

March 8, 2021

Ms. Marilyn Toft City of Toronto 100 Queen Street West Toronto M5H 2N2

Dear Ms. Toft:

## Re: Toronto City Council Meeting March 10, 2021 DM30.3 Calling on the Province to Phase-Out Gas-Fired Electricity Generation

Please distribute this letter to the members of Toronto City Council.

I am writing to respond to the February 25, 2021 letter of Vince Brescia of the Ontario Energy Association (e.g., Enbridge Gas, TC Energy & Shell) opposing Councillors McKelvie's and Layton's motion calling on the Province of Ontario to phase-out all gas-fired electricity generation as soon as possible.

## **Background Information**

According to the Independent Electricity System Operator (IESO), gas-fired electricity generation will rise from 4% of Ontario's electricity supply in 2017 to between 18 to 20% of our electricity supply in 2030 and to between 23 to 24% of our electricity supply in 2040.

As a consequence, the IESO is forecasting that the greenhouse gas (GHG) pollution from our gas-fired power plants will rise by more than 300% by 2030 and by 500% or more by 2040.

The Ontario Clean Air Alliance is calling for: i) a complete gas plant phase-out by 2030; and ii) an interim 2.5 million tonne per year cap on the gas plants' GHG pollution (i.e., the 2017 level) as soon as possible.



## The Ontario Energy Association's submission

## Feasibility

According to the Ontario Energy Association's letter, phasing out Ontario's gas plants "will likely be very difficult and expensive, if even possible in the near term."

Fortunately, this is simply not true.

Ontario can dramatically reduce its gas-fired generation in the near term by taking the following actions:

- 1. Directing the IESO to maximize its spot market purchases of Quebec water power before it dispatches gas-fired generation. In 2020, Ontario could have imported up to an additional 14.4 billion kWh from Quebec using our existing transmission lines. This amount is greater than our total gas-fired generation in 2020 (9.7 billion kWh).
- 2. Directing the IESO to stop its spot market gas-fired electricity exports. In 2019, 35% of our gas-fired generation was exported.
- 3. Ramp up our energy efficiency programs. The Ford Government has reduced the IESO's annual energy efficiency budget by 60% relative to 2017. By bringing spending on efficiency programs back up to previous levels or even beyond, we can cost effectively reduce demand for gas-fired electricity.
- 4. Investing in new wind and solar projects. Wind and solar are now Ontario's lowest cost sources of new electricity supply. By integrating our wind and solar with Quebec's hydro-electric reservoirs, which can act like a giant battery, we can convert intermittent wind and solar energy into a firm 24/7 source of baseload electricity for Ontario.

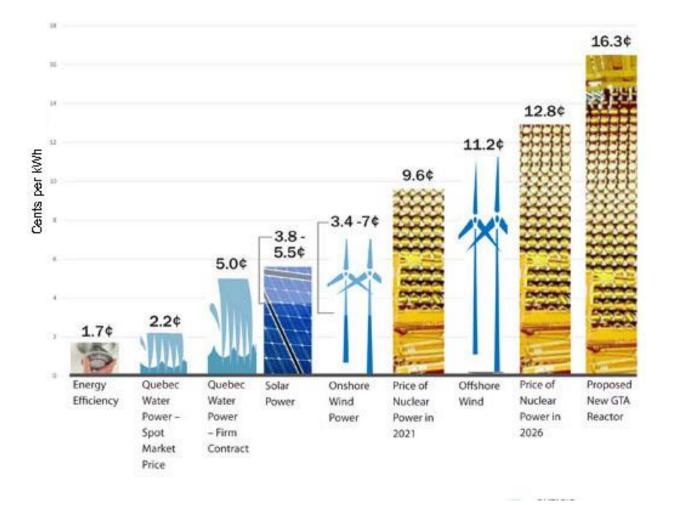
To completely phase-out our gas-fired generation on our hottest summer days when our airconditioners are running full-out, we will need to upgrade Hydro One's transmission lines to import more power from Quebec and/or invest in battery storage. For example, we can upgrade our municipal electricity distribution systems (e.g., Toronto Hydro) to permit our electric vehicles to supply power to the grid during peak demand hours.



By pursuing all of the above options, we can phase-out 100% of our gas-fired power plants by 2030.

Cost

As the bar graphs below show, energy efficiency investments, Quebec water power and solar and onshore wind power are now Ontario's lowest cost carbon-free electricity options.



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Not surprisingly, the International Energy Agency is forecasting that renewables will account for 95% of the growth in global power capacity during the next five years.

For more information, please click here to read our report: <u>*Phasing-Out Ontario's Gas-Fired*</u> <u>*Power Plants: A Road Map.*</u>

Yours sincerely,

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Jack Gibbons Chair