



September 02, 2025

Judy Goucher, Chairperson
Board of Directors
Northwest Territories Hydro Corporation and Northwest Territories Power Corporation

Dear Ms. Goucher:

2025 Direction Letter to Board of Directors

As the Minister Responsible for the *Northwest Territories Hydro Corporation Act* (“NT Hydro”) and the *Northwest Territories Power Corporation Act* (“NTPC”) (collectively, the “Corporations” and “Acts”), I would like to congratulate you on your appointment as the Chair of the Board of the Corporations. As Chair, you will play an instrumental role in rebuilding the governance of the Corporations. This Direction Letter describes the Government of the Northwest Territories’ (GNWT) priorities and expectations as sole shareholder for the functioning and performance of the Board and the Corporations.

This letter presents the strategic direction that the GNWT sets for the newly appointed hybrid public-government Board of Directors of the Corporation. The aim is to have a transparent, accountable, and efficient relationship between the Corporations and the GNWT to ensure alignment on legislative mandates, strategic goals, governance expectations and reporting relationships.

As Minister responsible for the Corporations, I have been instructed in the Premier’s Mandate Letter issued on **June 12, 2024** to ensure that the Board performs its mission to generate, transmit and distribute clean, reliable, and affordable energy to the Northwest Territories (NWT) in order to enrich the lives of Northerners and encourage living, working, and investing in the NWT. As the Board, this is your overarching objective.

More specifically, this direction is provided to align the parties’ efforts with respect to energy transition while fostering NWT key priorities such as advancing the strategic infrastructure investments, modernizing the electrical grids in the North, and supporting climate change mitigation and adaptation. The core goal is to close the NWT’s infrastructure gap and advance economic resilience, energy security, Indigenous reconciliation, Arctic sovereignty, and sustainable development for 33 communities and all people living and thriving in the North.

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As the duly appointed Chair of the Board of Directors (“BOD”) for the Corporations, you maintain a fiduciary duty to act in the best interest of NT Hydro and NTPC, respectively. If at any time, the directions or expectations set out in this letter conflict with actions required by your fiduciary duties to the Corporations, you are expected to notify my office immediately for further updates and direction.

Legislative Objects

The primary Objects of the Corporations are set out in the respective Acts:

- To generate, transform, transmit, distribute, deliver, sell and supply energy on a safe, economic, efficient and reliable basis.
- To supply water and sewerage services (NTPC only).
- To undertake programs to conserve energy.
- To ensure a continuous supply of energy adequate for the needs and future development of the Territories.
- To undertake any other activity authorized by the Executive Council.

The Objects provide for other activities to be authorized by the Executive Council. For clarity, no other activities outside those established in the legislative Objects are directed by the Executive Council at this time.

Priorities of the Legislative Assembly and Mandate of the Government of the Northwest Territories

The Board of the Corporations is instructed to align activities, for the purposes of executing its core Objects, with the Priorities of the Legislative Assembly of the Northwest Territories, as updated from time to time, currently including supporting the development of a Territory where people are supported in how they want to live, work and grow, prioritizing reconciliation and the well-being and prosperity of residents. Please familiarize yourself with the [Priorities of the 20th Legislative Assembly](#) and the [Mandate of the Government of the Northwest Territories](#).

Federal Engagement Approach

When engaging with the federal government the Corporations are expected to work with the GNWT to align activities and plans with priorities included under the GNWT Federal Engagement Approach, as updated from time to time, which currently includes priorities pertaining to “Strategic infrastructure investment” and “Modernize our electricity grids and stabilize the cost of energy.” The corporations are expected to pursue these directions in line with the priorities included under the GNWT Federal Engagement Approach and actively liaise with and support the GNWT in engagement activities.

2025 Directions

The following directions are to be pursued in alignment with GNWT priorities:

Strategic Level Directions

- Enhance energy security and affordability by diversifying energy resources for electricity generation, advancing electrification of end-uses when appropriate (e.g. space heating) while working on transitioning away from fossil fuels and moving into low-carbon energy sources that are feasible for the North.
- Increase revenues to stabilize the cost of electricity across communities on a kWh basis and support economic development by increasing industry electricity sales and developing new markets.
- Align activities and strategic plans with GNWT energy and climate change policy, such as the commitment to net-zero emissions by 2050 and energy infrastructure adaptation to climate change impacts.
- In partnership with the GNWT, undertake long-term Integrated Power System planning (a.k.a. Integrated Resources Planning) and set corporate milestones on low-carbon energy infrastructure that guide your organization's path toward net-zero emissions by 2050, consistent with the 2025 GNWT Policy Direction to the Public Utilities Board.
- NT Hydro must ensure that the core focus of its subsidiaries, joint ventures and business arrangements, are on growth targets in NT Hydro's 20-Year Strategic Plan, specifically planning and developing safe and environmentally responsible energy projects to serve existing and new energy requirements in the Territories. The governance and scope of activities of its subsidiaries, joint ventures and business arrangements must meet the same standards as NT Hydro.
- Support objectives set by the GNWT with respect to advancing reconciliation with Indigenous People, including any development related to the implementation of the United Nations Declaration on the Rights of Indigenous Peoples in the NWT.

Governance Level Directions

- Participate in and support an NTPC/NT Hydro governance review led by the GNWT including the development of an accountability framework for the NTPC Board that describes roles, accountabilities, lines of communications, responsibilities, and reporting.
- In accordance with the Minister's Mandate Letter: develop annual strategic planning processes to produce a Corporate Plan for the Corporations. These processes must focus on effective reporting and increased transparency and align with the GNWT's Planning and Accountability Framework.

- Submissions to Executive Council and Financial Management Board (FMB) must have a sponsoring GNWT department who will be responsible for submitting them through the Deputy Minister Committee (DMC) and Committee-of-Cabinet (COC) process to ensure an all-of-government lens is applied to major decisions.
- The President and CEO may be asked to attend DMC, COC, Cabinet and/or FMB meetings when Cabinet or FMB submissions related to the Corporations are discussed.

Operational Level Directions

- In accordance with the Minister's Mandate Letter: develop and implement industry-standard major project management processes, planning, including improving risk management and budgeting.
- Engage with the public on the development of strategic, corporate and capital plans, including in the context of the Integrated Power System planning effort.
- Develop and implement a load growth and electrification plan, including the opportunity to utilize surplus hydro and develop new business and industrial sales.
- The Board is to assess whether an operational efficiency review should be undertaken and make a recommendation to the Minister on if or how to proceed.
- Develop a plan to engage and partner with communities and Indigenous governments to secure federal funding to achieve, where practical, in the short-term a minimum of 30% in renewable electricity installed capacity, and in the longer-term, maximize low carbon electricity penetration in thermal communities. This is to be done without increasing electricity rates.

Board Response and Accountability

The Board is directed to provide a response to the Minister Responsible for NTPC that includes a plan to implement these Directives, including a timeline for reaching milestones when appropriate, and taking into consideration regulatory considerations and timelines.

This plan is required to be provided to the Minister, by April 01, 2026. Ministerial review and comment will be provided back to the Corporations within 60 days. The Corporations are expected to implement the Plan as drafted, or as modified by Ministerial comment, as the key guiding priorities. This response should be incorporated into the annual corporate plan and long-term strategic plans going forward.

The Board Chair will meet with the Minister at least quarterly to provide updates on the corporate and strategic plans and to discuss issues, budget, and activities. The Board is required to self-evaluate annually and report the results to the Minister. The Board Chair and or NTPC may be called upon to provide more regular briefings, for instance in preparation for sittings of the Legislative Assembly.

Term

This letter of direction should be updated every five years, at minimum, to ensure the Corporations' priorities are aligned with GNWT's expectations as the sole shareholder, and its energy and climate change policies.

Again, congratulations on your nomination as Chair of the Board of Directors for the Corporations. I look forward to working with you on these important steps to rebuild public governance of NTPC and NT Hydro.

Sincerely,

A handwritten signature in black ink, appearing to read 'Caroline Wawzonek', with a stylized, flowing script.

Caroline Wawzonek
Minister Responsible for Northwest Territories
Power Corporation