



December 1, 2021

Infrastructure and Environment Committee
City of Toronto

Re: TransformTO – Critical Next Steps for Net Zero by 2040 – IE26.16

Submitted via online portal:<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.IE26.16>

To members of the Infrastructure and Environment Committee,

On behalf of Enwave Energy Corporation ('Enwave') I would like to provide the following feedback to the to the City of Toronto's TransformTO Net Zero Strategy and its proposed target of achieving net zero by 2040. Enwave fully supports the City of Toronto's commitment to achieving net zero by 2040; if approved by Council it will be one of the strongest climate targets set by a government on any level in Canada.

Enwave is a fully integrated district energy business that provides innovative, sustainable energy solutions to over 320 customers across a range of sectors in Canada. The largest district energy company in Canada, our operations span Toronto, London, Windsor, Markham, and Charlottetown.

Enwave is a recognized leader in commercially operated sustainable thermal energy systems. Our focus on providing, resilient, low-carbon energy is well-aligned with the overall responsible investing practices and net-zero carbon emissions pledges made by our owners, IFM Investors and Ontario Teachers' Pension Plan.

District energy ('DE') relieves the demands on the larger provincial grid's generation and transmission system while simultaneously reducing greenhouse gas emissions and improving local energy resilience in a cost competitive manner to the consumer. Our customers span all real estate sectors, namely residential, commercial, institutional, and industrial, many of which are critical infrastructure (e.g., hospitals, data centres, etc.).

Enwave has partnered with the City of Toronto on many district energy projects. Some examples include:

- The Joint Development Agreement, which includes the development of a new district energy system serving the Etobicoke Civic Centre and surrounding neighbourhood.
- District energy services to multiple buildings including City Hall, Old City Hall, and Metro Hall

Enwave is encouraged to see the draft Net Zero Strategy includes a strong target for district energy - 25 percent of commercial and industrial floor space citywide to be connected to district energy sources by 2030. Given our long history and partnership with the City of Toronto, Enwave would submit the following recommendations to ensure that the ambitious target can be reached:

- Stronger language to require buildings to connect to DE systems if established/ available

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- Stronger language and enforcement of the requirement for buildings to be DE ready
- Straight forward process and guarantee for mechanical space (penthouse, etc) avoided due to DE to be converted to sellable/leasable space.
- Additional city support for new DE systems (either financial, via policy, etc)
- Formalize the acceptance of DE assets under city park land
- City to provide space for DE assets at no/ low cost. Currently based on fair market value thereby disincentivizing the colocation of assets
- Integrate DE in more detail into the planning process, including a commitment to evaluate the DE option and enforced by the City

On behalf of Enwave, I appreciate the opportunity to provide our feedback to this significant initiative by the City of Toronto.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Carlyle Coutinho".

Carlyle Coutinho
Chief Executive Officer
Enwave Energy Corporation