

City Council
City of Toronto
100 Queen St W
Toronto, ON

July 21, 2025

RE: MM32.12 - Amending an Encroachment Agreement with the University of Toronto to enable low Carbon District Energy

Dear City Council Members,

The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions in the Greater Toronto and Hamilton Area. As Toronto works toward meeting its TransformTO net-zero goals, the City must create clear, enabling conditions for the deployment of clean and resilient energy systems. This includes ensuring fair access to the public right-of-way for low-carbon infrastructure like geothermal and district energy systems.

It is unfair and inconsistent for fossil fuel utilities to access public lands at no cost while low-carbon alternatives are burdened with significant fees that may render them financially unviable. The current \$50,000 annual fee proposed to the University of Toronto for geothermal pipes far exceeds the infrastructure's total cost and stands to deter similar investments in the future.

The Oak House student residence is a model of climate-positive development, and its geothermal system will deliver tangible benefits to the city, including reduced greenhouse gas emissions, improved air quality, and enhanced energy resilience. Penalizing such efforts undermines both Toronto's climate strategy and the broader public interest.

Encouraging investment in low carbon district energy means providing clarity and confidence to the market at large - we strongly encourage the City to amend its policy for future sites. Overall, TAF supports the proposed motions and urge City Council to adopt them. We thank the City for its continued leadership on climate action.

Sincerely yours,



Bryan Purcell
VP Policy & 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. 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.