

Independent Electricity System Operator

1600-120 Adelaide Street West
Toronto, ON

October 14, 2025

Re: Options Analysis and Draft Recommendations – September 25

The Atmospheric Fund (TAF) appreciates the opportunity to provide feedback on the IESO's Toronto Integrated Regional Resource Plan (IRRP). As a regional climate agency working across the Greater Toronto and Hamilton Area (GTHA), we support comprehensive electricity grid planning that prioritizes reliability, resilience, and decarbonization. We appreciate the IESO's continued engagement and commitment to integrating a range of resources into this regional planning process.

1: Energy Efficiency Demand Side Management

TAF strongly supports the inclusion of expanded and geotargeted energy efficiency and demand-side management (eDSM) programs in the recommended options. These are essential tools for managing peak demand, reducing emissions, and maintaining affordability. We support the IESO's region-wide call to action for aggressive participation in energy efficiency. Building on the success of programs like Peak Perks would help unlock significant additional savings and support grid reliability during periods of high demand.

We're encouraged by ongoing efforts between the IESO, Ontario Energy Board (OEB), and local distribution companies (LDCs) to reduce barriers to local energy efficiency program activities. As the regulatory framework for these programs is being developed under the proposed Stream 2 eDSM mechanism, there is a timely opportunity to align the IRRP's recommendations with this work. Integrating Stream 2's co-funding and coordination model into regional planning would help accelerate the deployment of local, targeted efficiency initiatives.

2: Battery Energy Storage Systems (BESS)

TAF welcomes the inclusion of BESS in both the Western and Eastern regions of Toronto as part of the recommended options for meeting the region's electricity needs. However, BESS has been screened out in Northern Toronto, and the rationale for this differentiation is unclear. BESS siting decisions should consider resilience and local grid support in high-growth, transmission-constrained areas, not solely land availability.

Additionally, there is an opportunity to better leverage existing large-scale, consumer-sited BESS installations that are currently underutilized outside of Global Adjustment (GA) cost mitigation. Unlocking their full grid value, including reducing peak demand strain and supporting local reliability, will require updated market mechanisms, compensation models, and planning integration.

3: Infrastructure Expansion and the Third Supply Line

TAF recognizes the proposed third transmission line and associated infrastructure upgrades as part of the long-term strategy to meet Toronto's electricity needs. While new infrastructure may be necessary to meet long-term capacity and reliability needs, these decisions carry long-lasting implications and must be transparent, evidence-based, and evaluated alongside all viable alternatives, including non-wires solutions (NWS) and distributed energy resources (DERs). Given this context, TAF is supportive of the IESO's inclusion of low-carbon district energy systems, including Thermal Energy Networks (TENs), as strategic non-wires solutions incorporated into the IRRP. TENs can significantly reduce peak electricity demand and overall consumption in dense urban areas, like the downtown core and the Port Lands. As highlighted in previous engagements by Enwave, these networks have significant potential to act as flexible grid resources, providing demand response and capacity support during peak periods. Leveraging existing infrastructure alongside developing new TENs could offer a cost-effective, low-emission alternative to traditional supply and wires-based solutions. We encourage the IESO to establish a procurement and contracting pathway to enable the deployment of TENs as non-wires and capacity resources.

We also note that the third supply line is closely linked to the future role of the Portlands Energy Centre (PEC). While out of the scope of this engagement, we continue to support the [City's direction](#) to transition away from gas fired generation at PEC by 2035 and encourage future planning to reflect this shift. The third supply line could also play a strategic role in enabling future renewable energy integration, including offshore wind. While Ontario's current moratorium prevents development, we encourage the IESO to study and report on the potential contribution of offshore wind to meeting Toronto's future electricity needs. Insights from this analysis would help inform provincial policy direction and ensure planning remains responsive to evolving system needs.

TAF thanks the IESO for continued engagement on this file and looks forward to the publication of the final Toronto IRRP. TAF remains committed to collaborating with the IESO and electricity sector stakeholders to advance resilient, low-carbon, and community-focused energy solutions in Toronto and beyond.

Sincerely,

Bryan Purcell



VP of 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. 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.