



Ontario  
Energy  
Board | Commission  
de l'énergie  
de l'Ontario

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## **DECISION AND ORDER**

**EB-2021-0229**

### **MARKHAM DISTRICT ENERGY INC.**

**Application for an Electricity Generation Licence**

**BY DELEGATION, BEFORE: Brian Hewson**  
Vice President,  
Consumer Protection & Industry Performance

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**November 18, 2021**

## DECISION AND ORDER

Markham District Energy Inc. (Markham District Energy) filed an application with the Ontario Energy Board (OEB) on August 6, 2021 under section 60 of the *Ontario Energy Board Act, 1998* (OEB Act) for an electricity generation licence renewal.

This Decision and Order is being issued by the Delegated Authority, pursuant to Section 6 of the OEB Act. The Delegated Authority has considered the application without holding a hearing pursuant to section 6(4) of the OEB Act.

Markham District Energy is a wholly-owned subsidiary of Markham Enterprises Corporation (MEC) and its parent is the City of Markham. The applicant was incorporated on January 1, 2000 under the laws of the Province of Ontario to provide hot and chilled water to commercial and residential customers in Markham and to sell electricity to the local licensed electricity distribution company.

The applicant has been previously licensed by the OEB and applied to renew its electricity generation licence, which expired on August 14, 2021. An Interim Decision and Order extending the licence term to February 1, 2022, was issued on August 18, 2021. The applicant is currently licensed to own and operate three electricity generation facilities in Ontario, namely:

1. 10.5 MW Warden Energy Centre located in Markham;
2. 3 MW Birchmount Energy Centre located in Markham; and
3. 9 MW Bur Oak Energy Centre located in Markham.

After considering the application and assessing the technical capability and financial viability of the applicant, the OEB finds that it is in the public interest to grant the application and issue the electricity generation licence to Markham District Energy Inc. The OEB notes the application was filed by the applicant only 8 days prior to the expiration of the existing licence and takes this opportunity to remind the applicant and all existing licencees that they must ensure their renewal application is filed in time to permit the OEB to undertake its review and issue a licence prior to the expiry of an existing licence.

**IT IS ORDERED THAT:**

1. The application is granted, on such conditions as are contained in the attached licence.

**DATED** at Toronto November 18, 2021

**ONTARIO ENERGY BOARD**

*Original Signed By*

Brian Hewson  
Vice President, Consumer Protection & Industry Performance



# Electricity Generation Licence

## EG-2021-0229

### Markham District Energy Inc.

Valid Until  
November 17, 2041

*Original Signed By*

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**Brian Hewson**  
**Vice President, Consumer Protection & Industry Performance**  
**Ontario Energy Board**  
**Date of Issuance: November 18, 2021**

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## 1 Definitions

In this Licence:

“**Act**” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“**Electricity Act**” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“**generation facility**” means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system and includes any structures, equipment or other things used for that purpose;

“**Licensee**” means Markham District Energy Inc.;

“**regulation**” means a regulation made under the Act or the Electricity Act.

## 2 Interpretation

- 2.1 In this Licence words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of this Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

## 3 Authorization

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this licence:
- a) to generate electricity or provide ancillary services for sale through the IESO-administered markets or directly to another person subject to the conditions set out in this Licence. This Licence authorizes the Licensee only in respect of those facilities set out in Schedule 1;
  - b) to purchase electricity or ancillary services in the IESO-administered markets or directly from a generator subject to the conditions set out in this Licence; and
  - c) to sell electricity or ancillary services through the IESO-administered markets or directly to another person, other than a consumer, subject to the conditions set out in this Licence.
- 3.2 The Licensee is authorized to conduct business in the name under which this Licence is issued, or any trade name(s) listed in Schedule 2.

#### **4 Obligation to Comply with Legislation, Regulations and Market Rules**

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act, and regulations under these acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

#### **5 Obligation to Maintain System Integrity**

- 5.1 Where the IESO has identified, pursuant to the conditions of its licence and the Market Rules, that it is necessary for purposes of maintaining the reliability and security of the IESO-controlled grid, for the Licensee to provide energy or ancillary services, the IESO may require the Licensee to enter into an agreement for the supply of energy or such services.
- 5.2 Where an agreement is entered into in accordance with paragraph 5.1, it shall comply with the applicable provisions of the Market Rules or such other conditions as the Board may consider reasonable. The agreement shall be subject to approval by the Board prior to its implementation. Unresolved disputes relating to the terms of the Agreement, the interpretation of the Agreement, or amendment of the Agreement, may be determined by the Board.

#### **6 Restrictions on Certain Business Activities**

- 6.1 Neither the Licensee, nor an affiliate of the Licensee shall acquire an interest in a transmission or distribution system in Ontario, construct a transmission or distribution system in Ontario or purchase shares of a corporation that owns a transmission or distribution system in Ontario except in accordance with section 81 of the Act.

#### **7 Provision of Information to the Board**

- 7.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 7.2 Without limiting the generality of paragraph 7.1 the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee, as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.

#### **8 Term of Licence**

- 8.1 This Licence shall take effect on November 18, 2021 and expire on November 17, 2041. The term of this Licence may be extended by the Board.

#### **9 Fees and Assessments**

- 9.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

## **10 Communication**

- 10.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 10.2 All official communication relating to this Licence shall be in writing.
- 10.3 All written communication is to be regarded as having been given by the sender and received by the addressee:
- a) when delivered in person to the addressee by hand, by registered mail or by courier;
  - b) ten (10) business days after the date of posting if the communication is sent by regular mail; or
  - c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

## **11 Copies of the Licence**

- 11.1 The Licensee shall:
- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
  - b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.



**SCHEDULE 1 LIST OF LICENSED GENERATION FACILITIES**

The Licence authorizes the Licensee only in respect to the following:

1. The ownership and operation of Warden Energy Centre with an installed capacity of 10.5 MW, located at 8100 Warden Avenue, Markham, Ontario.
2. The ownership and operation of Birchmount Energy Centre with an installed capacity of 3 MW, located at 7900 Birchmount Road, Markham Ontario.
3. The ownership and operation of Bur Oak Energy Centre with an installed capacity of 9 MW, located at 3211 Bur Oak Avenue, Markham, Ontario.

**SCHEDULE 2 AUTHORIZED TRADE NAMES**

1. None