

Assurance of Voluntary Compliance

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

Norbord Inc.

Licence No: EW-2022-0198

OEB File No. EB-2024-0194

August 15, 2024

I. INTRODUCTION AND SUMMARY

Ontario Energy Board (OEB) staff conducted an inspection of Norbord Inc. (Norbord) pursuant to the OEB's proceeding EB-2022-0198 in which Norbord acknowledged that it had been operating as an electricity wholesaler in Ontario without a licence. The period of non-compliance was from July 29, 2020, to October 13, 2022. Following the inspection, and in resolution of the contravention, Norbord provides 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 29, 2022, Norbord filed an application with the OEB for a renewal of its electricity wholesaler licence under section 60 of the OEB Act. Together with the application, Norbord confirmed that it had been operating as an electricity wholesaler without a licence since its previous electricity wholesaler licence (EW-2015-0207) expired on July 29, 2020.

The OEB reviewed the application and, on October 13, 2022, issued a Decision and Order granting Norbord a new electricity wholesaler licence (EW-2022-0198) effective October 13, 2022.¹ The licence was granted by the OEB without prejudice to any future compliance action regarding Norbord's operating without a licence.

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

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, except as otherwise provided under this Act, 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 application, and subsequent discussions with OEB staff, Norbord explained that the failure to maintain a licence was due to a combination of circumstances that included turnover of key senior leaders and the turmoil caused by COVID-19 with unusual demands on the business, employees and operations of Norbord.

Norbord confirms that it has introduced new system controls to ensure the continuity of its licence. This includes entering a work order in Norbord's automated system to be activated in the year the licence renewal comes due.

III. ASSURANCE

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

¹ Decision and Order, EB-2022-0198, issued October 13, 2022.

Norbord also hereby assures the OEB that it will comply with the terms of its electricity wholesaler licence (EW-2022-0198), 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 PENALTY

Norbord agrees to pay an administrative penalty to the OEB in the amount of \$10,000. Payment will be made electronically with notice sent to the Registrar, within four weeks of Norbord having received notice of the acceptance of this assurance by the OEB.

V. FAILURE TO COMPLY

Norbord acknowledges that 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.

VI. EXECUTION OF ASSURANCE

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

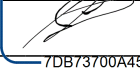
Name: Robin Lampard

Title: Senior Vice-President, Finance

Signature: 
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Name: James Laundry

Title: Vice-President, Canadian Plywood, MDF and LVL

Signature: 
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Dated this 15th day of August, 2024