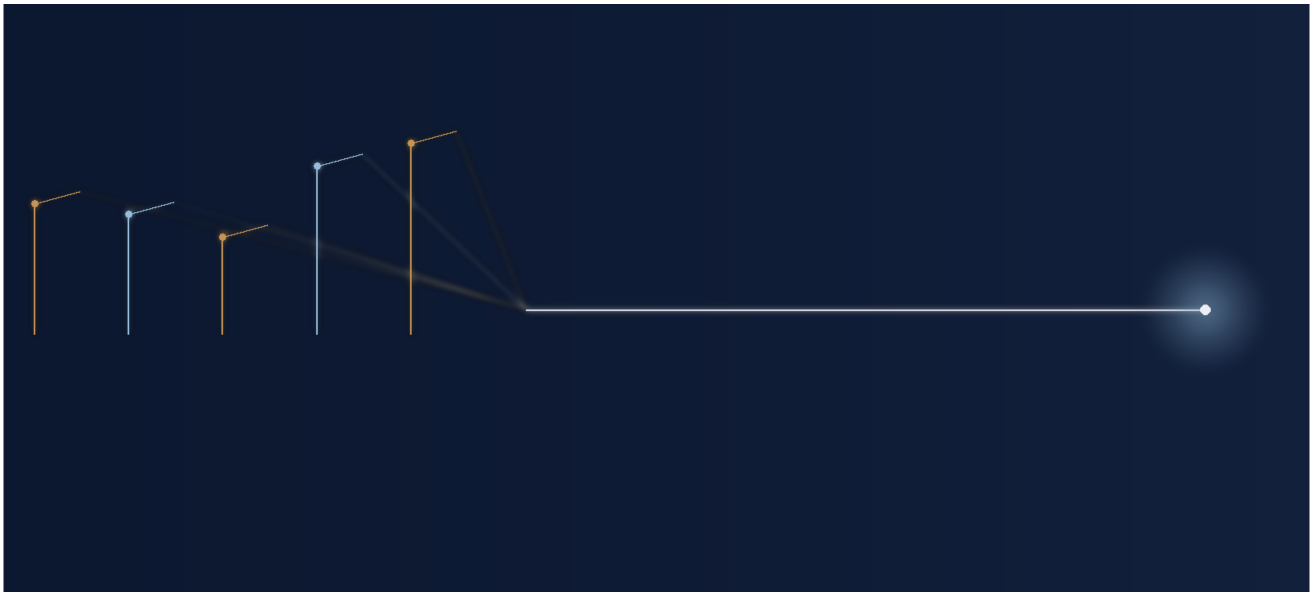

ENERGY AND INFRASTRUCTURE / CANADIAN MERGERS AND ACQUISITIONS

The Second Owner

Canadian energy and infrastructure mergers and acquisitions are shifting from building new assets to buying operating ones.

By Diego Molina - Mediavertical

Canadian energy and infrastructure mergers and acquisitions in 2026 are shifting from building new assets to buying operating ones — pension funds and infrastructure investors are the buyer of record, and development risk is increasingly being sold off rather than scaled up. For anyone tracking this market, the tell isn't deal volume, it's who's on the buy side: the investors writing the biggest checks want cash flow, not construction risk.

Three developments show where that handoff is happening fastest.

Pension capital is now the anchor buyer for large infrastructure stakes.

CPP Investments agreed to acquire roughly a 13 percent equity interest in Sempra Infrastructure Partners for approximately US$3.0 billion, alongside KKR, in a transaction expected to close in the second or third quarter of 2026. That's not a passive financial position — it's Canada's largest pension fund taking a direct equity stake in operating North American energy infrastructure, the kind of deal that used to be the province of specialist infrastructure funds alone. When a pension plan with CPP's scale moves into a sector, it's underwriting a multi-decade cash-flow thesis, not a cyclical trade.

Oil and gas consolidation hit an eight-year high on scale, not exploration.

2025 was the busiest year for Canadian oil and gas dealmaking in eight years, with over $30 billion in activity — and the largest transactions were consolidation plays, not new-field discoveries. Whitecap and Veren completed a $10 billion combination, and Cenovus's $8 billion acquisition of MEG Energy added scale rather than new acreage. The pattern mirrors mining: producers are buying existing production and infrastructure because it's faster and cheaper than developing it, and Canada's regulatory stability makes it a preferred venue for that scale-building.

Renewables deal activity is buying finished assets, not development pipelines.

La Caisse's $10 billion acquisition of Innergex Renewable Energy is the clearest example: an operating renewable portfolio changing hands to an investor built for long-duration holds, not a developer taking on construction risk. The demand side supports the thesis — the Canada Energy Regulator projects renewables reaching nearly 73 percent of the country's electricity capacity by 2030, with wind responsible for 70 percent of the added capacity over the next five years. That's a large, near-certain demand curve, and the deal activity is positioning to own the assets that will ride it rather than build them from scratch.

Put together, these three threads describe a market where the biggest capital pools are choosing to buy proven cash flow over development upside. For deal teams and advisors in this space, the operating question has shifted from "can we build this" to "can we underwrite what someone else already built" — and increasingly, the answer is yes, at scale.

Do you think this pension-led consolidation wave crowds out mid-market developers, or does it free them up to focus on what they do best — building, then selling? I'd be glad to compare notes.