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BULLETIN

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**TO: All Licensed Electricity Generators
All Other Interested Parties**

RE: Licensing Exemption for Owners and Operators of Small Generation Facilities

This Bulletin provides guidance in relation to the applicability of the licensing exemption in Ontario Regulation 161/99 to generators who own or operate electricity generation facilities with a name plate capacity of 500 kW or less.

1. Background

Section 57(c) of the *Ontario Energy Board Act, 1998* (the “OEB Act”) requires a person to obtain a licence from the Board prior to generating electricity for sale through the IESO-administered markets or directly to another person. This general requirement is, however, subject to certain exemptions set out in Ontario Regulation 161/99 (Definitions and Exemptions) (the “Definitions and Exemptions Regulation”).

In particular, section 4.0.3.3 (1) of the Definitions and Exemptions Regulation provides that the licensing requirement in section 57(c) of the OEB Act does not apply to a generator that owns or operates a generation facility that has a name plate capacity of 500 kW or less (i.e., a “small generation facility”).

This Bulletin is intended to provide guidance on the need for a licence for generators that own or operate more than one small generation facility.

2. The Licensing Requirement

Based on the exemption, Board staff is of the view that a licence is required only if the generator has at least one generation facility with a name plate capacity of greater than 500 kW.

With this interpretation, a licence would not be required for a generator that owns or operates multiple small generation facilities (i.e., each with a name plate capacity of 500 kW or less), even if the aggregate name plate capacity of those facilities exceeds 500 kW.

Board staff believes that the foregoing interpretation best meets the intent of the Definitions and Exemptions Regulation and is consistent with the Board's objective in promoting renewable energy.

The views expressed in this Bulletin are those of Board staff and are not binding on the Board.

Any enquiries regarding this Bulletin should be directed to the Board's Market Operations at market.operations@ontarioenergyboard.ca.