

# **ASSURANCE OF VOLUNTARY COMPLIANCE**

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

**Lafarge Canada Inc.**

**Licence No. EW-2020-0263**

**OEB File No. EB-2022-0106**

**March 21, 2022**

## **I. BACKGROUND**

Ontario Energy Board (OEB) staff conducted an inspection of Lafarge Canada Inc. (Lafarge) pursuant to the OEB's finding, in proceeding EB-2020-0263, that Lafarge had been operating as an electricity wholesaler in Ontario without a licence since February 2011. Following the inspection, and in resolution of the contravention, Lafarge 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 November 3, 2020, Lafarge filed an application with the OEB for an electricity wholesaler licence, pursuant to section 60 of the OEB Act. Together with the application, Lafarge confirmed that it had been operating as an electricity wholesaler without a license since its previous wholesaler licence expired on February 12, 2011.

The OEB reviewed the application and, on February 9, 2021, issued a Decision and Order granting Lafarge a new electricity wholesaler licence (EW-2020-0263).<sup>1</sup> In the Decision and Order, the OEB noted that Lafarge had been operating without a licence for a period of approximately 10 years and that, in so doing, it had contravened section 57 of the OEB Act. The OEB also stated that Lafarge may be subject to an OEB compliance action with respect to the contravention and that the licence was being granted without prejudice with regard to any future compliance actions.

Operating in the IESO-administered markets without a licence is a contravention of section 57 (e) of the OEB Act, which provides as follows:

---

<sup>1</sup> Decision and Order, EB-2020-0263, issued February 9, 2021

**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

Through the filing of its November 2, 2020 application, and subsequent discussions with OEB staff, Lafarge explained that the failure to secure a licence was an unintentional oversight due to several changes in personnel resulting from a period of organizational changes. Lafarge confirmed that it took steps to obtain the licence immediately after discovering the oversight, and has since updated its internal procedures in order to ensure that this type of contravention does not occur in the future. Lafarge confirmed that it has introduced new system controls with redundancies in place to ensure continuity of its licence. Lafarge specifically cited that multiple individuals will be notified when licence renewal is required, thus eliminating the risk of missing a renewal or other correspondence from the OEB if an individual responsible for licencing moves on from their role.

**III. ASSURANCE**

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

Lafarge also hereby assures the OEB that it will comply with the terms of its electricity wholesaler licence EW-2020-0263, 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**

Lafarge agrees to pay an administrative monetary penalty to the OEB in the amount of \$55,000. Payment will be made electronically, together with notice sent to the Registrar, within two weeks of Lafarge 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 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.

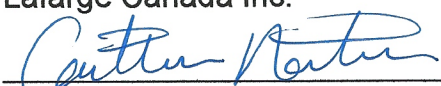
#### **VI. EXECUTION**

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

Name: Caitlin Norton

Title: Senior Counsel

Company: Lafarge Canada Inc.

Signature: 

Dated this 21 day of March, 2022.