

Marilyn Toft
Toronto City Hall
100 Queen Street West
Toronto, ON
councilmeeting@toronto.ca

July 18, 2022.

Re: EX34.9 – Update on Toronto Hydro Climate Action Plan and Next Steps

Dear Council Members,

The Atmospheric Fund (TAF) is very supportive overall of this update to Toronto Hydro's Climate Plan. We strongly support the recommendation to provide Toronto Hydro with a mandate to deliver its proposed climate advisory services. We also strongly support the recommendation to mandate Toronto Hydro to move forward with proposed city-wide LED street light conversion. Both recommendations are positive actions that will help move Toronto in achieving its net-zero goals. In general, TAF is excited to see Toronto Hydro preparing to play a more robust role in supporting Toronto's climate plan and decarbonization efforts. We recommend considering the following four areas to ensure the success of this transition.

1. Co-ordination

We recommend ensuring there is an ongoing dialogue between the relevant city divisions and Toronto Hydro to avoid confusion and overlap of these important programs and services. There is a strong need for coordination between Toronto Hydro and the City, as Toronto Hydro's Climate Advisory Services (CAS) will overlap or interact with many of the City's existing and emerging programs and services. Some of the existing programs that require coordination with Toronto Hydro's CAS include: the Home Energy Loan Program for homeowners; the high-rise residential improvement support program for apartment owners; the energy retrofit loan program for commercial and institutional owners; the Mayor's Green Will Initiative; the tower and neighbourhood renewal program; and the Toronto Green Standard and incentives for Tiers 2 and 3. TAF's Retrofit Accelerator service for multi-residential housing, and our EV Station Fund, also engage many of the same stakeholders.

We acknowledge there is a need for greater resources to accelerate climate action, and Toronto Hydro's CAS can help to fill this need. However, it is vital to have clear coordination between Toronto Hydro and the relevant City and TAF programs. Otherwise, we risk creating market confusion, redundancy of services, and loss of opportunities to build more synergy between these efforts.

2. Climate capital investments

We recommend an accelerated process for considering other Toronto Hydro climate capital investments. We are excited to see the city-wide conversion to LED street lighting moving forward. We understand there is a need for more development of other types of climate

capital investments, which are also complicated by regulatory barriers. Recommendation 9 currently has an open-ended process to continue exploring options for other Toronto Hydro climate capital investment indefinitely. Given the urgency of the climate crisis and the challenge of reaching the City's climate targets, we would like to see a greater sense of urgency around this so that planning and implementation can begin as soon as possible.

3. Advocacy

To support Toronto Hydro, **we recommend having a joint advocacy approach between the City and Toronto Hydro to intervene in regulatory proceedings** at the Ontario Energy Board and elsewhere. We recognize that Toronto Hydro faces regulatory barriers and uncertainty that stand in the way of fully mobilizing in support of climate action. A joint advocacy approach would enable the City and Toronto Hydro to move forward on their shared objectives.

Based on past experience in OEB proceedings, the possibility for resolving regulatory barriers and uncertainty will be much greater if both the City and Toronto Hydro are actively engaged and aligned. To achieve change in regulation, the City needs to support Toronto Hydro by making clear asks of where we need more regulatory flexibility to enable the emergence of a modern 21st century electric utility focused on decarbonization.

4. Capacity planning for grid expansion

We recommend Toronto Hydro collaborate more closely with the City on capacity planning to ensure we achieve the City's climate targets. TransformTO goals for renewable energy, EV's, and fuel switching in buildings need to be embedded into capacity planning processes, such as the integrated regional resource planning process. These electrification goals will not be achievable if the grid isn't ready. Thus, we have to ensure those elements are fully considered in all electricity planning processes. While Toronto Hydro has a mandate from the province to manage any necessary expansion of the distribution system, to date such planning processes have not included the City as a full partner and have not incorporated TransformTO targets and policies.

Overall, we are very pleased to see Toronto Hydro moving forward with its climate action plan and this update. We're also eager to see Toronto Hydro begin work on the LED street lighting conversion and on its climate advisory services. **We strongly encourage Council to approve the important recommendations in the update** and we look forward to seeing Toronto Hydro move ahead with these important initiatives, which will greatly benefit the city.

Sincerely,

Bryan Purcell



VP of Policy and 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.