Community Energy Cooperative Canada – Ontario Hub (CECC-OH)
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February 26, 2026

Ontario Energy Board
P.O. Box 2319,
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Attention: Acting Registrar, Energy Transition team

Re: Next Generation Rate Framework Consultation
Board File No.: (EB-2026-0002)

Dear Ritchie Murray and OEB Energy Transition team,

Community Energy Cooperative Canada – Ontario Hub (CECC-OH) would like to provide comments on the Next Generation Rate Framework (NG-RF) Consultation (EB-2026-0002). CECC-OH welcomes the NG-RF consultation and urges the OEB to embed community-owned distributed energy resources (DERs) into the rate-setting framework. We propose three enhancements: broaden consumer-value outcomes, expand scope for innovative mechanisms, and ensure topics covered allow for non-wire and co-operative solutions. Below please find our detailed comments on the proposed objectives, scope and topics.

About CECC-OH

Community Energy Co-operative Canada (CECC) represents the renewable energy co-operative sector in Canada including renewable energy co-operatives (RECs) or other democratically structured, community-based organizations producing clean renewable energy sources in communities. The Ontario Hub (CECC-OH) is a sub-group specifically concerned about co-operatives and community energy in Ontario.

As a cooperative of cooperatives CECC advocates for broad societal support for the development and growth of community energy, provides knowledge sharing, training and networking tools, undertakes and supports research and development of technical, financial and organizational innovation and generally supports RECs to grow into sustainable organizations.

Members include RECs and other community organizations supplying or supporting renewable energy projects in communities. Ontario Hub members are:

- SolarShare - Toronto
- Community Energy Development Co-operative Ltd. - Kitchener

- OREC (Ottawa Renewable Energy Co-operative) - Ottawa
- Oxford Community Energy Cooperative - Woodstock
- Toronto Renewable Energy Co-operative Inc. - Toronto
- London District Renewable Energy Co-operative Inc. (LDREC) – London

1. Comments on objectives

The overall objective is that the OEB "rate-setting framework continues to drive outcomes consumers value and is fit for purpose in a changing energy sector." CECC-OH agrees with this and maintains that encouraging community-level solutions is an important aspect in achieving this objective.

'Service quality' should be expanded to include 'community resilience, local employment, and democratic ownership'.

> *Goal 1: "Strengthen incentives for achieving outcomes consumers value, including improved or maintained service quality."*
>
> We are in agreement with this objective although the term "service quality" needs to be seen much more comprehensively. Work our members undertake to develop distributed energy resources (DER) in the community help to maintain service quality but also contribute to affordability and accessibility. Also community based local ownership models add other outcomes that consumers, as citizens, are likely to value such as local employment and resilience of energy supply.

'Leveling the playing field' should encourage solutions that are cost effective and supportive of resilience and the local economy and can be measured using a 'Community Value Index'.

> *Goal 2: "Help level the playing field for solutions (e.g., non-wires solutions, shared services, etc.), whether they be capital investments or operations, maintenance and administration expenses."*
>
> This objective is important to CECC-OH as the present rate-setting framework does not take into account the added value and community support that comes from co-operative and community based local ownership models for energy provision. We suggest a dedicated metric (e.g. a 'Community Value Index') that quantifies local job creation, ownership participation, and grid resilience, to be incorporated into the benchmarking framework. The CECC represents active community energy producing cooperatives and works in partnership with academic research centres across Canada. We could assist with developing and verifying such a metric. See below (Table 1) for the many benefits of supporting community ownership of energy resources.

The OEB needs to recognize citizens, communities and cooperatives as stakeholders contributing to the electricity system.

> *Goal 3: "Support timely system buildout for electrification and economic growth and ensure that risk remains appropriately shared between utilities and consumers in the context of a changing energy landscape."*
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> We support this objective in principle but the "changing energy landscape" includes the growing involvement of citizens as communities, cooperatives, "pro-sumers" and owners of assets such as electric vehicles, home batteries and other equipment that can be recruited for enabling demand management and virtual power plants. Citizens, communities and cooperatives are stakeholders who could request cost-recovery or receive incentive credits given their contributions not only to building out the electricity system but contributing to its stability and responsiveness.

Cooperatives and related models are ideal means of enhancing energy system flexibility and tapping into local capacity to address uncertainty about future energy use.

> *Goal 4: "Explore opportunities for the rate-setting framework to address uncertainty about future energy use (e.g., the pace of electrification, and the impact of other energy resources such as hydrogen or district energy systems) and information asymmetry."*
>
> We support this objective recognizing that if the rate-setting framework can be adjusted to promote and support community-based cooperative distributed energy resources it will help to address uncertainty. Cooperative and related models mean small to medium projects of distributed energy resources and storage which are inherently more flexible, responsive, stable and resilient than centralized power plants for example.

We recognize the importance the OEB places on sticking to broader mandate objectives. As noted "the OEB will continue to ensure that consumers are protected with respect to price, reliability and adequacy of supply, rates are just and reasonable, and the opportunity for utilities to earn a fair return and the financial stability of the sector are maintained." However it needs to be recognized that present structures and incentives do not necessarily encourage utilities to support energy conservation, distributed energy resources and cooperative/community ownership. These initiatives stabilize and enhance the electricity system but utilities are left with costs to enhance the flexibility and security of the grid while community and citizen savings translate into lower revenues. Somehow the rate-setting framework needs to provide incentive to utilities to, in turn, encourage conservation, demand

management, distributed resources and hand over some production capacity and ownership to households and communities.

2. Comments on scope

Stating that the proposed scope is building on the existing rate-setting framework is fair but there should be room to consider significant new mechanisms or approaches that would give utilities incentive to promote conservation and local community agency/ownership and reward cooperative and community models that have multiple social and economic benefits.

The fact that some changes to the rate framework only apply to rate-regulated electricity distributors does not mean there is no relevance to stakeholders such as ourselves. The OEB must take into account the effect on third parties that have close ties with and dependencies on the distributors.

3. Comments on Topics

Proposed topics during the Next Generation Rate Framework consultation are reasonable as long as the levers are available to appropriately level the playing field for solutions. It will be important that performance objectives are not too narrow taking into account stability, resilience, affordability, environmental sustainability and community/household agency and participation in the electricity system. Under topic 5 on alternative approaches we recommend an explicit reference to supporting non-wire solutions, community-ownership credits and cooperative participation incentives.

Conclusion

CECC-OH sees community-owned DERs, local employment, local investment, resilience, and affordability as additional consumer-valued outcomes that should be captured in the stated goals. The scope should be flexible enough to accommodate new mechanisms (e.g., community-ownership incentives, co-op financing models). The topics also should be explicitly broad enough to include approaches to support local and cooperative participation.

Thank you for your consideration.

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Encl.: TABLE 1. Benefits of Community Ownership of Energy

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UNTAPPED INVESTMENT CAPITAL	Enabling community energy financing and investment by local citizens adds significant new low-cost capital to the energy transition.
NEW SOURCES OF LOCAL ECONOMIC BENEFIT	Community energy contributes to economic development by generating new sources of local income, creating jobs, and fostering skill and capacity development. Local funds are retained in the community.
INCREASED PUBLIC ACCEPTANCE AND TRUST OF RENEWABLE ENERGY	Community ownership increases public acceptance of renewable energy projects, leading to higher levels of local support, trust, pride, and legitimacy in the community.
POPULAR EDUCATION AND CAPACITY-BUILDING	Community energy initiatives help to educate and promote pro-environmental attitudes and behavior among participants and the wider community.
FOSTERING SOCIAL INNOVATION AND CHANGE	Community energy initiatives have the potential to promote social innovation and transformative change.
ENHANCED GRID INNOVATION AND RESILIENCE	Community energy ownership highlights the contribution of distributed energy resources to grid innovation and resilience.
INCREASED SOCIAL CAPITAL AND COHESION	Co-operative energy projects help bring people together, increasing social capital, and potentially repairing old divisions within the community, providing avenues for practicing and participating in democracy and contributing to the public good.
EQUITABLE ACCESS TO BENEFITS	Community energy deployment models can provide the opportunity for low-income residents and tenants, and those who cannot install their own renewable energy systems to still subscribe to and benefit from their lower cost.
GREATER ENERGY SECURITY AND AUTONOMY	CE initiatives contribute to enhanced energy security and resilience. They also signal greater energy autonomy, sovereignty, or independence for the involved communities

Adapted from: Julie MacArthur, Khaoula Bengezi, Dan Curwin, Niels Vilstrup, Karl Janelle, Derya Tarhan, Karen Miner, Chad Walker. 2026. *Regulatory innovation for co-operative ownership and governance in Canadian energy grids: A Roadmap for Resilience.* Community Energy Co-operative Canada & Royal Roads University. https://www.cecooperative.ca/.