

# **ASSURANCE OF VOLUNTARY COMPLIANCE**

Pursuant to s. 112.7 of the  
*Ontario Energy Board Act, 1998*

**OXY VINYLS CANADA CO.**

Licence No. EW-2018-0224

OEB File No. EB-2019-0107

April 3, 2019

## I. BACKGROUND

Ontario Energy Board (OEB) staff conducted an inspection of Oxy Vinyls Canada Co. (Oxy Vinyls) pursuant to the OEB's finding, in proceeding EB-2018-0224, that Oxy Vinyls had been operating as an electricity wholesaler in Ontario without a licence for a period of approximately 21 months, from October 2016 to August 2018.<sup>1</sup>

## II. STATEMENT OF FACTS

On July 3, 2018, Oxy Vinyls filed an application with the OEB for the renewal of an electricity wholesaler licence, pursuant to section 57 of the *Ontario Energy Board Act, 1998* (OEB Act). Together with the application, Oxy Vinyls self-reported that it had failed to renew its prior electricity wholesaler licence No. EW-2011-0300, before it expired on October 23, 2016.

The OEB reviewed the application and, on August 16, 2018, issued a Decision and Order<sup>2</sup> granting Oxy Vinyls a new electricity wholesaler licence (EW-2018-0224). In the Decision and Order, the OEB indicated that Oxy Vinyls may still be subject to an OEB compliance proceeding with respect to the contravention. The OEB stated:

The applicant neglected to renew its previous electricity wholesaler licence EW-2011-0300 before it expired on October 23, 2016. The applicant has been operating without a licence since that date, in contravention of section 57 of the OEB Act, and may be subject to an OEB compliance proceeding. In its application, Oxy Vinyls made a commitment to implement internal procedures to ensure such a failure would not happen in the future.

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<sup>1</sup> Decision and Order, EB-2018-0224, issued August 16, 2018

<sup>2</sup> *Ibid.*

Operating in the IESO-administered markets without a licence is a contravention of section 57 of the OEB Act. Section 57(e) of the OEB Act states as follows:

**Requirement to hold licence**

**57** Neither the IESO nor the Smart Metering Entity shall exercise their powers or perform their duties under the Electricity Act, 1998 unless licensed to do so under this Part and no other person shall, unless licensed to do so under this Part, ...

(e) purchase electricity or ancillary services in the IESO-administered markets or directly from a generator;

While noting Oxy Vinyls' commitment to implement internal procedures to ensure such a failure would not happen in the future, the OEB stated the new licence was being granted to Oxy Vinyls' "without prejudice with regard to any future compliance actions".

Through its July 3, 2018 application filing, and subsequent meetings with OEB staff, Oxy Vinyls' has explained that the failure to secure a renewal of the licence prior to its expiry was an unintentional oversight due to a change in personnel. Oxy Vinyls confirmed that, upon discovering the oversight, it took immediate steps to renew the licence and has since updated its internal procedures in order to ensure that this type of contravention does not occur in the future.

**II. ASSURANCE OF VOLUNTARY COMPLIANCE**

Oxy Vinyls hereby assures the OEB that it has taken all appropriate measures to comply with the requirement under section 57 of the OEB Act and that it will ensure that it has a licence for the purpose of purchasing electricity or ancillary services in the IESO-administered markets or directly from a generator.

Oxy Vinyls also hereby assures the OEB that it will comply with the terms of its electricity wholesaler licence EW-2018-0224, including the obligation under section 8.1 therein to designate a person to act as a primary contact with the OEB on matters related to the licence, and to promptly notify the OEB should the contact details change.

**IV. ADMINISTRATIVE MONETARY PENALTY**


Oxy Vinyls agrees to pay an administrative monetary penalty to the OEB in the amount of \$10,000. Payment will be made by cheque or electronically with notice sent to the Board Secretary, within two weeks of Oxy Vinyls' having received notice of the acceptance of this assurance by the OEB.

**V. FAILURE TO COMPLY**

This Assurance of Voluntary Compliance has the same force and effect as an order of the Board pursuant to section 112.7(2) of the OEB Act and any failure to comply with its terms shall be deemed to be a breach of an order of the OEB.

**VII. EXECUTION OF ASSURANCE**

I have the authority to bind Oxy Vinyls Canada Co. to the terms set out in this Assurance of Voluntary Compliance.

Name: Eric Wynia  
Title: Vice President  
Company: Oxy Vinyls Canada Co.  
Signature: 

Dated this 3rd day of April 2019.