

Ministry of Energy and Mines

Office of the Minister

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MC-994-2026-597

April 23, 2026

Mr. Geoff Owen
Chair of the OEB Board of Directors
Ontario Energy Board
2300 Yonge St, 27 Floor
PO Box 2319
Toronto ON M4P 1E4
Geoff.owen@oeb.ca

Re: Enhancing Transmission Capacity North of Dryden: The Red Lake Transmission Project

Dear Mr. Owen:

With electricity demand in northern Ontario is projected to grow rapidly over the next decade due to economic development from mining for critical minerals, alongside increasing needs from the expansion of housing and electrification initiatives. Ontario's recent Integrated Energy Plan, *Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7* (released on June 12, 2025) identifies the Red Lake area in northwestern Ontario as a key region for Ontario's Critical Mineral Strategy, with several mining projects that will create large electricity demands on short timelines. Our plan committed to taking action to support a transmission system that is flexible, reliable, and ready to scale.

The Independent Electricity System Operator (IESO) has published the Northwest Integrated Regional Resource Plan Addendum study for the North of Dryden Sub-region in August 2025. This study identified the urgent need for new transmission infrastructure in the Red Lake region to address imminent capacity constraints, ensure regional system reliability, and support critical mining projects in the region. This study recommended the timely development of the following new transmission project as the appropriate solution to meet regional needs:

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- The Red Lake Transmission Project: a new double-circuit 230-kilovolt (kV) transmission line that will run from Dryden Transformer Station (TS) to Ear Falls TS, and another double-circuit 230 kV transmission line that will run from Ear Falls TS to Red Lake Switching Station, and associated station facilities.

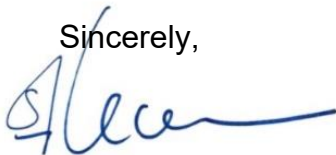
As identified in the IESO's Addendum, Wataynikaneyap Power will also play a defined role in supporting these upgrades through its responsibility for new autotransformer installations at the Red Lake Switching Station, which form an essential part of the recommended solution.

I am writing today to inform you that under the authority of section 96.1(1) of the *Ontario Energy Board Act, 1998* (OEBA), the Lieutenant Governor in Council has made an order declaring that the construction, expansion or reinforcement of this transmission project is needed as a priority project. While the Government's priority will always be to provide affordable and reliable energy to the people of Ontario, which requires supporting cost prudence for the buildout of new transmission projects, the Ontario government has taken several actions including implementing the *Buy Ontario Act, 2025*, to strengthen Ontario's economic security. To that end, I have asked Hydro One to continue using competitive procurements and encourage them to seek Ontario or Canadian suppliers, where there are reasonable opportunities to do so and where ratepayers are not unduly impacted.

Furthermore, under the authority of section 28.6.1 of the OEBA, I have, with the approval of the Lieutenant Governor in Council, issued a directive to the Ontario Energy Board (OEB) to amend Hydro One Networks Inc. (Hydro One)'s electricity transmission licence to include a requirement that it proceed to develop and seek all necessary approvals for the Red Lake Transmission Project. The licence amendments required by the directive will further support the timely development of this transmission project. These Orders-in-Council and the accompanying Directive are now effective, and copies thereof are attached to this letter.

Please do not hesitate to contact my office should you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Stephen Lecce', with a stylized flourish at the end.

Stephen Lecce
Minister of Energy and Mines

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- c: Susanna Laaksonen-Craig, Deputy Minister, Ministry of Energy and Mines
Karen Moore, Assistant Deputy Minister, Ministry of Energy and Mines
Carolyn Calwell, Chief Executive Officer, Ontario Energy Board
Lesley Gallinger, President and Chief Executive Officer, Independent Electricity
System Operator
David Lebeter, President and Chief Executive Officer, Hydro One Networks Inc.
Lisa Pearson, Executive Vice President, Corporate Affairs, Hydro One Networks
Inc.