

ASSURANCE OF VOLUNTARY COMPLIANCE

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

Milman Mining Inc.

Licence No. EW-2019-0214

OEB File No. EB-2021-0139

May 10th, 2021

I. BACKGROUND

Ontario Energy Board (OEB) staff conducted an inspection of Milman Mining Inc. (Milman) pursuant to the OEB's finding, in proceeding EB-2019-0214, that Milman had been operating as an electricity wholesaler in Ontario without a licence since April 2013.¹ Following the inspection, and in resolution of the contravention, Milman 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 August 28, 2019, Milman filed an application with the OEB for an electricity wholesaler licence, pursuant to section 60 of the OEB Act. Together with the application, Milman confirmed that it had been operating as an electricity wholesaler without a license since its previous wholesaler licence expired on April 17, 2013.

The OEB reviewed the application and, on October 31, 2019, issued a Decision and Order granting Milman an electricity wholesaler licence (EW-2019-0214).² In the Decision and Order, the OEB noted that Milman had been operating without a licence, and that in so doing it had contravened section 57 of the OEB Act. The OEB also stated that Milman may be subject to a potential OEB compliance proceeding 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 of the OEB Act. Section 57(e) of the OEB Act specifically states as follows:

¹ Decision and Order, EB-2019-0214, issued October 31, 2019

² *Ibid.*

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 its August 28, 2019 application filing, and subsequent discussions with OEB staff, Milman explained that the failure to secure a licence was the result of an unintentional oversight, as the person responsible for licensing was new to that role and was not aware of the licensing requirement. Milman confirmed that, upon discovering the oversight, it took steps to obtain the licence and has since updated its internal procedures in order to ensure that this type of contravention does not occur in the future. In the course of the inspection, Milman advised OEB staff that it had significantly changed the operations from those of the former owner of the facility. The changes had led to a significant reduction in its electricity consumption.

III. ASSURANCE

Milman 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.

Milman also hereby assures the OEB that it will comply with the terms of its electricity wholesaler licence EW-2019-0214, 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

Milman agrees to pay an administrative monetary penalty to the OEB in the amount of \$ 8,200. Payment will be made electronically, together with notice sent to the Registrar, within two weeks of Milman 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 Milman Mining Inc. to the terms set out in this Assurance of Voluntary Compliance.

Name: ADAM GUILBAULT

Title: VICE PRESIDENT - FINANCE

Company: MILMAN INDUSTRIES INC.

Signature: 

Dated this 10th day of May 2021.