

Investing in Canada's energy industry: A legal and regulatory guide

October 05, 2026

Canada's energy transition is creating significant opportunities

Canada is experiencing significant investment in traditional oil and gas infrastructure, electricity generation and transmission, LNG facilities, critical minerals and clean energy projects. In the face of geopolitical uncertainty, Canada is a reliable and competitive energy partner. Growing demand, decarbonization initiatives and a diverse energy and resource mix are creating opportunities for both domestic and international investors.

Success often depends on understanding Canada's unique regulatory, environmental and commercial landscape.

What's different about Canada?

Regulatory oversight operates at both the federal and provincial levels

Canada's energy sector is governed through a combination of federal and provincial regulation. [Efforts are underway](#) federally and provincially to streamline regulatory approval and reporting requirements.

Indigenous participation is a critical project consideration

Indigenous communities in Canada have unique constitutionally protected rights that have resulted in a focus on Indigenous consultations, partnerships and, in some cases, economic participation. Many projects now incorporate Indigenous equity ownership, such as the recent [Williams Treaties First Nations \\$700 million investment in Ontario's 300 MW small modular reactor \(SMR\) project](#).

Environmental and permitting requirements are changing

A national focus on building new infrastructure has driven both federal and provincial governments to focus on streamlining environmental and permitting requirements. The

federal Major Projects Office, created in 2025, is focused on facilitating the advancement of major energy and infrastructure projects that are of national interest. Understanding these requirements and processes at the outset can help avoid delays and support more predictable project execution.

Diverse market opportunities across jurisdictions

Canada does not operate as a single energy market. Provinces have distinct regulatory frameworks, procurement programs, utility structures and investment priorities. Whether developing oil and gas infrastructure, generation assets, pursuing transmission opportunities, investing in critical minerals or participating in clean energy initiatives, understanding regional differences is key.

Projects require multidisciplinary planning

Energy projects often involve a range of legal and business considerations beyond sector regulation, including financing, taxation, construction, labour and employment, environmental compliance and dispute resolution.

Entering or expanding in Canada's energy market?

[BLG's Doing Business in Canada Guide](#) provides practical guidance on the legal and business considerations applicable to all organizations entering the Canadian market, including business formation, foreign investment review, taxation, employment, environmental regulation, Indigenous business considerations, privacy, competition law and dispute resolution.

For energy companies, [BLG's Energy & Natural Resources group](#) can help navigate sector-specific considerations, including regulatory approvals, Indigenous participation, project development, financing structures and compliance requirements.

Connect with us to discuss the opportunities, regulatory considerations and commercial risks most relevant to your business, project or investment strategy.

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