

January 9, 2015

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Re: Consultation on the Effectiveness of Part II of the *Energy Consumer Protection Act, 2010*, Board File No.: EB-2014-0158

Dear Ms. Walli:

I am writing this letter on behalf of Ontario Agri-Food Technologies (OAFI) and as a residential consumer of energy in Ontario. OAFI's mission is to provide leadership and coordination in utilizing technology to generate wealth and sustainability for the agricultural and food industries of Ontario (www.oaft.org).

Given that OAFI is a conduit for the agriculture and food industries in Ontario, we seek to support opportunities to enhance business overall for those we work for and with. Ontario's agri-food sector is one of the leading economic engines, contributing \$34 billion to the province's GDP. The sector is one of the province's largest employers and sustains over 740,000 jobs or 33% of employment. Furthermore, it is identified to be the province's largest growth engine from present to 2020.

The *Energy Consumer Protection Act* serves an important purpose by protecting small and less aware consumers from unfair and deceptive practices. Unfortunately, with the OEB considering all energy retailer models as equal, the OEB may be inadvertently creating higher prices for small businesses who wish to participate or share ownership of the energy co-op model (e.g. Ag Energy Cooperative). This energy co-op does not use high pressure sales and the goal is to 'smooth' the cost structure of their energy use (like an energy marketing board) such that costs are more predictable and manageable. This model should be exempt from the ECPA as their members are also OWNERS of the cooperative and share in any profits or gains made by the organization.

Ag Energy Co-operative Ltd. (www.fireflyenergy.ca) is a consumer-member owned, member-controlled co-operative. Its primary purpose is to provide natural gas and electricity to its consumer-members at the best possible price, taking into account the individual risk tolerance and length of contracts. Unlike other regulated energy retailers, Ag Energy Co-operative Ltd. provides its consumer-members with the best suitable energy prices available at the time of the decision.



Further, Ag Energy provides its members with information and education about energy market trends, forecasts and independent resources to enable a member to make informed energy purchasing decisions. Ag Energy has a well-established track record of successful and ethical operations. Its profits are either distributed back to its members in the form of patronage and dividends or are retained to the Co-operative, to strengthen the Co-op's overall value. If the Co-op succeeds by servicing its members well and managing the business, the members prosper as well – as individuals and as a collective.

Co-operatives are unique entities that support the member community that they serve. The “one member, one vote” rule entitles every member to one vote at a meeting of members. Further, if business issues arise, members have the opportunity to call an all members meeting. A member can also use their voting power when electing the Board of Directors, 80% of which must come from the member pool. This means that there is great control by membership on the voice and face of the Co-op's governance, strategy and business.

Ensuring greater consumer control over energy prices and the marketing of energy products, the OEB should encourage the growth of co-operatives in the natural gas and electricity markets because, over the long term, such co-operatives will help provide consumers with the most suitable energy prices and direct accountability and transparency. It will also keep profits in Ontario and filter them back to the economy that provided them in the first place.

I once again stress that Ag Energy Co-op should be waived from the ECPA process as members (consumers) of this program are also owners of the co-op. It is a VERY different business model, with different goals than other energy retailers, who primarily target residential consumers. As a business leader and a residential energy consumer I would like the opportunity to exercise my choice of where to procure my energy and support an environment that fosters such opportunities for others.

Any consideration you could provide to ensure that Ag Energy can support its members and future members with additional choice would be greatly appreciated. A waiver for small consuming members of the Co-op would be ideal as it supports greater consumer control over energy prices and the marketing of energy products. In the long run, well run and ethical energy co-operatives will help provide consumer-members with the most suitable energy prices and direct accountability and transparency to their energy spend. Furthermore, it would keep profits in Ontario and filter them back to the economy that generated them.

I thank you for the opportunity to comment on the ECPA and its potential future refinements.

Sincerely,



Tyler Whale, PhD, MBA
President



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