



January 7, 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 my organization, Katan Kitchens, myself as a member of the agri-food industry and as a residential consumer of energy in Ontario. Katan Kitchens is an emerging entity that works as the innovator and consolidator of growers for ancient grains in Ontario. In our model, we work with farms to harvest, refine and sell these grains or affiliated products in Canada and for global export. Our network is growing and our business model is poised to deliver new agricultural crops for Ontario farmers and new opportunities to create greater revenue on less productive/underutilized lands.

In terms of the *Energy Consumer Protection Act* (ECPA), we believe that it serves an important purpose by protecting small and less aware consumers from unfair and deceptive practices by certain energy marketers. In parallel, the OEB should provide different consideration for consumer-owned energy co-operatives as they are a completely different business model.

Ag Energy Co-operative Ltd. 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.

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 there were issues with the business, any member has the opportunity to call an all members meeting. They also can 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.

Since 1988, Ag Energy Co-operative has delivered energy to its member-customers and has a well-established track record of successful operations. The beauty of this model is that the Co-operative's profits are either distributed back to its members in the form of patronage and dividends or are retained to the Co-operative, to strengthen it in the short, medium and long term.

The OEB via the ECPA has an important mandate to ensure retail/small consumer protection from unfair business practices. The measures it has taken over the past three years have certainly enhanced protection for retail consumers. However, given the specific structure of consumer-member owned co-operatives, the consumer protection concerns addressed by the ECPA really do not apply in the same way to such co-operatives. 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 have seen similar models for phone and internet co-operatives in small communities work extremely well.

As a residential consumer and also as a business owner that supports the Ontario economy, I would like the opportunity to exercise my choice of where to procure my energy. Ag Energy provides the equivalent of a buying rebate to me via patronage and dividends; it provides trusted support and it uses the buying power of the Co-op to ensure the individual's needs are consolidated with peer members – whether it is for transportation, for the commodity or to balance between members. Further, the information and education the Co-op provides on a constant basis allows for transparency and understanding, which is far more than what most organizations would provide.

Any consideration you could provide to ensure that Ag Energy can support its members and future members with an additional choice for small consumers would be greatly appreciated. A waiver for consuming members of the Co-op would be ideal. Thank you for providing an opportunity to comment on this important piece of small consumer protection legislation.

Sincerely,

A handwritten signature in black ink that reads "Jamie Draves". The signature is written in a cursive, flowing style.

Jamie Draves,
President & CEO
Katan Kitchens

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Website: www.katan.ca