

**Ministry of Energy and Mines**

Office of the Minister

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**Ministère de l'Énergie et des Mines**

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Tél. : 416-327-6758



MC-994-2025-975

June 20, 2025

Ms Lesley Gallinger  
President and Chief Executive Officer  
Independent Electricity System Operator  
1600—120 Adelaide Street West  
Toronto ON M5H 1P1

Dear Ms Gallinger:

I, Stephen Lecce, Minister of Energy and Mines ("Minister"), hereby direct the Independent Electricity System Operator ("IESO") pursuant to section 25.32(8) of the *Electricity Act, 1998* (the "Act") with regard to establishing programs or funding to facilitate the participation and engagement in the electricity sector of Indigenous communities or any other persons or groups that may be specified, as follows:

**BACKGROUND**

The IESO (as successor to the Ontario Power Authority) has designed, administered and managed a portfolio of Energy Support Programs ("ESPs") since 2009. In 2023, following engagement with Indigenous communities, organizations and program recipients, the ESPs were redesigned under a single Indigenous Energy Support Program (the "Program") structure.

The Program promotes broad equitable participation in Ontario's energy sector for First Nation and Métis communities and organizations by supporting community capacity building under three funding areas: Capacity Building, Economic Development and Energy Resiliency and Monitoring. Multiple transmission, generation and storage projects are currently being developed that all have potential for Indigenous participation, and demand and interest in the Program has continued to grow.

As part of the Ministry's Integrated Energy Plan, the government has stated its intention to increase the annual Program budget by \$10 million, bringing total annual support to \$25 million. These funds will help advance Indigenous-led and partnered energy projects and ensure related community capacity is in place, helping to get critical energy infrastructure built on time with better outcomes. A new area of focus to support remote First Nations aligns with the government's priority to work in partnership with these diesel-reliant communities on short- and long-term electricity supply solutions, including grid connection.

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## DIRECTION

Therefore, in accordance with the authority under subsection 25.32(8) of the Act, the IESO is hereby directed as follows:

1. The IESO shall allocate funds totaling not more than \$25 million annually beginning in 2025 to a refreshed Program that continues to deliver community energy support funding and keeps pace with Ontario's evolving energy landscape. The Program shall continue to promote broad equitable participation in Ontario's energy sector for Indigenous communities and organizations. The Program's funding areas shall continue to include:
  - a. **Capacity Building:** to provide funding to support community capacity building initiatives and projects. Projects can include training, community events, youth and elder workshops and hiring a Community Energy Champion.
  - b. **Economic Development:** to provide funding to support Indigenous economic development opportunities in Ontario's energy sector. This shall include funding for:
    - i. Feasibility studies;
    - ii. Due diligence work required to assess and develop opportunities for partnerships and participation in new or existing energy infrastructure projects, including projects being developed as part of a government procurement or policy and non-rate-based private ventures with commercial partners;
    - iii. Costs associated with developing energy infrastructure projects, including renewable energy, battery storage and other emerging technologies; and
    - iv. Other innovative electricity supply-side solutions.
  - c. **Energy Resiliency and Monitoring:** to support development of strategies for community energy resiliency, readiness, and monitoring. Projects may include planning, project monitoring, impact assessments and auditing.
2. The IESO shall design a new funding area of up to \$500,000 per year for each of the nine remaining diesel-reliant remote First Nations (Marten Falls First Nation, Webequie First Nation, Eabametoong First Nation, Nibinamik First Nation, Neskantaga First Nation, Whitesand First Nation, Kiashke Zaaging Anishinaabek (Gull Bay First Nation), Fort Severn First Nation and Weenusk First Nation) to support diesel reduction initiatives, including transmission connections and projects that address priority community energy needs in off-grid communities. The IESO shall report back to the Ministry on the design of this funding stream before launching it.
3. The IESO shall administer the Program directly and as it determines necessary to meet the policy objectives set out in this direction, working in consultation with the Ministry.

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4. The IESO shall review the Program budget annually to ensure its alignment with community needs and interests as determined through analysis of applications by IESO staff as well as through direct feedback from Indigenous partners.
5. The IESO shall report back to the Ministry annually on how the Program is meeting current demands and interests.
6. The IESO shall undertake a review of the Program every four years.

## **GENERAL**

This Direction takes effect on the date it is issued.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Stephen', followed by a long horizontal flourish.

Stephen Lecce  
Minister

- c: David Collie, Interim Board Chair, IESO  
Matt Hiraishi, Chief of Staff to the Minister of Energy and Mines  
Susanna Laaksonen-Craig, Deputy Minister of Energy and Mines