

# **ASSURANCE OF VOLUNTARY COMPLIANCE**

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

**Caesars Entertainment Windsor Limited**

**Licence No. EW-2019-0243**

**December 7, 2020**

**EB-2020-0289**

## I. BACKGROUND

Ontario Energy Board (OEB) staff conducted an inspection of Caesars Entertainment Windsor Limited (CEWL). The inspection was carried out following the OEB's finding, in proceeding EB-2019-0243, that CEWL had been operating as an electricity wholesaler in Ontario without a licence for a period of approximately seven months, from May 2019 to December 2019.<sup>1</sup> Following the inspection, and in resolution of the contravention, CEWL 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 27, 2019, CEWL filed an application with the OEB for a new electricity wholesaler licence, pursuant to section 57 of OEB Act. Together with the application, CEWL self-reported that it had failed to renew its prior electricity wholesaler licence (EW-2014-0146) before it expired on May 21, 2019.

The OEB reviewed the application and, on December 19, 2019, issued a Decision and Order granting CEWL a new electricity wholesaler licence (EW-2019-0243).<sup>2</sup> In the Decision and Order, the OEB also stated that CEWL 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 states, in part, as follows:

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<sup>1</sup> Decision and Order, EB-2019-0243, issued December 19, 2019

<sup>2</sup> *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 the filing of its application on September 27, 2019, and in subsequent meetings with OEB staff, CEWL explained that the failure to secure a renewal of the licence prior to its expiry was an unintentional oversight due to a change in personnel. Upon discovering the oversight, CEWL took immediate steps to renew the licence and has since updated its internal procedures in order to ensure that this type of contravention does not occur in the future.

### **III. ASSURANCE**

CEWL 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 not purchase electricity or ancillary services in the IESO-administered markets or directly from a generator without holding a valid licence.

CEWL also hereby assures the OEB that it will comply with the terms of its electricity wholesaler licence EW-2019-0243, 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 promptly notify the OEB should the contact details change.

#### IV. ADMINISTRATIVE MONETARY PENALTY

CEWL agrees to pay an administrative monetary penalty to the OEB in the amount of \$4,000. Payment will be made by cheque or electronically with notice sent to the OEB Registrar, within two weeks of CEWL having received notice of the acceptance of this Assurance of Voluntary Compliance 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 a breach of an order of the OEB.

#### VI. EXECUTION OF ASSURANCE

I have the authority to bind Caesars Entertainment Windsor Limited to the terms set out in this Assurance of Voluntary Compliance.

Name: JAY SMITH

Title: CFO

Company: CEWL

Signature: 

Dated this 7 day of December, 2020.