

Toronto's Energy Future and the IESO's Integrated Regional Resource Plan (IRRP)

Backgrounder
IE26.14

December 3, 2025



To: Infrastructure and Environment Committee

From: Environmental Defence Canada

Re: Provincial Energy Plan (IRRP) & Support for Motion IE26.14 (Saxe)

1. Background

On October 31, 2025, the Independent Electricity System Operator (IESO) released its final energy plan for Toronto — a 25-year roadmap for meeting the city's electricity needs.

Despite Toronto City Council's clear direction to **phase out the Portlands Energy Centre (PEC) by 2035** and to achieve **net-zero community-wide emissions by 2040** under TransformTO, the provincial plan **ignores both mandates**.

Instead of prioritizing local renewables, conservation, and storage, the plan locks Toronto into decades of dependence on gas and nuclear power — technologies that are expensive, centralized, and incompatible with the city's climate, health, and affordability goals.

2. Environmental Defence's Campaign

Environmental Defence Canada (EDC) is a leading national environmental advocacy organization working with governments, industry, and communities to advance climate solutions that protect public health, affordability, and environmental security.

Since last spring, EDC has helped coordinate a **citywide campaign** to align Toronto's electricity future with its climate and equity commitments. This is not a small group of advocates — it is a **large and diverse coalition across the GTHA**.

Campaign scale & public engagement

Together with our allies, we have:

- Mobilized **nearly 8,000 Toronto residents** to send letters or call their councillors since April.
- Built a coalition of **25+ environmental, health, legal, academic, senior, and community organizations**.
- Participated in **every step** of the IESO's 18-month engagement process on the IRRP.
- Mobilized residents in **every ward**, including waterfront communities most impacted by Portlands emissions.
- Secured media coverage in **The Toronto Star, Beaches Metro, The Energy Mix**, and The Grind, as well as social media influencers amplifying affordability and health concerns.
- Held **more than a dozen meetings** with councillors, City staff, and MPPs.

This is one of the **largest coordinated electricity-planning mobilizations in Toronto in over a decade**.

The message from residents is consistent: Do not lock Toronto into more gas pollution, higher electricity bills, and a provincial plan that contradicts TransformTO. **Councillor Saxe's motion (IE26.14) provides the leadership residents are calling for.**

3. What's Wrong with the IRRP?

After detailed analysis, EDC and partners have identified four key failures:

a. Contradicts Council direction

The IRRP disregards Council's 2024 motion to phase out the Portlands gas plant and undermines the City's TransformTO strategy.

b. Locks in fossil and nuclear dependence

It relies on nuclear to reach 75% of Ontario's electricity by 2050 and keeps gas plants operating indefinitely — a costly, high-risk, incompatible pathway with net-zero.

c. Ignores local renewable potential

Toronto's rooftops alone could generate **4.9–11.9 TWh annually** — five times the output of Portlands — yet this resource is significantly undermined in the plan.

d. Fails on reliability and resilience

The IRRP omits widely used, cost-effective solutions that provide reliability and resilience to our energy grid, such as offshore wind, community-scale solar, and battery storage.

4. City Council's Role in Toronto's Energy Future

i. Municipal leadership in planning

Toronto is a recognized stakeholder in provincial electricity planning. Council's motions, climate goals, and TransformTO targets are legitimate policy inputs that the IESO must consider.

Through building standards, local energy planning, efficiency programs, and Toronto Hydro's operational direction, City Council can meaningfully influence electricity planning outcomes.

ii. Accountability in partnership

Other municipalities — including Ottawa and Vancouver — have successfully ensured that IESO planning reflects local climate and electrification needs. Toronto can do the same.

Provincial forecasts show gas generation increasing by **23%** by 2044. Without strong municipal leadership, Toronto risks being locked into deeper fossil dependence and higher pollution.

5. Connecting Reliability, Climate, and Public Health

i. Climate & health impacts

The Portlands Energy Centre is Toronto's **largest industrial polluter**, emitting **618,000 tonnes of CO₂e** in 2022 while operating at only 24% capacity. Increased reliance on Portlands under the IRRP will worsen emissions and air quality in waterfront and downtown communities.

Gas plants also release methane — a greenhouse gas **80x more potent** than CO₂ — making gas-fired electricity comparable to coal when leakage is considered.

ii. Modern reliability

The IRRP uses an outdated definition of reliability focused on centralized baseload generation. Modern grid resilience relies on:

- distributed storage
- local renewables
- demand response
- flexible peak management

These approaches reduce outages, improve climate resilience, and lower system costs.

6. The True Cost of Gas Plants

a. Methane's climate impact

Fracked methane has a climate footprint rivaling coal over 20 years due to leakage across the supply chain.

b. Health impacts

Gas combustion emits nitrogen oxides (NOx), particulate matter, and VOCs that contribute to asthma, heart disease, and premature death. Toronto Public Health attributes **1,300 premature deaths** and **3,550 hospitalizations** each year to air pollution.

c. Economic costs

Air pollution from fossil fuels costs Ontario an estimated **\$4.2 billion annually** in healthcare and productivity losses.

7. Energy Poverty & Affordability

Energy poverty is rising in Toronto. Low-income residents, renters, and small businesses are most affected by volatile gas prices and escalating nuclear refurbishment costs.

According to independent analysis:

- Electricity rates are projected to rise **29% between 2023 and 2028**, driven largely by nuclear and gas generation costs.
- Ontario's own market data shows:
 - Gas: **12–17¢/kWh**
 - Nuclear refurbishments: **16–20¢/kWh**
 - New wind and solar: **3–6¢/kWh**

A renewables-first plan improves both affordability and resilience.

8. The Bigger Picture: IRRP, LT2 & Provincial Energy Agenda

The IRRP is part of a broader energy strategy (LT2 procurement, Bill 40) that heavily favours gas and nuclear while restricting renewable development.

- **LT2** adds more than 1,500 MW of new gas plants.
- **Forthcoming Bill 40** restricts renewable investment and competition.
- Billions are being steered toward refurbishments and speculative Small Modular Reactors rather than proven renewable and efficiency solutions.

Municipal leadership is essential to counterbalance this direction.

9. Energy Sovereignty & Political Context

The provincial narrative of “energy independence” masks policies that:

- expand reliance on **U.S. fracked gas**
- restrict renewable development
- frame critics as “anti-growth”

True energy sovereignty means local control, local generation, and community-based resilience — not dependence on imported fossil fuels.

Toronto can set a different course.

10. Why Leadership from IEC Matters Now

The IRRP will not be reviewed again until **2030**. By then, contracts and infrastructure could lock Toronto into decades of fossil dependence.

Municipal leadership — particularly from this Committee — is critical to safeguarding Toronto’s climate, health, and affordability goals.

11. Recommended Actions for the Infrastructure & Environment Committee

Environmental Defence urges the Infrastructure & Environment Committee to **adopt Councillor Dianne Saxe’s motion (IE26.14) in its entirety**. This motion provides the clear, evidence-based leadership that Toronto residents are calling for and is backed by one of the **largest electricity-planning mobilizations in Toronto in more than a decade**.

Motion IE26.14 reaffirms City Council’s direction to **phase out the Portlands Energy Centre by 2035**, except in rare emergencies, and ensures Toronto’s energy planning remains aligned with **TransformTO’s 2040 net-zero commitment**. It offers a practical and constructive response to the Province’s energy plan, which fails to reflect Toronto’s climate, health, and affordability goals.

By supporting this motion, the Committee would send a strong signal that Toronto expects a modern energy plan built on local renewables, efficiency, storage, and distributed energy resources — not expanded reliance on fossil gas and costly centralized generation. Adopting Motion IE26.14 is an essential step toward securing a clean, affordable, and resilient electricity future for the city.

12. Closing Remarks

Toronto stands at a critical energy crossroads.

The Province's energy plan is not a neutral technical document — it is a choice that would lock Toronto into higher emissions, higher energy bills, and an electricity system misaligned with TransformTO.

Councillor Saxe's motion (IE26.14) offers clear, principled, and practical leadership that reflects what Torontonians are demanding.

Environmental Defence urges the Infrastructure & Environment Committee to **adopt Motion IE26.14** and send a strong, united message that Toronto will defend its climate commitments and chart a clean, affordable, community-based energy future.