



Hydrogen Innovation Fund (HIF) 2025 Frequently Asked Questions (FAQ)



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Partners, Funding & Contribution

1.1: How should partial vendor payments (e.g., down payments and remaining balances) be handled in terms of eligibility and timing within the constraints of project timelines and funding agreements?

Project timelines may not always align with those of the 2025 HIF. However, it is strongly recommended that applicants await formal approval of their proposal prior to initiating any project activities. Initiating a project prior to the approval of an application may result in a reduced contribution amount, as funding eligibility is based on the total approved project value. Costs incurred before the execution of the contribution agreement or after the completion of the project are not eligible for reimbursement. Down payments are permitted only if they occur within the approved project timeline and are directly associated with approved project milestones.

Eligible expenses include capital purchases, professional services, and installation costs incurred within the approved project timeline. Funding is disbursed on a milestone basis, and the application must clearly outline the number, timing, and budget for each milestone. The final milestone must represent at least 25% of the total IESO contribution as outlined in the guidelines for Stream 1 and Stream 2 in section 3.2. All expenses using IESO funds are subject to audit and must be fully documented.

1.2: What is the maximum and minimum funding amount that can be received from the HIF 2025 call?

The IESO may contribute up to 50% of the total eligible project value, subject to a maximum of \$4.5 million per project, with a minimum funding threshold of \$1 million.

1.3: What are the minimum project partner requirements and contribution obligations under Stream 1 and Stream 2?

Stream 1

(See Stream 1 Application Guideline – Section 2.1.2 & 2.1.3)

Minimum Requirement: At least one project partner is required.

Contribution Requirement: The combined contribution (cash or in-kind) from the applicant and project partner(s) must be at least 30% of the total project value.

Stream 2

(See Stream 2 Application Guideline – Section 2.1.2 & 2.1.3)

Minimum Requirement: At least two project partners are required.

Contribution Requirement: The combined contribution (cash or in-kind) from the applicant and project partner(s) must be at least 30% of the total project value.

Affiliates: May count toward the minimum partner requirement, provided that the minimum funding requirements are met (e.g. applicant and their partner(s) must provide cash or in-kind contribution that totals 30% of the total project value)

Please note that additional partners are encouraged to strengthen the project and will be considered in the evaluation.

1.4 How are Project Partners and Affiliates defined?

Project Partner

An external organization that contributes measurable cash or in-kind support such as engineering services, hardware or software to help achieve the project's objectives may be recognized as a project partner. Partner contributions may consist entirely of cash or in-kind support, provided that the overall contribution requirements are satisfied.

Affiliate

An external organization that supports the project by signing a letter of support to confirm its participation but does not provide quantified cash or in-kind contributions. Support from affiliates does not count toward the minimum 30% contribution requirement from the applicant and project partners.

Please note that both Affiliates and Project Partners are required to be incorporated institutions. Individuals, including incorporated individuals, sole proprietorships, partnerships, trusts, or joint ventures can not be recognized as project partners.

1.5 How are In-Kind Contributions defined?

In-kind contributions are defined as eligible non-monetary resources that can be provided by the project applicant or partners. These are assets and services that are essential to the project that would have otherwise been purchased by the applicant and may include capital items that partners donate to the project, professional services and training.

1.6 What are some examples of In-Kind support?

Past examples of In-Kind support include but are not limited to:

- Use Case Validation and Data Reporting
- Hardware–Software Systems Integration
- Engineering Design and Development

- Project Planning and Execution
- System Installation and Support

1.7 Under Stream 2, can two Affiliates be used to satisfy the project partner requirement?

Meeting the full 30% contribution requirement does not remove the obligation for at least one project partner to contribute either cash or in-kind resources. Two Affiliates alone do not satisfy the project partner requirements.

1.8 Illustrative Funding Examples – IESO Contribution

Example 1:

Project Timeline: **August 2026 – August 2029**

Project Value: **\$5M**

Maximum HIF Contribution: **\$2.5M**

Minimum HIF Contribution: **\$1M**

Example 2:

Project Timeline: **January 2026 – August 2030**

Project Value: **\$5M**

Approved Timeline for Eligible Costs: **August 2026 – August 2029**

Costs incurred during approved timeline: **\$3M**

Maximum HIF Contribution: **\$1.5M*** (50% of eligible costs)

Minimum HIF Contribution: **\$1M**

*IESO would consider this to be the total project value. Costs incurred before signing contribution agreement or after project completion are ineligible.

1.9 Are eligible labour costs capped at \$800/day per employee?

This amount was included in Part B of the applications to support in-kind calculations. If the applicants estimate that the FTEs will be paid a higher rate, a note should be included in the budget.

1.10 Should financial contributors be listed as project partners?

HIF project partners may act solely as financial contributors without any operational involvement in the project. Applicants have the discretion to designate these contributors as project partners. Please note that if these contributors are listed as project partners, their contributions will not be counted toward the applicant's required contribution amount.

1.11 Are Project Partners required to provide in-kind support?

Project partners are not required to provide any in-kind contributions, as long as the minimum combined cash contribution, from main Applicant and Partners, is at least 30% of total project value.

1.12 Can an organization be listed as a project partner and/or affiliate on multiple HIF project applications?

There are no restrictions on the number of applications that an organization can be listed as a partner or affiliate on. Please note that the applicant must demonstrate that they are the primary beneficiary of the project and show how partners strengthen the project team. Partners are considered in the evaluation criteria, and their contributions whether cash or in-kind should be clearly outlined.

1.13 Can a parent company be listed as a project partner?

There are no restrictions on listing a parent company as a project partner. However, the applicant must clearly demonstrate that they are the primary beneficiary of the project and explain how each partner strengthens the project team. Partners are considered in the evaluation criteria, and their contributions whether cash or in-kind should be explicitly outlined.

1.14 Under Stream 1, are applicants allowed to have affiliates as partners?

For Stream 1, applicants must have at least one contributing project partner (cash or in-kind) and ensure all contribution requirements are met:

- 30% of the project value as cash contribution from the applicant and partner(s) combined.
- 15% of the project value as cash contribution from the applicant alone

Additional partners beyond the minimum requirement are permitted and can be either contributing partners or affiliates.

1.15 Are downpayments, advance payments or partial payments made prior to the signing of the contribution agreement eligible project costs?

Any expenses paid prior to the signing of the contribution agreement, including down payments or advance payments, are not considered eligible project costs under HIF. Only expenses paid after the agreement has been signed will qualify as eligible costs.

1.16 Illustrative Funding Examples – Project Timelines

The following examples illustrate how the timing of an expense, relative to the signing of the contribution agreement, determines its eligibility for HIF funding.

Example 1

Payment Type	Amount	Timing	Eligibility
Down payment	\$20,000	Paid before contribution agreement signed	Ineligible
Final Payment	\$60,000	Paid after contribution agreement signed	Eligible
Vendor discount counted as In-Kind Contribution	\$20,000	Product delivered after signing of contribution agreement	Eligible to be considered in-kind contribution from a project partner

Example 2

Payment Type	Amount	Timing	Eligibility
Advance Payment 1	\$20,000	Paid before contribution agreement signed	Ineligible
Advance Payment 2	\$20,000	Paid before contribution agreement signed	Ineligible
Final Payment	\$60,000	Paid after contribution agreement signed	Eligible

Example 3

Payment Type	Amount	Timing	Eligibility
Down payment	\$20,000	Paid after contribution agreement signed	Eligible
Final Payment	\$80,000	Paid after contribution agreement signed	Eligible

1.17 Illustrative Funding Examples – Applicant Eligibility

The following examples illustrate contribution mixes that satisfy the HIF 2025 eligibility criteria. These examples are provided solely for reference and do not represent an exhaustive list of compliant configurations. Numerous other combinations may also meet the stated requirements.

Example 1 – Stream 2 Eligibility

Contribution Type	Applicant Contribution	Partner 1 Contribution	Partner 2 Contribution	Total Applicant + Partner Contribution	IESO Contribution
Cash	\$2.4M			\$2.4M	\$4M (50% of Project Value, max funding)
In-Kind	\$0.6M	\$1M		\$1.6M	
Total	\$3M	\$1M	Affiliate – no cash or in-kind contribution, only provided a Letter of Support	\$4M	\$4M
Total Project Value: \$8M					

Requirements (Stream 2)	Compliance
Minimum 15% of total project value must be cash from the applicant	Calculation: $\$2.4M \div \$8M = 30\%$ Result: Requirement met ($30\% > 15\%$)
Minimum 30% of total project value must be cash from applicant and partners combined.	Calculation: $\$2.4M \div \$8M = 30\%$ Result: Requirement met ($30\% = 30\%$)
At least two project partners	One Contributing Partner and One Affiliate Result: Requirement Met

Example 2 – Stream 2 Eligibility

Contribution Type	Applicant Contribution	Partner 1 Contribution	Partner 2 Contribution	Total Applicant + Partner Contribution	IESO Contribution
Cash	\$1.5M	\$1M	\$1.5M	\$4M	\$4.5M (Maximum funding under HIF)
In-Kind	\$0.5M	\$0.5M	\$0.5M	\$1.5M	
Total	\$2M	\$1.5M	\$2M	\$5.5M	\$4.5M
Total Project Value: \$10M					

Requirements (Stream 2)	Compliance
Minimum 15% of total project value must be cash from the applicant	Calculation: $\$1.5M \div \$10M = 15\%$ Result: Requirement met (15% = 15%)
Minimum 30% of total project value must be cash from applicant and partners combined.	Calculation: $\$4M \div \$10M = 40\%$ Result: Requirement met (40% > 30%)
At least two project partners	Two Contributing Partners Result: Requirement Met

1.19 Can incorporated individuals participate as project partners?

Incorporated individuals are eligible to participate in HIF 2025 projects as partners.

Project Location and Canadian Status

2.1 Are extra points awarded for the procurement of Canadian technology providers?

Canadian status is assessed solely for the primary applicant. The procurement of Canadian technology providers does not contribute to the evaluation score. Projects that meet the defined Canadian status criteria are eligible to receive evaluation points—specifically, five points under Stream 1, and consideration as part of the Ministry’s evaluation under Stream 2.

2.2 Are non-Canadian companies eligible to apply?

The Canadian status of the applicant is not part of eligibility criteria. However, Canadian Status is included as an evaluation criterion in both Stream 1 and Stream 2. Please note that the project must be located in Ontario, and although the main applicant does not have to be located in Ontario, it must be the main beneficiary of the project. Applicants who meet the Canadian status criteria when applying for Stream 1 will be awarded 5 points and in Stream 2 will be part of qualitative evaluation, as this factor contributes to the overall assessment of proposals.

2.3 Does the project have to be located in Ontario?

All projects funded under the 2025 Hydrogen Innovation Fund must be physically located within the province of Ontario. In addition, each project must demonstrate measurable benefits to Ontario's electricity grid (Stream 1) or to the province's industrial sector (Stream 2).

2.4 Are points awarded for being an Ontario based company?

There are no mandatory requirements regarding Ontario-based ownership or operational presence for applicants. However, preference is given to applicants that meet the Canadian Status Evaluation Criteria. This consideration does not extend to project partners, subcontractors, or technology providers.

2.5: Are partnerships or collaborations with organizations located outside Ontario permitted?

Collaborations with organizations located outside the province of Ontario are permitted. However, applicants must clearly demonstrate how such partnerships will contribute to the successful execution of the project within Ontario.

Required Documentation

3.1 What kind of financial statements are required for submission?

The applicant is required to submit either audited or reviewed financial statements. Additionally, signed letters of support must be provided, detailing the contribution amount and type of contribution (cash and/or in-kind) from all project financial supporters. These financial statements will be used to assess the project team's ability to fulfill its financial obligations.

3.2 Are organizations required to generate new financial statements for the HIF application?

HIF does not require organizations to generate new financial statements specifically for this application. The most recently reviewed financial statement available will fulfill the requirement.

3.3 Are financial statements required from project partners?

Financial statements are only required for the main project applicant. This requirement does not apply to project partners. However, please note that project partners are required to provide a signed letter of support indicating their contribution amount and the type of contribution (cash and/or in-kind)

3.4 Are applicants required to provide quotes for materials and equipment?

Applicants are not required to provide formal quotes. Budgets should be based on reasonable and realistic estimates that reflect current market conditions.

3.5 Are CVs required for all project partners?

CVs are only required for the main project team. This requirement does not extend to all project partners.

3.6 Can additional images and/or diagrams be added to the application?

Additional images may be attached to the application if they are relevant and enhance the quality of the application. Please ensure that the attachment list on page 5 of the Part A application is updated accordingly.

Ministry Evaluation Criteria – Stream 2

4.1 What is the structure and scoring of the Ministry's evaluation?

The Ministry evaluates projects on broader policy objectives after technical screening. Categories include:

1. Decarbonizing hard-to-abate industries
2. Job creation and upskilling
3. Hydrogen infrastructure development
4. Enabling sustained domestic demand
5. Supporting Ontario SMEs
6. Canadian Status

7. Regional representation

There is no numeric weight disclosed, but projects are ranked based on cumulative alignment with these criteria.

4.2 Do applicants need to meet all Ministry evaluation criteria to be considered eligible?

Projects must meet all Stage 1 eligibility criteria to proceed — there is no partial eligibility. If any requirement is not met, the application is disqualified.

For Projects applying for Stream 2, that achieve a technical score of 70 points or higher are then ranked according to Ministry criteria until the \$15 million budget is fully allocated. Submissions are evaluated based on how well they address the Ministry's outlined policy points. While not all criteria are mandatory, addressing more of them strengthens the overall evaluation.

It is important to note that meeting all requirements does not guarantee maximum funding. Final allocation depends on a combination of ranking, the strength of the submission, and the amount of funding requested.

4.3 What is the consideration of projects located in the Greater Toronto Area under Regional Representation?

Regional representation points are awarded to projects located outside the Greater Toronto Area (GTA) in support of regional economic development objectives. Projects based within the GTA remain eligible for funding but do not receive points under this evaluation category.

4.4 "How is the 'fewer than 500 employees with operations in Ontario' threshold applied in the evaluation of Stream 2 projects?"

The criterion for Small and Medium Businesses applies for project in Stream 2, under Stage 3: Ministry Evaluation Criteria for supporting Ontario-based small and medium businesses. The applicant must have fewer than 500 employees and operations in Ontario to qualify for points in this category. It does not affect eligibility but influences scoring for economic development objectives.

Project Eligibility and Evaluation Criteria

5.1 Are agricultural projects eligible under stream 2?

Agricultural projects are eligible to apply for HIF funding under stream 2.

5.2 What kinds of transportation projects are eligible under stream 2?

As outlined in Section 1.3 of the Stream 2 application guidelines, eligible transportation sector projects may include:

- Demonstrations involving the development of fuel cell vehicles or innovative solutions that replace diesel-powered engines with low-carbon hydrogen. This includes applications such as transit buses, school buses, delivery trucks, garbage trucks, heavy-duty trucks, rail, and airport or port handling equipment.
- Demonstrations of hydrogen fueling station integration to support hydrogen adoption in Ontario's heavy-duty transportation sector.

5.3 Do projects using existing facilities qualify for HIF funding?

Projects utilizing existing facilities may qualify for HIF funding if they introduce additional technical innovation and clearly demonstrate alignment with the evaluation criteria and the objectives of the call. For more details on the technical evaluation of projects, please refer to section 2.2 of the application guidelines.

5.4 How flexible are project KPIs?

Key performance indicators (KPIs) have been developed to measure the ability of successful projects to meet the outlined objectives of the funding stream being applied to and the overall objectives of the call. KPIs beyond those proposed in Appendix A of the application guidelines are welcome including theoretical considerations. However, these KPIs should outline their methodology and use publicly recognized/standardized methodologies where appropriate.

5.5 Are multiple facilities allowed to participate in a single project?

Multiple facilities can work together if it can be proven to advance the objectives of the demonstration project.

5.6 Is there a minimum Technology Readiness Level (TRL) required to be eligible for HIF Funding?

The HIF 2025 call will only consider applications for demonstration projects that are at least at the Technological Readiness Level 7 (TRL 7) and up to Technological Readiness Level 9 (TRL 9). These will be real-world tangible projects located in Ontario involving physical assets/equipment, construction, and field operations. Please refer to appendix B of the application guidelines for details regarding Technology Readiness Level.

5.7 Are projects allowed to use external facilities?

The applicant must be the primary beneficiary of the project. If the applicant can demonstrate that they remain the primary beneficiary while using an external facility, the project would be considered eligible.

5.8 Should applicants design their project to address one primary high-level objective, or aim to align with all high-level objectives within the chosen stream?

Applicants are expected to address all high-level objectives of the stream they are applying for.

General

6.1 How many applications are permitted per applicant?

Organizations are permitted to submit multiple applications under the HIF 2025 call. There are no restrictions on the number of projects an applicant may submit, regardless of Stream. Each project may only be submitted once, to the Stream that most appropriately aligns with its objectives.

6.2 How are Hydrogen Hubs defined?

Facilities that strategically locate hydrogen production, storage and end-use through collaboration with suppliers, end-users and industry association.

6.3 Are there any penalties for withdrawing a project prior to signing the contribution agreement?

There is no contractual agreement between an applicant and the IESO until the signing of the contribution agreement. An applicant may withdraw their application from consideration during the evaluation period without incurring any penalties.

6.4 How many Milestones should a project be structured around?

The HIF team recommends structuring projects with three milestones. However, a greater number of milestones are permitted if the execution of the proposed technology requires more frequent deliverables.

HIF Application Package

7.1 Can project partners and affiliates be used as references in Part 6 of Part A?

Project participants, including partners and affiliates, cannot be a reference.

7.2 What documents should be listed in the additional documents section of the Part A application?

The Additional Attachments section of the Part A application should list all documents associated with the HIF 2025 application, including all required documents provided alongside the application part A and B. For example, CVs of project team members should be listed in this section.

Please note that any supplementary materials not explicitly requested by the IESO will not be reviewed.

7.3 How should applicants list additional members if their project team is larger than nine people?

Applicants may submit an additional attachment that delineates the roles and responsibilities of all team members exceeding the space provided in the form. This supplementary document will be accepted as part of the complete application package.

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