

# **ASSURANCE OF VOLUNTARY COMPLIANCE**

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

**Algoma Tubes Inc.  
Licence No. EW-2021-0305**

**OEB File No. EB-2024-0088**

**March 8, 2024**

## I. BACKGROUND

Ontario Energy Board (OEB) staff conducted an inspection of Algoma Tubes Inc. (Algoma Tubes) pursuant to the OEB's finding, in proceeding EB-2021-0305, that Algoma Tubes had been operating as an electricity wholesaler in Ontario without a licence. Following the inspection, and in resolution of the contravention, Algoma Tubes 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 September 6, 2022, Algoma Tubes filed a complete application with the OEB for an electricity wholesaler licence pursuant to section 60 of the OEB Act. With its application, Algoma Tubes stated that after reviewing its records, Algoma Tubes learned that its electricity wholesaler licence (EW-2016-0124) had expired on April 20, 2021. Algoma Tubes acknowledged that after its licence expired, it continued to purchase power to support its operations in Ontario.

The OEB reviewed the licence application and on September 22, 2022 issued a Decision and Order (EB-2021-0305) granting Algoma Tubes a new electricity wholesaler licence (EW-2021-0305). In the Decision and Order, the OEB noted that Algoma Tubes had been operating without a licence since April 21, 2021. The OEB further noted that the granting of the new licence was without prejudice to any future compliance actions regarding Algoma Tubes having operated without a licence.

Operating 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;

Through the filing of its September 6, 2022 application and subsequent discussions with OEB staff, Algoma Tubes explained that the failure to secure a licence was due to an unintentional oversight resulting from personnel changes as well as interruptions in work due to the COVID-19 pandemic. Algoma Tubes confirmed that it took steps to obtain the licence immediately after discovering the oversight and has updated its internal procedures to ensure multiple personnel are alerted when Algoma Tubes' licence is nearing expiration to ensure the continuity of its licence.

### III. ASSURANCE

Algoma Tubes 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.

Algoma Tubes also hereby assures the OEB that it will comply with the terms of its electricity wholesaler licence (EW-2021-0305), 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

Algoma Tubes agrees to pay an administrative monetary penalty to the OEB in the amount of \$7,500. Payment will be made electronically, together with notice sent to the



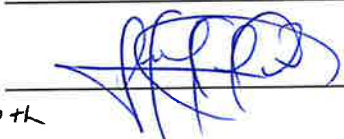

Registrar, within four (4) weeks of Algoma Tubes having received notice of the acceptance of this assurance by the OEB.

**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 Algoma Tubes Inc. to the terms set out in this Assurance of Voluntary Compliance.

Name:	<u>JACOBO MONTANO</u>	RODRIG ROUO
Title:	<u>OPER SENIOR DIRECTOR</u>	ADM & FINANCE DIRECTOR
Company:	<u>TENARIS CANADA</u>	TENARIS CANADA
Signature:		

<sup>28<sup>th</sup></sup>  
Dated this XX day of February, 2024.