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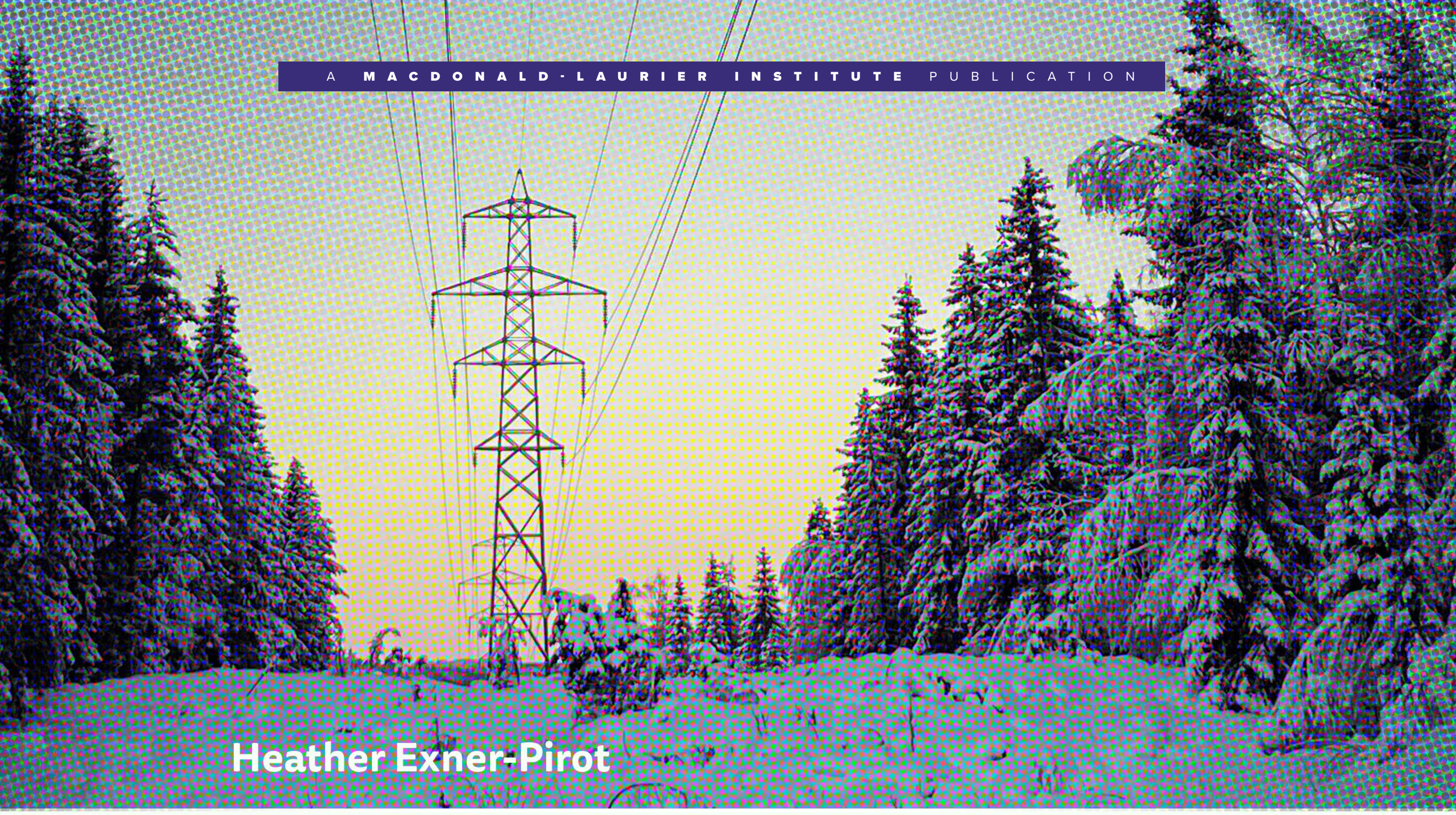

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INDIGENOUS EQUITY

and its growing role in Canadian energy and resource development

December 2023

MLI
TRUE NORTH IN CANADIAN PUBLIC POLICY

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Executive summary | *sommaire*

For most of Canadian history, Indigenous peoples have been dispossessed from their lands and excluded from the benefits of natural resource development that other Canadians, businesses and governments have enjoyed. Instead, they have borne the costs of resource development, in terms of environmental impact to their traditional territories and limits to their hunting, gathering and cultural rights.

The past two decades have seen a major evolution in the legal rights of Indigenous peoples to be consulted, accommodated, and consent to resource development on their territories. While initial fears in the resource sector centred around the perception that most Indigenous peoples were against resource development, and thus would veto or protest future projects, a more nuanced reality has since set in: the majority of Indigenous peoples are not against resource development, they are against being left out of resource development. As a result, strategies for Indigenous engagement and participation in the resource sector have been developing and growing over the past two decades. This paper evaluates the growth of one such strategy: Indigenous equity ownership.

Indigenous equity is an important mechanism to bring more resource wealth and economic prosperity to Indigenous nations; and allowing more and better resource projects to be pursued in Canada with stronger social license and faster regulatory approval. However, it is not the only tool, and it is not necessarily the right tool for every circumstance. Understanding where both equity and loan guarantees fit in the spectrum of Indigenous engagement will ensure both are deployed where and when they are most advantageous.

Equity has risen dramatically as an option for engaging affected Indigenous communities. Spurred by the establishment of Ontario's Aboriginal Loan Guarantee program in 2009 (as well as the province's green energy targets), a number of Indigenous equity deals in wind, solar, hydroelectricity and transmission were struck in the early 2010s. Backed by provincial and federal financial supports for clean energy and reconciliation, more such projects started to pop up across the country. The trend expanded into the oil & gas sector as part of broader corporate reconciliation commitments intended to maintain social license for ongoing extractive activities. Since 2012, First Nation and Métis communities have acquired or negotiated options for almost $10 billion in equity in energy and resource projects. Of that, the largest asset categories have been transmission ($3 billion), hydro ($2.2 billion), and pipelines ($1.8 billion).

When an Indigenous community has equity in a project, they have "skin in the game"; the project's success is their success.

When an Indigenous community has equity in a project, they have "skin in the game"; the project's success is their success. This is what makes equity such a powerful tool from a proponent perspective: it helps align interests and incentives. Share-holding Indigenous communities become real partners in the project and will want to see timelines and costs managed efficiently, so as to maximize returns on their investment.

At the same time, equity is not the best fit for a number of projects, notably mining and upstream oil and gas projects with high-risk profiles and high initial cash outflows. Government loan guarantee programs, which are financed by taxpayer dollars, are understandably risk averse and hesitant to back such 'high risk, high reward' ventures. The risks and costs associated with such projects may also be too great to take on for Indigenous communities, from an ownership perspective.

For these reasons, Indigenous investors and their partners should consider several alternative financial tools, including payments and royalties, investment tax credits, royalty credits and trusts, and corporate shares. Each of these options have their own upsides, which are discussed in this paper. While efforts to make Indigenous access to capital easier and cheaper, including establishing a national Indigenous loan guarantee program, ought to be pursued, other tools still need to be enhanced and introduced. The bigger the toolbox, the better the outcome. **MLI**

Durant la majeure partie de l'histoire canadienne, *les peuples autochtones ont été privés de leurs terres et des bénéfices dont ont joui plusieurs autres Canadiens, entreprises et gouvernements en exploitant les ressources naturelles. Les peuples autochtones ont plutôt eu à subir les coûts attribuables à l'impact environnemental de cette exploitation sur leurs territoires traditionnels et aux limitations imposées sur leurs droits relatifs à la chasse, à la cueillette et au maintien de leur culture.*

Or, depuis deux décennies, les droits juridiques des peuples autochtones ont beaucoup évolué en matière de consultation, d'accommodement et de consentement à l'égard de projets sur leurs territoires. Ce que le secteur des ressources a redouté le plus initialement c'est le rejet de l'exploitation des ressources par la plupart de ces peuples et, par conséquent, l'opposition de veto ou les protestations contre les projets à venir. Toutefois, une réalité plus nuancée s'est imposée : la majorité n'a pas objecté l'exploitation des ressources, mais bien le fait d'en être exclue. Par conséquent, plusieurs stratégies visant à mobiliser les Autochtones dans ce secteur ont émergé et pris de l'ampleur durant cette période. Le présent document évalue la montée de l'une d'elles : l'actionnariat autochtone.

L'actionnariat autochtone est un mécanisme important pour réverbérer sur les nations autochtones plus de richesses et de bien-être économique provenant des ressources; et de mener à bien des projets plus nombreux, de meilleure qualité, mieux acceptés socialement et approuvés plus rapidement au Canada. Cependant, cet outil n'est pas le seul, ni nécessairement le bon en toutes circonstances. Comprendre le rôle des garanties d'emprunt et des participations par rapport à toutes les formes possibles de mobilisation autochtone permettra de veiller à ce que toutes les deux soient utilisées là et quand elles sont le plus avantageuses.

L'actionnariat a considérablement progressé à titre d'option pour mobiliser les collectivités autochtones touchées. Le Programme ontarien de garantie d'emprunt pour les Autochtones, mis en place en 2009 (et les objectifs provinciaux pour l'énergie verte), a donné lieu à un certain nombre d'ententes pour des projets éoliens, solaires, hydroélectriques et de transport d'électricité au début des années 2010. Bénéficiant de l'appui financier du provincial et du fédéral pour l'énergie propre et la réconciliation, d'autres projets similaires ont éclos partout au pays. La tendance a gagné le secteur pétrolier et gazier dans le cadre de larges engagements de réconciliation corporatifs en vue du maintien d'une « licence sociale » pour les activités d'extraction en cours. Depuis 2012, les collectivités des Premières Nations et des Métis ont acquis ou négocié des options pour près de 10 milliards de dollars dans des projets d'énergie et de ressources. Le transport (3 milliards de dollars), l'hydroélectricité (2,2 milliards de dollars) et les pipelines (1,8 milliard de dollars) constituent les catégories d'actifs les plus importantes.

Lorsqu'une collectivité autochtone participe au capital d'un projet, elle « risque sa peau » ; la réussite du projet devient la sienne. C'est ce qui fait de l'actionnariat un outil si puissant du point de vue du promoteur : il aide à aligner intérêts et incitatifs.

Les collectivités autochtones détenant des parts du capital deviennent de véritables partenaires et souhaitent que les délais et les coûts soient gérés efficacement, afin de maximiser le rendement de leur investissement.

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Toutefois, l'actionnariat n'est pas la meilleure solution pour un certain nombre de projets, notamment les projets miniers et les projets pétroliers et gaziers en amont dont le profil de risque est élevé et associé à des sorties de fonds initiales importantes. Les programmes de garantie d'emprunt gouvernementaux, qui sont financés avec l'argent des contribuables, sont naturellement réfractaires au risque et peu orientés vers le soutien de projets dits « à haut risque et hautement profitable ». Il arrive que les risques et les coûts associés à ces projets soient également trop considérables pour les collectivités autochtones, du point de vue de la propriété.

Pour ces raisons, les investisseurs autochtones et leurs partenaires doivent envisager plusieurs outils financiers de remplacement, notamment les paiements et redevances, les crédits d'impôt à l'investissement, les crédits et les fiducies de redevances, ainsi que les actions de sociétés. Chacun d'eux présente des avantages distincts, lesquels sont examinés dans le présent document. S'il convient de rendre plus aisé et moins cher l'accès des Autochtones aux capitaux, y compris au moyen d'un programme national de garantie d'emprunt pour les Autochtones, d'autres outils doivent encore être améliorés ou introduits. Plus la boîte à outils est grande, meilleurs sont les résultats. **MLI**

Introduction

For most of Canadian history, Indigenous peoples have been dispossessed from their lands and excluded from the benefits of natural resource development that other Canadians, businesses and governments have enjoyed. Instead, they have borne the costs of resource development, in terms of environmental impact to their traditional territories and limits to their hunting, gathering and cultural rights.

The past two decades have seen a major evolution in the legal rights of Indigenous peoples to be consulted, accommodated, and consent to resource development on their territories. While initial fears in the resource sector centred around the perception that most Indigenous peoples were against resource development, and thus would veto or protest future projects, a more nuanced reality has since set in: the majority of Indigenous peoples are not against resource development, they are against being left out of resource development.

As a result, strategies for Indigenous engagement and participation in the resource sector have been developing and growing over the past two decades. The objective is mutually beneficial: for proponents to design and implement natural resource projects in a manner that earns the consent and support of impacted First Nations, Métis and Inuit communities. There are now hundreds of examples of projects in the oil and gas, mining, forestry, renewable energy and other sectors that have achieved this aim.

Initial engagement strategies, often in the form of Impact and Benefits Agreements (IBAs) or the like, tended to focus on revenues in the form of payments or royalties; training programs; employment quotas; roads and other infrastructure; and/or minimum procurement spends on Indigenous-owned businesses. Moreover, they would often set out terms and commitments for environmental monitoring and remediation and respect for sites of cultural significance.

These are still essential elements in passing on the benefits of resource and energy development to communities and individuals, as well as earning Indigenous support for projects. However, a new tool has emerged in the past decade that is elevating Indigenous involvement in the resource sector: equity participation. Many Indigenous nations are now, through equity participation, becoming shareholders and owners in the projects being pursued on their territories, giving them a higher level of influence, a stake in a project's success, and, in some cases, a seat at the boardroom table.

Indigenous equity is an important mechanism to bring more resource wealth and economic prosperity to Indigenous nations.

This paper evaluates the phenomenon of Indigenous equity ownership. It assesses the advantages and risks, financing models and asset types, and role of government-backed loans to unleashing the full potential of this tool.

Indigenous equity is an important mechanism to bring more resource wealth and economic prosperity to Indigenous nations, and allowing more and better resource projects to be pursued in Canada with stronger social license and faster regulatory approval. However, it is not the only tool, and it is not necessarily the right tool for every circumstance. Understanding where both equity and loan guarantees fit in the spectrum of Indigenous engagement will ensure both are deployed where and when they are most advantageous.

The evolution of industry-Indigenous engagement

The Mackenzie Valley Pipeline Inquiry and the resultant 1977 Berger Report, so named after Justice Thomas Berger who led it, played a large role in shifting Canadian public opinion towards recognizing the importance of consulting Indigenous peoples before proceeding with resource development projects in their territories. It occurred during an era where Indigenous peoples, in Canada and globally, were beginning to organize and assert their rights, and the first modern land claim agreements were being negotiated and settled.

Aboriginal and treaty rights were affirmed in the *Constitution Act, 1982* following advocacy by First Nations, Métis and Inuit groups. Section 35 recognizes Aboriginal rights, but does not define them. In Supreme Court cases such as *R. v. Calder* (1973) and *R. v. Sparrow* (1990), Aboriginal rights were interpreted to include a range of cultural, social, political, and economic rights including the right to fish, hunt, gather, practice one's own culture, and establish treaties.

Almost by definition, resource and energy development affect Aboriginal rights, because it has an impact on local flora and fauna, water and land. This has long led to conflict, but also efforts to cooperate.

Impact and benefit agreements

Amongst the first formal attempts to engage Indigenous nations affected by industrial resource development were the negotiation of Impact and Benefits Agreements (IBAs); starting in the mid-1970s and continuing through the next two decades. The affirmation of the "duty to consult and accommodate" in a trilogy of early-2000s Supreme Court decisions moved IBAs from a *nice to do* item to a *need to do* item.

The number of IBAs grew fourfold from the first half of the 2000s (23 signed between 2001 and 2005) to the second half of the decade (102 signed from 2006 to 2010). Today, they are a *de facto* requirement for new resource projects. They involve negotiating appropriate economic benefits for affected nations, as well as articulating expectations and commitments with regards to cultural and environmental protections.

Procurement spends and set-asides

In the early days, IBAs often entailed a passive role for affected Indigenous communities and articulated obligations of the proponent. As the desire and opportunity to have more meaningful involvement in resource development grew, from payment or royalty recipients to workers and business owners, procurement spends and set-asides became more prominent in agreements.

Indigenous-owned businesses (both corporations owned by a community and companies led by an Indigenous entrepreneur) became more sophisticated and able to assume larger and more complicated roles. Procurement spending has grown quickly; in the oil sands it reached $2.4 billion in 2019, an increase of 53 percent from 2017, and has grown even more since then. In 2022, Suncor alone spent $3.1 billion with Indigenous businesses.

Indigenous spending directly builds capacity and generates wealth in communities by supporting skills development, enhancing business experience, growing assets and strengthening balance sheets. While payments, royalties and dividends comprise much needed own-source revenues (OSRs) for nations, procurement will always have an important place in Indigenous engagement; it is where everyday workers and families reap direct benefits from resource development. Procurement should not be considered a lesser form of engagement than equity – in many ways it is more impactful for community members.

It is harder to grow business capacity than to finance a loan, and the resource sector, while not perfect, is the best at doing this in Canada. To wit, while the federal government has an Indigenous procurement target of 5 percent, as of 2022 it remained under 1 percent despite years (even decades) of efforts. By contrast, a report published earlier this year by iTotem Analytics found that the proportion of BC's total natural gas supply chain expenditures attributable to Indigenous-affiliated supply chain spend increased from 6.4 percent in 2018 to 14.6 percent in 2021. Regardless of the trend towards equity ownership, procurement will remain an essential tool in ensuring the benefits of resource development reach Indigenous peoples in Canada.

The rise of Indigenous equity investment

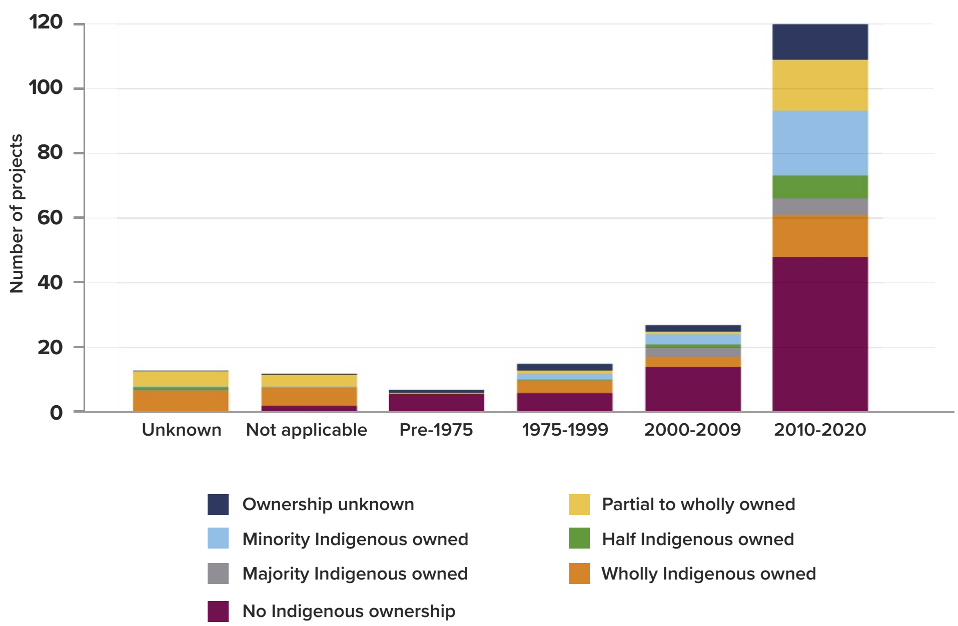
Equity has risen dramatically as an option for engaging affected Indigenous communities. Spurred by the establishment of Ontario's Aboriginal Loan Guarantee program in 2009 (as well as the province's green energy targets), a number of Indigenous equity deals in wind, solar, hydroelectricity and transmission were struck in the early 2010s. Backed by provincial and federal financial supports for clean energy and reconciliation, more such projects started to pop up across the country. With purchase agreements and government backing in place, the risk was low and the benefits for partnering with Indigenous communities were high for participating businesses.

The trend expanded into the oil and gas sector as part of broader corporate reconciliation commitments intended to maintain social license for ongoing extractive activities. The Suncor East Tank Farm deal – a 49 percent interest in a $1.03 billion asset acquired by Fort McKay First Nation and Mikisew Cree First Nation in 2017 – was the first of this new kind of Indigenous equity megadeal, kicking off a new era of Indigenous-industry engagement.

Since 2012, First Nation and Métis communities have acquired or negotiated options for almost $10 billion in equity in energy and resource projects (see Appendix 1). Of that, the largest asset categories have been transmission ($3 billion), hydro ($2.2 billion), and pipelines ($1.8 billion).

This paper focuses primarily on major projects – deals with a value of $50 million or more – but it is important to acknowledge the growth in the number of smaller projects over the past decade. There are, at present, over 200 renewable electricity generation projects in Canada associated with Indigenous communities, the majority of which are based in BC and Ontario. (This is due to a combination of the number and size of Indigenous communities, supportive provincial policies and economics). These projects can be transformative for the communities involved, even if they do not make the headlines or generate the kind of cash flow emerging from the major project deals.

FIGURE 1 RENEWABLE ENERGY PROJECTS BY SHARE OF INDIGENOUS OWNERSHIP



Source: Hoicka et al. Reconciliation through renewable energy? A survey of Indigenous communities, involvement, and peoples in Canada. 2021. Elsevier.

Financing equity

Natural resource projects are financed through debt or equity – in most cases, some combination of the two. Bankers often refer to this combination of equity and debt components as the "capital stack", with different risk levels corresponding to different returns. Debt is fixed: a particular amount is advanced by a lender at a given interest rate and with specific terms of repayment. Debt gets first priority for repayment and is usually secured by specific assets. The lender of debt has no ownership interest in the project.

Equity is the capital put into a project, which then earns the owner a share of that project. Equity is more flexible than debt: there are no month-to-month charges or borrowing expenses; it may, in fact, never be repaid. Equity investors assume higher risks than creditors but, correspondingly, benefit more handsomely if and when there is greater profitability in the project. Early equity in a project can thereby strengthen the capital stack and attract lenders.

When an Indigenous community has equity in a project, they have "skin in the game"; the project's success is their success. This is what makes equity such a powerful tool from a proponent perspective: it helps align interests and incentives. Share-holding Indigenous communities become real partners in the project and will want to see timelines and costs managed efficiently, so as to maximize returns on their investment. For the Indigenous community, equity allows them to benefit economically from the extraction, utilization and transmission of resources in their territories at the same level as the proponent, something that seems inherently just. Equity can also provide Indigenous partners with greater say in how a project proceeds, as well as access to project-related proprietary information they might not otherwise get. For their part, the proponent benefits from the local and traditional knowledge of Indigenous partners.

Because nations typically don't have their own equity to invest, they often need to borrow the money with which to purchase equity stakes. As they have limited ability to service debt, their borrowing options are limited. As such, Indigenous communities tend to purchase equity in existing, revenue producing assets; or in projects on the verge of finalization. They generally can't buy in early. This is why, in unfinished projects, some proponents will negotiate an equity *option* with Indigenous partners: the right, but not the obligation, to buy shares of the asset at a specified price once it is complete.

The case of Coastal Gas Link

Weak borrowing ability has stymied the prospects of Indigenous nations to fully participate in and benefit from projects on their territories. There is perhaps no better example of this than the Coastal Gas Link (CGL) pipeline.

As has been reported extensively, all twenty First Nations along the CGL pipeline corridor, as represented by their elected chiefs and councils, entered into agreements articulating the benefits they would receive from the project in return for their support. Some held referenda which successfully passed. Efforts went into training and employment initiatives to try to maximize positive economic impacts of the pipeline on communities and their members, and goods and services were contracted from Indigenous-owned businesses. However a number of Wet'suwet'en hereditary chiefs opposed the pipeline and the situation escalated in early 2020 into a series of blockades and confrontations, becoming national and international news.

It is not the purpose of this paper to rehash this incident, but what is of interest is that preceding this incident, in early 2019, 13 of the impacted First Nations, (through an entity set up for the purpose named First Nations Limited Partnership (FNLP), and with support from the First Nations Major Projects Coalition) sought a 10 percent purchase of CGL through a set-aside for impacted First Nations, as well as another 10 percent equity interest on commercial terms, for a total of 20 percent equity in CGL. However the cost of borrowing available to the nations was much higher than the anticipated rate of return.

On behalf of its members, FNMPC reportedly requested that the federal government consider a loan guarantee for the project (in order for FNLP to access lower rates) but was not successful. Three years later, in March 2022, TC Energy and 16 of the 20 affected First Nations subsequently closed an option agreement to buy a 10 percent equity interest in CGL; presumably with less favourable terms than a government-backed loan would have provided.

The promise and limits of loan guarantees

There are currently three provincial loan guarantee programs designed specifically to finance Indigenous equity in energy and resource development projects: Ontario's Aboriginal Loan Guarantee, established in 2009; the Alberta Indigenous Opportunities Corporation (AIOC), established in 2020; and the Saskatchewan Indigenous Investment Finance Corporation (SIIFC), established in 2022.

The First Nations Major Projects Coalition is a national, Indigenous-led organization that provides business support capacity to its members, particularly with regards to ownership opportunities of projects proposed in their traditional territories. It advocated publicly for the creation of a national Indigenous loan guarantee program, with the backing of major industry associations like the Business Council of Canada and the Canadian Association of Petroleum Producers, fellow Indigenous organizations such as the Indigenous Resource Network and Indian Resource Council, and other allied stakeholders. In response, the federal government announced a commitment to establish such a program in its 2023

Fall Economic Statement, with details to be announced in the 2024 Budget. The national Indigenous loan guarantee program will ideally be designed to be sector-agnostic (i.e., not exclude oil and gas projects) and complement the provincial programs, adding to the capital stack in a way that allows larger Indigenous equity shares in more and bigger deals.

> *Indigenous loan guarantees are indeed an excellent tool.*

Indigenous loan guarantees have been heralded as a solution or even panacea to Indigenous involvement in resource development, as they might have been in the case of CGL. They are indeed an excellent tool. But there will always be some types of projects for which equity will not be the best fit; some types of projects in which a loan guarantee is not the right solution to fund the equity; and some communities that will not want the responsibilities and risks that equity and/or loan guarantees impart. This section outlines different types of models for different asset types.

Loan guarantees

The Alberta loan guarantee program is often heralded as a model, and indeed it has been a success. Since its establishment, it has provided over half a billion dollars in loan guarantees to Indigenous communities.

But it also demonstrates the limits that government-backed loan guarantees have. Governments are risk averse by nature as they seek first and foremost to avoid losses to taxpayers which would undermine confidence and public support for further loan guarantees. As such, they seek to support the lowest risk projects, in return for which they secure low interest rates and a guarantee to cover the loan in case of default. In its guidelines, for example, AIOC articulates that: "Preference will be given to lower risk projects that are already operational and generating income or that have a high level of operational certainty. Conceptual and/or early-stage projects present a level of risk that may not meet the requirements of the model of investments the AIOC program was established to support."

TABLE 1: AIOC-FUNDED PROJECTS AS OF OCTOBER 31, 2023

Project	Date	Loan amount
Access NGL pipeline system	July 2023	$103 million
Enbridge Athabasca pipeline system	September 2022	$250 million
Northern Courier Pipeline system	November 2021	$40 million
Lindbergh co-generation station	April 2021	$27 million
Cascade power project	September 2020	$93 million

Source: Table created by author, available at theaioc.com/projects

The result is that AIOC has only funded five projects at time of writing, compared to a reported 90+ proposals. It has created a capacity support grant to screen and move projects through the deal pipeline by funding legal, technical and economic expertise for Indigenous communities, but it remains a conservative lending program.

AIOC is not alone in averting risk. While the SIIFC was established in June 2022, as of writing it had yet to fund a single project (although several are under consideration). And while Ontario's Aboriginal Loan Guarantee program does not publicly list its funded projects, the Ontario Financing Authority stated in its 2022 annual report that "as at March 31, 2022, eleven loan guarantees have been approved under the program," which has been operational for 14 years.

This is not just a Canada problem. The US Tribal Energy Loan Guarantee Program, which received its first Congressional appropriation in 2017, has (as of writing) yet to close a single deal.

This is not necessarily a criticism. It is an articulation of the reality that any government-backed loan guarantee program, seeking to minimize risks for both taxpayers and the Indigenous borrowers, will entertain a very narrow set of projects.

These programs are worth pursuing, but they have limits and, as such, complement rather than replace other tools to enhance Indigenous engagement in resource development.

Case study: Enbridge-Athabasca pipeline deal

As the biggest energy-related Indigenous economic partnership in North America to date, the Enbridge-Athabasca pipeline deal is a landmark in Indigenous equity deals and a template for future deals of this nature. The September 2022 deal saw the sale by Enbridge of an 11.57 percent non-operating interest in seven pipelines to a consortium of 23 First Nations and Métis communities in northern Alberta for $1.12 billion. The consortium organized into a corporate partnership named Athabasca Indigenous Investments (AII), with Justin Bourque, a member of the Willow Lake Métis, its President.

The Athabasca pipeline system is among Enbridge's best assets, and was chosen in part for that reason: it is a stable, revenue generating asset with a long remaining life that makes economic sense for the communities involved. It is the predominant pipeline system in Alberta's oil sands region, with export capacity of 2.19 million barrels per day. The system's pipelines have an average age of 11 years (the typical service life is 50 to 70 years) and are connected to two major market hubs: Edmonton and Hardisty. 93 percent of the revenues in initial years of the deal are supported by long-term contracts with shippers.

For Enbridge, the motivation for the deal was in part an act of corporate social responsibility and an effort towards reconciliation. However, the foremost consideration was that it was good business. The deal bolsters the company's social license to operate in northern Alberta and minimizes future political risk, while meeting a corporate goal of recycling capital at attractive valuations.

The deal was made possible by a $250-million equity loan guarantee through the AIOC, its largest to date; plus a senior bond valued at around $865 million. The revenues generated by the pipeline system mean the loans can be paid off while providing immediate and long-term cash flow distribution to the 23 communities. With its 5 percent ownership in the AII partnership, for example, Fort McKay Métis Nation has reported it will receive roughly $500,000 in annual revenue.

Other government-backed loans

Although the provincial loan guarantee programs have gotten much of the attention, there are other, well-established, government-backed sources of funding and financing to promote Indigenous economic development and generate own-source revenues. These are discussed in this section.

First Nations Finance Authority

The First Nations Finance Authority (FNFA) is a non-profit organization, operating under the authority of the *First Nations Fiscal Management Act, 2005.* It provides First Nation governments with loans at the best possible long-term fixed rates, and with repayment terms of up to 30 years. It raises these monies by issuing debentures in the financial markets. S&P Global affirmed its A+ credit rating of FNFA in September 2023, calling it the "preeminent public-sector funding agency lender to First Nations communities". According to FNFA's 2023 annual report, it has given out a total of $1.83 billion in loans over its near two decades in operation.

FNFA finances housing and community infrastructure, as well as commercial deals, but does not typically support equity investment. Its largest deal to date was a $250 million, 30-year loan to support a coalition of seven Mi'kmaq communities from across Nova Scotia and Newfoundland to become 50 percent owners of Clearwater Seafoods in January 2021. The transaction itself was worth $1 billion dollars, with Premium Brands of BC holding the other half of shares.

Canada Infrastructure Bank

The Canada Infrastructure Bank (CIB) is a federal Crown corporation with a mandate to support revenue-generating infrastructure projects that are in the public interest by catalyzing private investment through methods such as direct investment and public-private partnerships.

In March 2021, the CIB launched an Indigenous-specific program, the Indigenous Community Infrastructure Initiative (ICII). The ICII supports community-level infrastructure investments by providing low-cost and long-term loans to Indigenous communities to fund projects across the CIB's priority sectors. These include green infrastructure, clean power, public transit, transportation and broadband infrastructure. In terms of energy projects, it supports renewable energy-powered micro-grids; renewable energy projects such as solar, wind, small-scale hydro, tidal, biomass, and geothermal; district energy systems; and transmission installation and upgrades for electricity access improvement and reliability. It can also support hydrogen and carbon capture, storage and utilisation (CCUS).

The ICII has a lower loan threshold than its parent the CIB: it targets loan requests of $5 to 100 million (for up to 80 percent of project costs), while the CIB generally looks at requests larger than $100 million. This is a response to the project sizes being pursued by most Indigenous communities. According to the Bank's 2022-23 year-end statistics, 27 Indigenous communities have benefited as part of nine projects. With regards to energy projects, it had approved three loans: $80 million for the Atlin Hydroelectricity Expansion Project in Yukon with Taku River Tlingit First Nation; $183 million for the Bekevar Wind Power with Cowessess First Nation in Saskatchewan; and $170 million for the Oneida Energy Storage with Six Nations of the Grand River Development Corp.

Although the ICII fills a big gap in Indigenous infrastructure lending, it has focused on the debt side of deals. In a response to growing demand on the equity side, the federal government adjusted the mandate of the ICII in its March 2023 budget to allow it to fund equity loans to Indigenous borrowers that wish to make equity investments in CIB-sponsored projects, within its existing allocation of $1 billion. These will still be evaluated through the mandate of the CIB, which seeks particular social and environmental outcomes (e.g., carbon mitigation or access to the internet) rather than providing loans based on purely economic considerations, as most financial institutions would. It will therefore look to occupy spaces that private capital, as well as the FNFA or Indigenous Financial Institutions, cannot or do not fill.

Non-Indigenous and Indigenous financial institutions

Of course, Indigenous communities can also seek to borrow from traditional lenders and in capital markets like everyone else. For First Nations, the challenge is that they are prevented from using their reserve lands and assets as collateral. Inuit and Métis communities also generally have limited assets to leverage. This has meant that most Indigenous communities have to start small, and slowly build up a balance sheet.

Over the past 40 years, and especially in the past 15, many Indigenous community-owned Economic Development Corporations (EDCs) have done just that, becoming successful enough over time to return meaningful dividends to their shareholders (i.e., the members of their respective nations). Many now have holdings that they can leverage to access more and cheaper capital. Today, there are a number of $100 million+ Indigenous-owned companies in Canada, including, for example, MLTC II (Meadow Lake Tribal Council), which owns a large saw mill in Saskatchewan; Six Nations of the Grand River Development Corporation, which has a large clean energy portfolio in Ontario; Fort McKay Group of Companies, which provides an array of oilfield construction and services in Alberta; and Westbank First Nation's Ntitiyx Development Corporation, with significant commercial and residential real estate holdings in central BC. These entities, and dozens of other successful EDCs, can access capital the same as non-Indigenous owned businesses of their size.

> *Today, there are a number of $100 million+ Indigenous-owned companies in Canada.*

That said, many communities are still not on this path, or are not far enough down this path, to have the ability to borrow at competitive rates. To address this gap, 58 Indigenous Financial Institutions (IFIs) have been established across the country to make loans that conventional financial institutions cannot; lending money to both community-owned and entrepreneur-owned Indigenous businesses. Together, these lenders comprise the National Aboriginal Capital Corporations Association, and have provided, collectively, over 50,000 loans totaling over $3 billion to businesses owned by First Nations, Métis, and Inuit people. Despite the higher risk, IFIs have been able to keep loan losses very low: 2.1 percent in 2019-20. However, the small size of IFIs mean they are suitable for small business loans, but not for large equity deals in major projects.

Similarly, the First Nations Bank of Canada is a chartered bank established in 1996, owned by and serving Indigenous peoples. It has grown steadily to hold $1.3 billion in assets as of mid-2023. However, it tends to provide small business and personal banking needs. As CEO Bill Lomax articulated, "The sexy projects are large-scale infrastructure such as pipelines, roads or hydro lines, and Indigenous groups already have financing options on these projects. Our opportunity is to play in empty spaces, such as the Indigenous-owned businesses that service these major projects."

Community Opportunities Readiness Program (CORP)

Indigenous Services Canada's (ISC) Community Opportunities Readiness Program (CORP) has a mandate of increasing economic development by providing proposal-based financial support to First Nation and Inuit communities. ISC assesses proposals based on their prospects of attracting private sector funding and supports projects that it expects will leverage the most from other funding sources. In this respect, it largely complements the services and funding available from IFIs. It is most commonly an option for those communities and EDCs at the beginning of their economic development journey. For equity, it can provide grants of up to $1 million, equaling no more than 30 percent (in the case of acquisitions and expansions) or 40 percent (in the case of start ups) of a venture's total costs.

Leveraging ESG targets

Although the goal of investment is ultimately to maximize profits and dividends, in many cases investors and fund managers seek to align their particular values with investment strategies. Although this has had different manifestations in the past, currently this is reflected in ESG investing: using environment, social and governance criteria in determining where and how to allocate funds. In practical terms, this has led to a decrease in capital available to extractive industries, especially those that are high emitters of greenhouse gases, and an increase in capital available to low carbon and renewable energy projects. CPP Investments (which manages the enormous Canada Pension Plan), for example, has set a target to invest at least $130 billion in green and transition assets by 2030.

One mechanism to increase the flow of capital to projects with Indigenous equity and/or benefits would be to integrate them into ESG investing. This has been termed "putting the I in ESG", meaning to include Indigenous benefits in ESG ratings. In practice, this looks like using metrics such as Indigenous equity, Indigenous workforce representation, Indigenous procurement spending, and/

or Indigenous board members to increase a company or a project's ESG score. Imagine a CPP investment target for $100 billion in Indigenous equity by 2035.

In some cases, this is already being done. Strong Indigenous engagement is already helping some Canadian companies gain access to new or different sources of investment capital, borrow at lower interest rates and pay lower insurance premiums. But financial institutions that want to contribute to economic reconciliation should consider weighting their ESG rankings to privilege Indigenous engagement more heavily. This fits in very well with the *raison d'être* of ESG investing, which is to reduce risk; projects with strong Indigenous involvement are more likely to achieve social license and enjoy faster regulatory approval.

Beyond equity: other financial tools to maximize Indigenous benefits

In fishing and forestry, Indigenous nations are likely to own fishing licences or have tenure over forested areas – i.e., enjoys rights to harvest the resource – but not hold an asset per se. In some cases, an Indigenous nation or consortium will own a major company, such as the Mi'kmaq and Clearwater Seafoods, or MLTCII and the NorSask Forest Products sawmill, that is distinct from harvesting the resource itself but captures value up the supply chain.

Mining and upstream oil and gas have obvious impacts on Aboriginal rights and generally necessitate Indigenous consent and participation. However, they are riskier endeavours not well suited to guaranteed loans. E&Ps (exploration and production oil companies) and the junior mining sector, for example, have high-risk and initial high cash-outflow business models, and, as such, are forced to seek more *costly* forms of financing. With high risk can come high reward, but for some Indigenous communities these risks and costs might be too great to take on, from an ownership perspective. This poses a dilemma: how to secure Indigenous benefits, and thus consent, from projects where equity is not a good option.

Payments and royalties

In addition to tried-and-true measures such as training, employment, procurement and other community benefits, payments or royalties are a good option for infrastructure and extractive projects. An example is the series of pipeline payments negotiated between the BC government and affected First Nations through benefits agreements in the 2010s. In return for their support for the construction of various pipelines, participating First Nations receive payments in two installments: the first upon the start of construction, and the second once the pipeline enters service. This is a common practice in benefits agreements and provides risk free and defined revenues for the community.

Royalties are another good option, as the benefit is tied directly to the profitability or viability of the project in question. They are charged on either the quantity of production (e.g., the number of barrels or tonnes) or the revenue or profit generated by the resource. In Canada, almost all royalties are paid directly to a provincial or territorial government. There is reluctance amongst those governments to change this arrangement, and provinces' control over resources is entrenched in the Constitution. However, in a few cases, Indigenous communities have been paid royalties for resource extraction that takes place directly on Indigenous-titled land.

Indigenous communities have been paid royalties for resource extraction that takes place directly on Indigenous-titled land.

For decades, oil and gas production has been carried out on dozens of reserves in Alberta and Saskatchewan, with royalty rates determined and collected by the federal Crown agency Indian Oil and Gas Canada, which holds those monies in trust and distributes them back to First Nations. Nations that wish to collect and hold their own money can do so by opting into the *First Nations Oil and Gas and Moneys Management Act.* In the most lucrative years of the early-2010s oil boom (2011-2014), about $250 million was collected annually on behalf of First Nations as oil and gas royalties, with a few dozen nations reaping the benefits.

Indigenous communities have also claimed royalties in the mining sector. Inuit have rights and title to significant areas of land negotiated through land claims agreements, and collect royalties from mining operations on their lands, called Inuit Owned Lands (IOLs). For large mines, this can be significant. Iron mining company Baffinland, for example, estimates that the cumulative royalties paid to Nunavut Tunngavik Inc., the relevant land claims organization, following a Phase 2 expansion of its Mary River iron mine could be $1.3 billion by 2038.

The case of Alaska shows the potential of mining royalties on Indigenous lands. The Red Dog zinc mine in northwestern Alaska operates on the lands of NANA, an Alaska Native Corporation owned by 15,000 Iñupiat shareholders, located in the Kotzebue region of the state. The 1971 *Alaska Native Claims Settlement Act* (ANCSA) extinguished Aboriginal title and transferred 44 million acres to 12 regional and over 200 village corporations, private, for-profit entities owned by enrolled Alaska Native shareholders. The Red Dog deposit is thus owned by NANA, and the mine itself is owned by Teck Resources, a large Canadian mining company. Under the terms of the Teck Cominco/NANA agreement, NANA received royalties of 4.5 percent until the capital costs of the mine were recovered, which occurred in late 2007. At this point, the royalty due to NANA increased to 25 percent, and increases by an additional 5 percent every five years until it hits the maximum royalty of 50 percent in the fourth quarter of 2032. In 2022 NANA's royalty payment reached 40 percent and zinc was booming. As a result, NANA earned a whopping C$461 million (roughly US$341.5 million) in royalties from Teck that year. Under the terms of ANCSA, 70 percent of this revenue flows to all 12 Native corporations, so all Alaska Natives benefited.

Investment tax credits

Investment tax credits are a tax incentive for business investment. They let individuals or businesses deduct a certain percentage of investment costs from their taxes, in addition to normal allowances for depreciation. They have been used as a tool to attract and bolster investment for decades, including in resource development, but have grown in recent years as a strategy to boost spending in low-carbon infrastructure. According to analysis from McKinsey,

TABLE 2: POTENTIAL VALUE TO TRIBAL PROJECTS BY STACKING RELEVANT TAX CREDITS

Category	Credit value
Base investment tax credit value	6%
If prevailing wage and apprenticeship requirements met	30%
If domestic content criteria met	+10%
If located in energy community	+10%
If benefiting low-income population	+20%
Total credit	**70%**

Source: DOE *2022*

a global consultancy, the landmark U.S. *Inflation Reduction Act* (IRA), passed last year, represents US$394 billion (C$545 billion) in energy and climate funding, of which US$216 billion (C$295 billion) worth is tax credits.

The IRA has also introduced a variety of tax credits and other incentives that apply specifically to Indian tribes or entities, and Native Alaskan regional and village corporations. These can be combined, or stacked, with other climate and energy tax credits, to the point where an eligible project could earn up to a 70 percent tax credit (e.g., in the case of a 5 MW solar project owned by a tribal government). This system allows tribal groups to get refundable tax credits.

A tax credit is mostly irrelevant to tribal governments, which are exempted from paying taxes. To address this, tribal governments can receive the full value of tax credits as if they had paid taxes, through a direct payment refund from the IRS called "Direct Pay". This payment is made after the project is placed in production, serving as a refund or rebate rather than a grant. Tribal governments must pay for the project up front, but they can do so with money borrowed from the federal government, state government or private lenders.

Moreover, they can partner with a third-party developer or investor to fund the development. Once the project is constructed, and the payment received from the IRS, the tribal government can use this payment to pay down the loan or buy out the third-party developer or investor.

In addition, the IRA has increased the funding available to the Tribal Energy Loan Guarantee Program from $2 billion to $20 billion. The program's eligibility includes a wide variety of energy sources, including "mining and fossil energy production."

Canada announced a suite of investment tax credits (ITCs) for clean infrastructure in the 2022 Fall Economic Statement and 2023 Budget. The enabling legislation for these various ITCs has not yet been introduced, although the government announced a timeline for doing so in the 2023 Fall Economic Statement. While none of the new tax credits are Indigenous-specific, they nevertheless represent a clear and simple application of how the principle of investment tax credits can be used to further projects developed with and for Indigenous communities. They should be utilized for this purpose in Canada.

Royalty credits and trusts

Building on the concept of using established financial incentives to stimulate investment in Indigenous-owned or involved resource and energy projects, royalty credits and royalty trusts are other options that should be explored.

Royalty credits encourage new investment in mining and oil and gas by providing a deduction to the royalties that an operator would otherwise pay to a province or territory. Royalty rates are set differently depending on the resource and the jurisdiction in which it is located. Provinces and territories will seek to maximize the royalty they can charge a proponent, while remaining competitive in attracting investment.

A royalty credit could be an elegant solution to the problem of providing direct Indigenous economic stakes in riskier mining and oil and gas exploration and production, where equity and the loan guarantees that support them are not the best options. It could also solve the political problem of provinces and territories not wanting to give up their jurisdiction in collecting royalties, but rather transferring a portion of the royalty to Indigenous nations.

In some situations, this may be perceived as zero sum – an Indigenous nation earning revenues means either the proponent is paying more or the province is collecting less. But the underlying economic principle is that, without Indigenous benefits, these projects would not earn consent and go ahead. A smaller share of many projects is far preferable to a larger share of no projects. Meanwhile the social principle – that Indigenous nations deserve fair benefits from projects on their territories, and that additional revenues to their communities will help improve the socio-economic outcomes of what have historically been marginalized communities – is self-evident.

Another established option is a royalty trust: an oil, gas or mineral company that is organized as a trust rather than as a traditional corporation. The profits from the trust are distributed to shareholders as dividends, but the trust itself is non-taxable.

This was a popular structure in the oil and gas sector in the 2000s; so popular that the Harper government, concerned about tax leakage, announced in 2006 it would apply standard federal and provincial corporate taxes on their distributions. With the tax incentive taken out of play, conversions to the royalty trust model petered out. The development of Indigenous-specific royalty trusts could nevertheless be another good option to incentivize projects with Indigenous ownership and involvement.

Corporate shares

Shares are another means by which Indigenous communities can obtain an ownership stake in a company or project. While equity investments are usually a commitment to the long-term prospects of a project or company, shares are easily tradable and generally focused on shorter-term price gains. Because Indigenous interests in particular resource projects are tied to the impact that the project has on their lands, the relationship inherent in equity ownership is potentially more suitable. That said, acquiring shares in an existing company has lower transaction costs than setting up an equity partnership.

Two examples show the potential of shares as a tool for enhancing Indigenous engagement and economic benefits from a project. The first is the Tahltan Central Government's (TCG) investment in Skeena Resources. Tahltan territory includes 70 percent of the mineral-rich "Golden Triangle' of northwest BC, and Skeena is focused on revitalizing Eskay Creek, a high grade gold and silver mine in the area.

In March 2021, TCG invested $5 million in Skeena by purchasing 1,597,138 Tahltan investment Rights. The Rights were priced at the same value as Skeena shares, and will automatically vest and convert into Common Shares, at a ratio of one Right per one Common Share, over the three-year period following the closing of the offering. TCG President Chad Norman Day described the move as such: "Ownership provides the Tahltan Nation with a strong seat at the table as we continue our pursuit towards capacity building and economic independence for the Tahltan people."

In September 2023, the North Shore Mi'kmaq Tribal Council (NSMTC) and its seven First Nation member communities signed equity agreements with Moltex Energy and ARC Clean Technology, a first in the field of small modular reactors (SMR). Moltex and ARC are working on deploying the first advanced SMR in Canada, at the Point Lepreau site in New Brunswick for NB Power, in Mi'kmaq territory.

Like other utility assets, SMRs are a likely candidate for future Indigenous equity deals.

Like other utility assets, SMRs are a likely candidate for future Indigenous equity deals. If they are deployed at mining, oilsands and other industrial sites, Indigenous owners could enter into long term contracts to sell the heat and power they produce.

The Point Lepreau SMR project is still years away from producing energy. Accordingly, NSMTC and its member communities have made financial investments in both Moltex and ARC, via separate agreements, that resulted in them receiving $2 million in share value from Moltex and $1 million in share value from ARC. The details are confidential, but the partners have stated that the deals have been structured in a way that recognizes the key role First Nations play in New Brunswick's energy future. The final number of shares received will depend on future company valuations at the close of later funding rounds.

Conclusion

Industry-Indigenous relations have evolved quickly and dramatically in Canada in the past twenty years. One of the biggest trends is towards Indigenous equity ownership in resource and energy projects. This serves a number of purposes: first and foremost, it provides tangible economic benefits to Indigenous nations from the developments proceeding on their territories. This is both just and good. Second, Indigenous equity participation is a strong indicator of consent, allowing the burdensome regulatory processes for resource and energy development in Canada to proceed in a more expedited manner. This is a huge selling point for project proponents and their investors. Third, and by virtue of the first two, Indigenous equity can propel Canada to build more and better resource and energy projects and, by extension, grow the economy, meet the critical mineral and energy needs of its allies, and advance its own energy transition.

While equity is an excellent tool for Indigenous engagement in resource and energy development, it is not the only tool in the toolbox, and it is not appropriate in every circumstance. While efforts to make Indigenous access to capital easier and cheaper, including establishing a national Indigenous loan guarantee program, need to be pursued, other tools still need to be enhanced and introduced.

The more the merrier: there are few things that will solve more problems in Canada than greater Indigenous participation in, and benefits from, resource and energy projects. MLI

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Appendix 1

Major Indigenous equity deals in Canadian resource and energy projects

Best estimates based on publicly available data as of September 30, 2023. In general, equity portions and project costs are based on those announced at time of deal close, not current day valuations.

Project	Sector	Year	Project value	Indigenous equity $	Indigenous equity %	Project complete?	Nations Involved	Corporations involved
Wolf Midstream	CCUS	2022	n/a	n/a	28%	no	Enoch Cree, Paul, Alexander and Alexis Nakota Sioux, and Heartlake First Nations	Wolf Midstream & Whitecap
Wabamun Carbon Hub	CCUS	2022	n/a	n/a	50%	no	Enoch Cree, Paul, Alexander and Alexis Nakota Sioux First Nations and Lac St. Anne Métis	Enbridge
Ridley terminals	Coal terminal	2022	385,000,000	38,500,000	10%	yes	Lax Kwa'laams band and Metlakatla First Nation	Riverstone and AMCI
Lindbergh co-gen	Co-generation (natural gas)	2021	35,000,000	35,000,000	100%	yes	Frog Lake First Nations	Strathcona
Peter Sutherland Sr. Generating Station	Hydro	2017	300,000,000	100,000,000	33%	yes	Taykwa Nation	OPG
Northwest British Columbia Hydro Electric Facilities	Hydro	2019	2,500,000,000	152,000,000	5%	yes	Tahltan Nation	Axium and Manulife
Keeyask	Hydro	2022	3,000,000,000	750,000,000	25%	yes	Tataskweyak Cree Nation and War Lake First Nation, York Factory First Nation, and Fox Lake Cree Nation	Manitoba Hydro
Lower Mattagami	Hydro	2015	2,600,000,000	650,000,000	25%	yes	Moose Cree First Nation	OPG
Lac Seul	Hydro	2012	47,000,000	11,750,000	25%	yes	Lac Seul First Nation	OPG
Kokish River	Hydro	2014	52,000,000	13,000,000	25%	yes	Namgis First Nation	Brookfield Renewable
Wuskwatim	Hydro	2012	1,600,000,000	528,000,000	33%	yes	Nisichawayasihk Cree Nation	Manitoba Hydro
Mount Hayes	LNG terminal	2012	200,000,000	5,700,000	3%	yes	Stz'uminus First Nation and Cowichan Tribes	FortisBC
Cedar LNG	LNG terminal	2023	3,000,000,000	1,500,000,000	50%	no	Haisla FN	Pembina

Harrowby Potash	Mine	2023	12,000,000	2,400,000	20%	yes	Gambler First Nation	PADCOM
East Tank Farm	Oil	2017	1,030,000,000	503,000,000	49%	yes	Fort McKay First Nation, Mikisew Cree First Nation	Suncor
Northern Courier	Pipeline	2021	1,300,000,000	195,000,000	15%	yes	Athabasca Chipewyan First Nation, Chipewyan Prairie First Nation, Conklin Métis Local, Fort Chipewyan Metis Local, Fort McKay Métis Nation, McMurray Métis, Fort McMurray First Nation, Willow Lake Métis Nation and Suncor.	Suncor
Access NGL	Pipeline	2023	240,000,000	103,000,000	43%	yes	Buffalo Lake Metis Settlement, Heart Lake FN, Kikino Metis Settlement, Saddle Lake Cree Nation, Whitefish Lake First Nation	Wolf Midstream
Athabasca	Pipeline	2022	10,000,000,000	1,120,000,000	11.57%	yes	Athabasca Chipewyan, Fishing Lake Métis, Kikino Métis, Beaver Lake Cree, Frog Lake, McMurray Métis Local 1935 Buffalo Lake Métis, Fort Chipewyan Métis Local 125, Mikisew Cree, Chard Métis Nation, Fort McKay, Onion Lake, Chipewyan Prairie, Fort McKay Métis, Saddle Lake Cree, Conklin Métis Local 193, Fort McMurray 468, Willow Lake Métis, Cold Lake, Heart Lake, Whitefish Lake, (Goodfish) Elizabeth Métis, Kehewin Cree	Enbridge
Coastal Gaslink	Pipeline	2022	14,500,000,000	145,000,000	10%	no	Stellat'en First Nation, Saik'uz First Nation, McLeod Lake Indian Band, Saulteau First Nations, Kitselas First Nation, West Moberly First Nations, Lheidli T'enneh First Nation, Nadleh Whut'en Indian Band, Burns Lake Indian Band (Ts'il Kaz Koh First Nation), Blueberry River First Nations, Halfway River First Nation, Doig River First Nation, Wet'suwet'en First Nation, Cheslatta Carrier Nation, Yekooche First Nation, Nee Tahi Buhn Indian Band, Skin Tyee First Nation, Witset First Nation, Nak'azdli Whut'en and Haisla Nation	TC Energy
Cascade	Power (natural gas)	2020	1,500,000,000	93,000,000	15%	yes	Alexis Nakota Sioux Nation, Enoch Cree Nation, Kehewin Cree Nation, O'Chiese First Nation, Paul First Nation and Whitefish Lake First Nation	Backwoods
Nanticoke Solar	Solar	2019	100,000,000	20,000,000	20%	yes	Six Nations of the Grand River Development Corp., Mississaugas of the Credit First Nation	OPG

Deerfoot and Barlow Solar	Solar	2023	120,000,000	60,000,000	51%	yes	Chiniki and Goodstoney First Nations	ATCO
Awasis	Solar	2022	21,000,000	20,000,000	95%	yes	Cowessess First Nation	Elemental energy
Oneida	Storage	2023	800,000,000	n/a	n/a	no	Six Nations of the Grand River, Mississaugas of the Credit First Nation	Northland, NRStor, AECO
Bruce to Milton (B2M)	Transmission	2013	240,000,000	72,000,000	30%	yes	Saugeen Ojibway Nation	Hydro One
Waasigan Transmission Line	Transmission	2022	1,200,000,000	600,000,000	50%	no	Lac des Mille Lacs, Wabigoon Lake Ojibway Nation, Eagle Lake First Nation, Lac La Croix First Nation, Fort William First Nation, Seine River First Nation, Lac Seul First Nation, Nigigoonsiminikaaning First Nation, and the Ojibway Nation of Saugeen.	Hydro One
Watayanikaneyap	Transmission		1,900,000,000	969,000,000	51%	no	24 First Nations	Fortis
McMurray West	Transmission	2019	1,700,000,000	680,000,000	40%	yes	Athabasca Chipewyan First Nation, Bigstone Cree Nation, Gunn Métis Local 55, Mikisew Cree First Nation, by way of its business arm, the Mikisew Group of Companies, Paul First Nation, Sawridge First Nation and Sucker Creek First Nation	TD Greystone
NorthShore	Transmission	2019	767,000,000	153,000,000	20%	yes	Biigtigong Nishnaabeg, Fort William First Nation, Michipicoten First Nation, Pays Plat First Nation, Pic Mobert First Nation and Red Rock Indian Band	NextBridge
Henvey Inlet	Wind	2017	1,000,000,000	500,000,000	50%	yes	Henvey Inlet First Nation	Pattern
Bow Lake	Wind	2015	240,000,000	120,000,000	50%	yes	Batchewana First Nation	Blue Earth
Mesgi'g Ugju's'n	Wind	2016	330,000,000	165,000,000	50%	yes	Gesgapegiag, Gespeg and Listuguj	Innergex
McLean's Mountain	Wind	2014	135,000,000	67,500,000	50%	yes	United Chiefs and Councils of Mnidoo Mnising	Northland
Adelaide	Wind	2015	200,000,000	50,000,000	25%	yes	Aamjiwnaang First Nation	ATCO
Grand Renewable Energy Park	Wind and solar	2012	364,000,000	36,400,000	10%	yes	Six Nations of the Grand River	Samsung
TOTAL			**52,918,000,000**	**9,551,250,000**				

Ideas change the world

WHAT PEOPLE ARE SAYING ABOUT MLI

The Right Honourable
Paul Martin

I want to congratulate the **Macdonald-Laurier Institute** for 10 years of excellent service to Canada. The Institute's commitment to public policy innovation has put them on the cutting edge of many of the country's most pressing policy debates. The Institute works in a persistent and constructive way to present new and insightful ideas about how to best achieve Canada's potential and to produce a better and more just country. Canada is better for the forward-thinking, research-based perspectives that the **Macdonald-Laurier Institute** brings to our most critical issues.

The Honourable
Jody Wilson-Raybould

The **Macdonald-Laurier Institute** has been active in the field of Indigenous public policy, building a fine tradition of working with Indigenous organizations, promoting Indigenous thinkers and encouraging innovative, Indigenous-led solutions to the challenges of 21st century Canada. I congratulate **MLI** on its 10 productive and constructive years and look forward to continuing to learn more about the Institute's fine work in the field.

The Honourable
Irwin Cotler

May I congratulate **MLI** for a decade of exemplary leadership on national and international issues. Through high-quality research and analysis, **MLI** has made a significant contribution to Canadian public discourse and policy development. With the global resurgence of authoritarianism and illiberal populism, such work is as timely as it is important. I wish you continued success in the years to come.

The Honourable
Pierre Poilievre

The **Macdonald-Laurier Institute** has produced countless works of scholarship that solve today's problems with the wisdom of our political ancestors. If we listen to the **Institute**'s advice, we can fulfill Laurier's dream of a country where freedom is its nationality.

MACDONALD-LAURIER INSTITUTE

MLI
TRUE NORTH IN CANADIAN PUBLIC POLICY

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