

January 8, 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:

As CEO of ProVantage Automation, past-Chair and member of the Executive of Canadian Manufacturers and Exporters Association and past Chair of Niagara Power, I am passing on my thoughts for improvement to the existing Energy Consumer Protection Act legislation and process of execution.

Undoubtedly, there is a need to protect the retail consumer from bad practices of unethical retailers in the marketplace. Far too many individuals have been penalized by the efforts of these individuals and entities. That said, there are entities and individuals that have had their rights constricted and choices diminished due to the holistic application of the ECPA. Owner-consumers of an entity, whether it is an energy co-operative or a similar structure should be provided different consideration by the very virtue of ownership and financial participation and gains in profitable periods. Specifically, I believe that energy co-operatives have the business rigour and protection via the Ontario Co-operatives Corporations Act and also from the fact that the people / entities served are the members and governors of the organization. Co-operatives are governed by the members and also exist to service those members. Member engagement, whether as an independent consumer or as a collective community, is high in a co-operative. Furthermore, competitiveness on the open market is important and if the Co-op does not operate to the benefit of the membership then member-consumers will find value elsewhere. This is simple and needs no greater encumbrances to succeed or fail. Co-ops are a self-fulfilling and self-governing model.

I am greatly familiar of the energy marketplace in Ontario and many of its challenges, whether it is as a Director of a utility or as an ambassador for the manufacturers and exporters of Ontario and Canada, or as an independent business owner and resident. I am a well-informed consumer at all levels. There are others who have varying degrees of knowledge and some also wish to place their trust in an energy co-operative that they know, respect and elect to deal with. Whether it is at one end of the spectrum or another, it is my belief that if one wishes to participate as a member of an energy co-operative and chooses to consume from the entity they own, support and financially benefit from, then a simple waiver or exclusion could be made. I wish to reinforce that for those who are not members of such structures, they should continue to be protected under the ECPA.

In Southern Ontario, there are many retailers who solicit their contracts door to door using less than scrupulous behaviour and do not operate in a transparent manner. The focus on the ECPA should be to penalize these unethical individuals or companies, and clearly there are still many opportunities to do so.

In keeping with the spirit and intent that the ECPA was created, the following modifications would enhance the efficacy and assist to provide choice to those owners that benefit from energy co-operative membership:

- 1) To uniquely identify that all energy co-operatives as unique member-owned. If a small consumer is a member of an energy co-op and wishes to energy with the co-op they should be allow to do so without the current ECPA protocol. A method of assurance would be a validation document to support this choice.
- 2) If a consumer is deemed a high volume consumer of either gas or electricity, a co-op should be able to market both gas and electricity to that consumer without falling under the parameters of the ECPA. This is for pragmatic purposes as the individual is already a "savvy consumer".
- 3) Lastly, meter consolidation by individual, entity or location. Individual meter application and scrutiny appears to be moving the pendulum in the opposite direction and is wildly inefficient from a pragmatic execution perspective. Utilities have the option to consolidate, why can't energy retailers? All stakeholders engaged in the process would benefit from this enhancement.

I have had first-hand dealings with Ag Energy Co-operative Ltd. It is a well-run organization and is a highly engaged, consumer-member owned, member-controlled co-operative. The Co-op has serviced its members for 26 years as desired and needed. It provides electricity and natural gas to its membership. Staff exists to support membership and communicate to the members. The member is the heart of the Co-op's efforts. If service levels were poor and uncompetitive, the Co-op would cease to exist.

As the Ontario Energy Board, I urge you to continue your efforts to eliminate unfair business practices for small consumers. At the same time, I encourage the OEB to support the benefit, choice and control that energy co-operatives provide as to Ontario economically (i.e. employment, taxation, economic growth) and socially (involvement in the communities it serves and active participation in the vibrant and most important agriculture, agri-food and agri-tech segments its members belong to). Do not penalize the very entities that work well for Ontario by providing unnecessary restrictions where they are not required.

Sincerest thanks for any support you provide to improvement of the ECPA and also to energy co-operatives of Ontario and specifically to Ag Energy Co-operative Ltd.

Respectfully

Robert Hattin,

CEO, ProVantage Automation

Past Chair, Canadian Manufacturers & Exporters

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