

ASSURANCE OF VOLUNTARY COMPLIANCE

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

Vale Canada Limited
Licence No. EG-2024-0243

OEB File No. EB-2025-0267

Oct 21, 2025

I. BACKGROUND

Ontario Energy Board (OEB) staff conducted an inspection of Vale Canada Limited (Vale) following the OEB's proceeding EB-2024-0243, pursuant to which Vale acknowledged it had purchased electricity in the IESO-administered markets without a licence.

Following the inspection, and in resolution of the contravention, Vale provided this Assurance of Voluntary Compliance to the OEB under section 112.7 of the *Ontario Energy Board Act, 1998* (OEB Act).

II. STATEMENT OF FACTS

On July 30, 2024, Vale filed an application with the OEB for a new electricity generation licence pursuant to section 60 of the OEB Act. Vale's previous electricity generation licence (EG-2003-0303) expired on January 1, 2024. Vale acknowledged through the application process that after its licence expired, it continued to conduct activities authorized by its previous generation licence to support its operations in Ontario. The OEB reviewed the licence application and on September 10, 2024, issued a Decision and Order (EB-2024-0243) granting Vale a new electricity generation licence (EG-2024-0243). The OEB noted in the Decision and Order that the granting of the new licence was without prejudice to any future compliance actions regarding Vale having operated without a licence.

During the inspection, Vale explained that it generates electricity entirely for its own consumption and does not sell ancillary services. However, Vale stated that they purchased electricity from the IESO-administered markets, which was previously authorized by section 3(b) of its generation licence, to support its operations during the period of time that Vale was unlicensed.

Purchasing electricity or ancillary services in the IESO-administered markets without a licence is a contravention of section 57(e) of the OEB Act, which provides 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;

Vale explained that the failure to secure a renewal of its electricity generation licence prior to its expiry on January 1, 2024, was due to administrative oversight as the Vale staff member assigned to maintaining Vale's licence was no longer employed with Vale when the previous licence was due for renewal.

To ensure the renewal of the generating license is not missed again, Vale has created a maintenance plan in their CCMS(SAP) that will systematically generate a work order in 2044 identifying the need to renew the generating license.

ASSURANCE

Vale hereby assures the OEB that it has taken all appropriate measures to comply with its requirements under section 57 of the OEB Act to hold a licence for the purpose of generating electricity and purchasing electricity in the IESO-administered markets. Vale assures the OEB that it understands that Vale must comply with all conditions as stated in its generation licence.

Vale also hereby assures the OEB that it will comply with its obligation under section 10.1 of Vale's generation licence (EG-2024-0243) 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.

III. ADMINISTRATIVE MONETARY PENALTY

Vale agrees to pay an administrative monetary penalty to the OEB in the amount of \$2,500. Payment will be made electronically, together with notice sent to the Registrar, within two (2) weeks of Vale having received notice of the acceptance of this assurance by the OEB.

IV. FAILURE TO COMPLY

This Assurance of Voluntary Compliance has the same force and effect as an order of the OEB 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.

V. EXECUTION

I have the authority to bind Vale Canada Limited to the terms set out in this Assurance of Voluntary Compliance.

Name: David Starling

Title: Manager, Energy

Company: Vale Base Metals

Signature: _____

Dated this October 21 of 2025.