to injury, according to the IESO's *2024 Annual Planning Outlook*, in 2030 fossil gas will be responsible for 25% of Ontario's electricity supply.[1]

2. According to page 10 of the responses, the IESO and Toronto Hydro will assess "a plan for a future without Portlands Energy Centre".

   Could you please confirm that the IESO and Toronto Hydro will develop a plan to phase-out gas-fired electricity generation at Portlands by 2035 except in emergency circumstances totalling less than 88 hours per year?

3. According to pages 7, 8 and 13 of the responses, the IESO is undertaking an achievable potential study to determine the amount of conservation and demand management and behind-the-meter distributed energy resource opportunities, including renewable energy, that are available to meet Toronto's needs. According to page 13 of the responses, the results from the study "are expected in early 2025 and will be used to assess suitability of options to meet the needs of Toronto."

   Could you please confirm that the achievable potential study will evaluate the potential for local stationary and mobile (i.e., EV) batteries to meet Toronto's electricity needs?

   According to the IESO's *2024 Annual Planning Outlook*, the cost of new nuclear reactors and new gas-fired peaker plants are 12.6 and 26.2 cents per kWh respectively. [2] Nevertheless, the IESO's most recent (2022) province-wide achievable potential study only evaluated conservation and demand management options which had an average cost of 3.1 cents per kWh.[3]

   Could you please confirm that the achievable potential study will quantify *all* of Toronto's conservation, demand management, solar and storage opportunities that can meet Toronto's electricity needs at a *lower cost* than conventional supply options (e.g., new nuclear reactors, new gas-fired peaker plants)?

4. According to page 13 of the responses, the IESO will not evaluate the potential for Lake Ontario offshore wind power to meet Toronto's electricity needs "since provincial policy has not changed."

   In February 2011, the McGuinty Government issued a news release announcing a moratorium on offshore wind projects

   According to the news release, the moratorium was needed to permit "further scientific research" so that future decisions could be based "on the best available scientific data". The Ontario Ministry of Natural Resources did subsequently undertake a couple of studies on the

[1] IESO, *2024 Annual Planning Outlook*, Data Tables, Figures 26 & 27.
[2] IESO, *2024 Annual Planning Outlook: Resource Costs and Trends*, page 5.
[3] Email from IESO Customer Relations to Jack Gibbons, (April 10, 2024).

impacts of offshore wind farms on fish and fish habitat.The reports' authors found that offshore wind projects can be implemented with minimal aquatic impacts.

Despite the 2011 news release, the Government of Ontario never issued a legally-binding regulation prohibiting offshore wind power.

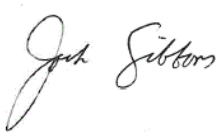
Furthermore, a refusal to analyse the potential for offshore wind power to meet Toronto's needs is not consistent with Minister Lecce's August, 2024 directive to the IESO that its future electricity procurements should be "technology agnostic".

Finally, as we noted in our April 30, 2024 letter to the IESO and Toronto Hydro, thirty-two 15 MW wind turbines in Lake Ontario could produce as much electricity as the Portlands gas plant did in 2023.

We request that the IESO re-consider its refusal to evaluate the potential for Lake Ontario offshore wind power to meet Toronto's electricity needs.

If the IESO continues to refuse to evaluate this option, we request that Toronto Hydro do so.

Yours sincerely,



Jack Gibbons
Chair

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