



EB-2012-0189

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O.1998, c. 15, Schedule B;

AND IN THE MATTER OF an application by Shell
Canada Products for an electricity wholesaler licence.

By delegation, before: Viive Sawler

DECISION AND ORDER
July 19, 2012

Shell Canada Products ("Shell") filed an application on March 28, 2012 with the Ontario Energy Board under section 60 of the *Ontario Energy Board Act, 1998* for an electricity wholesaler licence.

The Board's Notice of Application and Written Hearing for an electricity wholesaler licence was published on April 30, 2012. Cornerstone Hydro Electric Concepts Association Inc. ("CHEC") responded to the Notice of Application and Written Hearing by a letter dated May 22, 2012.

CHEC expressed concerns that in light of amended Ontario Regulation 429/04 and subsequent revision of the Independent Electricity System Operator's methodology for calculating the Global Adjustment ("GA"), some large customers may be applying for a wholesaler licence to benefit from a reduction of GA costs, which in turn would increase the GA costs of Ontario's smaller, volumetric consumers. The applicant did not respond to CHEC's letter. The Board acknowledges the concerns raised in the letter, but they do not factor in this specific proceeding, as Shell has been a wholesaler for a decade and this is the third issuance of a licence to Shell, nor in license application proceedings in general.

In the exercise of its licensing function, the Board's practice is to review a licence application based on the applicant's ability to participate reliably in Ontario's wholesale electricity market. The Board uses three main criteria to assess an electricity wholesaler licence applicant:

- The applicant's ability to be a financially viable entity;
- The applicant's technical capability to reliably and safely operate as an electricity wholesaler; and
- The applicant and its key individuals' past business history and conduct such that they afford reasonable grounds for belief that the applicant will carry on business in accordance with law, integrity and honesty.

The Board has no concerns with the applicant's information with respect to its financial viability, technical ability and past conduct.

After considering the application, I find it to be in the public interest to issue the electricity wholesaler licence under Part V of the Act.

IT IS THEREFORE ORDERED THAT:

The application for an electricity wholesaler licence is granted, on such conditions as are contained in the attached licence.

DATED at Toronto, July 19, 2012

ONTARIO ENERGY BOARD

Original signed by

Viive Sawler
Manager, Conservation and Reporting