



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2026-0162

CHOSEN ENERGY LIMITED

Appeal under section 7 of the Ontario Energy Board Act

BEFORE: James Sidlofsky
Presiding Commissioner

September 17, 2026



TABLE OF CONTENTS

1	OVERVIEW	1
2	CONTEXT AND PROCESS	2
3	DECISION ON APPEAL	4
4	ORDER	15

1 OVERVIEW

On May 8, 2026, Chosen Energy Limited filed a Notice of Appeal of the Ontario Energy Board's April 23, 2026 Decision and Order¹ denying a licence to retail electricity to both low volume and large volume consumers. The Decision and Order was made by an employee of the Ontario Energy Board with delegated authority pursuant to section 6(1) of the *Ontario Energy Board Act, 1998*.

For the reasons provided below, the Ontario Energy Board finds it appropriate to vary the April 23, 2026 Decision and Order. The Ontario Energy Board will issue Chosen Energy Limited the requested licence to retail electricity. The licence does not accompany this Decision and Order, but will be issued at a later date.

For the reasons discussed below, the Ontario Energy Board is issuing the licence for a two year term. Chosen Energy Limited should use the next two years to demonstrate that it is a reliable participant in the Ontario electricity market. Chosen Energy Limited may seek a longer term if and when it applies for the renewal of the licence, and it is anticipated that the Ontario Energy Board will consider Chosen Energy Limited's circumstances and history of compliance with the terms of its licence at that time. The Ontario Energy Board is making no finding at this time on Chosen Energy Limited's eligibility for a longer licence term at a later date.

¹ EB-2026-0022

2 CONTEXT AND PROCESS

On January 20, 2026, Chosen Energy Limited (Chosen Energy) filed an application with the OEB for an electricity retailer licence – more particularly, a licence to retail electricity to both low volume and large volume customers. The application was denied On May 8, 2026, Chosen Energy [appealed](#) the April 23, 2026 [Decision and Order](#) (Decision)², issued under Delegated Authority pursuant to section 6(1) of the *Ontario Energy Board Act, 1998* (OEB Act), denying its 2026 application for an electricity retailer licence.

In the Decision, the Delegated Authority found that:

Chosen Energy has not met all requirements prescribed by section 2(1) of O. Reg. 90/99, and its application for a licence to retail electricity to low volume consumers is denied pursuant to section 2(2) of O. Reg. 90/99.³

The Decision also stated that:

Chosen Energy's application for a licence to retail electricity to large volume consumers is likewise denied following consideration of the Applicant's financial position and its qualifications and experience as it pertains to conducting the licensable activities in accordance with all legal and regulatory obligations and managing the technical and financial matters related to the licensable activities.⁴

In its Appeal, Chosen Energy requested that the OEB:

- (i) reverse the Decision and grant an electricity retailer licence
- (ii) alternatively, remit the application for reconsideration by a Delegated Authority with an opportunity to address the concerns identified in the Decision and consideration of a shorter licence term
- (iii) in the further alternative, determine that Chosen Energy may re-apply for an electricity retailer licence.

Pursuant to section 7(3) of the OEB Act, the parties to the appeal are Chosen Energy (the Appellant) and the employee who made the Decision (Kevin Mancherjee). The OEB also added OEB staff as a party to the appeal.

² *Ibid.*

³ *Ibid.*, Decision and Order, April 23, 2026, p. 5

⁴ *Ibid.* p. 5

The [Notice of Hearing and Procedural Order No. 1](#) (Notice and PO No. 1) was issued on June 12, 2026. The Notice and PO No. 1 indicated that the record of the denial proceeding⁵ shall be included in the record of this appeal.

Notice and PO No. 1 directed Chosen Energy to file its written final submissions by June 24, 2026. On June 16, 2026, Chosen Energy filed a [letter](#) advising that its written submissions and legal position are set out in the Notice of Appeal already filed on May 8, 2026. Chosen Energy also stated that “while Chosen Energy reserves the right to respond to any submissions from OEB staff, it has no further submissions in chief.”

On July 10, 2026, OEB staff filed its [final submission](#) pursuant to Notice and PO No. 1.

On July 24, 2026, Chosen Energy filed its [reply submission](#) pursuant to Notice and PO No. 1.

⁵ EB-2026-0022

3 DECISION ON APPEAL

The Decision in EB-2026-0022

Chosen Energy has appealed the OEB's Decision denying it a licence to retail electricity. In its application⁶ that resulted in the denial, Chosen Energy was seeking an electricity retailer licence authorizing it to sell or offer to sell electricity to low and large volume consumers in Ontario.

This was Chosen Energy's second application for an electricity retailer licence, the first having been filed in June, 2025 and denied by the OEB in November, 2025, also under Delegated Authority pursuant to section 6(1) of the OEB Act.⁷ In denying the previous application (and Chosen Energy's related application for a natural gas marketer licence), the OEB found:

In summary, the OEB finds that it is not in the public interest to issue the electricity retailer and gas marketer licences to Chosen Energy. Having found that Chosen Energy has not met the requirement that it can reasonably be expected to be financially responsible in the conduct of business contained in section 2(1) of O. Reg. 90/99, pursuant to section 2(2) of O. Reg. 90/99, Chosen Energy's applications for a gas marketer licence and electricity retailer licence are denied.

The OEB notes that Chosen Energy may apply for an electricity retailer and/or gas marketer licence in the future if its circumstances change. This Decision is being issued without prejudice to the OEB considering a subsequent application by Chosen Energy.

In the Decision currently under appeal, the Delegated Authority found that:

While the OEB acknowledges that the Applicant has implemented certain changes following the denial of its previous electricity retailer licence application, the OEB maintains that all requirements of O. Reg. 90/99 have not been met. Furthermore, the OEB is not satisfied of the Applicant's technical capabilities and that it possesses the necessary qualifications and expertise to conduct the

⁶ *Ibid.*

⁷ EB-2025-0198. That decision also denied Chosen Energy's application for a Natural Gas Marketer licence (EB-2025-0197).

licensable activities in accordance with all legal and regulatory obligations.
[Footnote referring to EB-2025-0197/0198 omitted]⁸

The Delegated Authority made a number of findings in this regard:

- With respect to Chosen Energy's financial position, the Delegated Authority began by identifying the requirement that two years of financial statements be filed in order to demonstrate that the applicant (or parent, if applicable) is in a healthy financial position; and the alternative financial information that may be filed if the financial statements are not available. After reviewing the confidential financial materials filed with the application, the Delegated Authority found "that the information does not support a finding that the Applicant can reasonably be expected to be financially responsible in the conduct of its business."⁹
- The Delegated Authority found that Chosen Energy had not "described their policies, or provided sufficient information regarding their processes and procedures, that are in place or will be put in place to ensure compliance with its legal and regulatory obligations when serving the requested licensable activities. Further, the OEB is not satisfied that the individuals listed possess the necessary regulatory compliance, quality assurance and complaint handling expertise to operate as an electricity retailer and conduct the requested licensable activities in accordance with all legal and regulatory requirements."¹⁰
- The Delegated Authority found that "only one of the individuals listed meets the description of 'key individual' provided in the application. Notwithstanding the foregoing, the OEB finds that the individuals listed in support of regulatory compliance and technical matters have limited pertinent experience and do not provide assurance that the Applicant has the technical capability necessary to operate as a licensed electricity retailer. Further, Chosen Energy's financial position does not support the hiring or contracting individuals with such qualifications and experience to serve the projected volume of consumers."¹¹

The Delegated Authority rejected the application in respect of both low volume and large volume customers.

⁸ Decision and Order, April 23, 2026, p. 3

⁹ *Ibid.*

¹⁰ *Ibid.*, at p.4

¹¹ *Ibid.*

The Chosen Energy Appeal

Chosen Energy provided a number of grounds for its appeal – among them, that the Decision contained errors; it failed to consider the alternative of a limited term licence; it failed to provide adequate reasons for the denial; and there was a lack of procedural fairness.

Subsection 2(1) of O. Reg. 90/99 provides that a person seeking “the issuance or renewal of a licence that allows for the retailing of electricity or the marketing of gas to low volume consumers must meet all of the following requirements:

1. Having regard to the financial position of the applicant, the applicant can reasonably be expected to be financially responsible in the conduct of business.
2. The past conduct of the applicant affords reasonable grounds for belief that the applicant will carry on business in accordance with law and with integrity and honesty.
3. If the applicant is a corporation, the past conduct of its officers and directors affords reasonable grounds for belief that its business will be carried on in accordance with law and with integrity and honesty.
4. The applicant is not carrying on activities that are, or will be, if the applicant is licensed, in contravention of the Act or the regulations or the codes, orders or rules issued or made by the Board.
5. If the applicant is an individual, the applicant is at least 18 years old.”

O. Reg. 90/99 further provides that if one of the above-listed requirements is not met, the issuance or renewal of a licence “shall be refused”.

The OEB staff submission

OEB staff submitted¹² that it does not support the appeal or the relief sought to either reverse the Decision and grant an electricity retailer licence, or in the alternative, to remit the application for reconsideration by the Delegated Authority. OEB staff submitted that the evidence before the OEB supported the finding that Chosen Energy failed to satisfy the applicable licensing requirements, including those established under the OEB Act, the

¹² *Ibid.*, OEB staff Submission, July 10, 2026

Energy Consumer Protection Act, 2010, O. Reg. 90/99, the [Electricity Retailer Code of Conduct](#) and the [Retail Settlement Code](#).

OEB Staff submitted that the Delegated Authority made a reasonable and informed decision based on the complete evidentiary record submitted in the 2026 Electricity Retailer Licence Application, the requirements in the applicable legislations, regulations and OEB's Codes, and in the public interest, considering the OEB's consumer protection mandate.

OEB staff submitted that the evidentiary record supported the Delegated Authority's conclusion that Chosen Energy had not demonstrated the financial responsibility, technical qualifications and experience, and regulatory experience necessary to be licensed as an electricity retailer. OEB staff argued that the Decision provided adequate reasons for the conclusion, and the licensing process afforded Chosen Energy procedural fairness.

OEB staff opposed Chosen Energy's request that the OEB consider the issuance of a shorter-term electricity retailer licence. OEB staff submitted that where an applicant has not met the licensing requirements, there is no statutory or regulatory basis requiring a Delegated Authority to consider or issue a licence for a reduced term.

OEB staff submitted that neither the Decision nor the applicable legislative and regulatory framework prevents Chosen Energy from filing an application in the future for an electricity retailer licence. While OEB staff opposed the relief sought to reverse the Decision or remit the application for reconsideration, OEB staff submitted that it does not oppose Chosen Energy submitting a future licence application.

The Chosen Energy Reply

In its reply submission, Chosen Energy requested that the OEB:

- a) Reverse the Decision and grant an electricity retailer licence to Chosen Energy, for a full term or, as deemed appropriate, for a shorter term; or
- b) Alternatively, remit the Application to be re-heard by an OEB employee with delegated authority, with opportunity for Chosen Energy to answer the concerns raised in the Decision and requirement for the delegated authority to consider (if necessary) the appropriateness of a shorter licence term; or
- c) In the further alternative, direct that Chosen Energy may re-apply for an electricity retailer licence on a without prejudice basis.

Chosen Energy submitted that the reasons the appeal should succeed are set out in Chosen Energy's Notice of Appeal. In its reply submission, Chosen Energy set out the following responses to key items raised by OEB Staff:

Chosen Energy Meets the Narrow Statutory Requirements for an Electricity Retailer Licence

Chosen Energy submitted that the OEB's electricity retailer licence requirements are set out in Ontario Regulation 90/99 and that the Delegated Authority's decision focused on paragraph 1 of subsection 2(1): "Having regard to the financial position of the applicant, the applicant can reasonably be expected to be financially responsible in the conduct of business." Chosen Energy argued that the Delegated Authority's conclusion was in error because it failed to consider all the evidence provided. Chosen Energy submitted that the Decision on this point is not grounded in the evidence, and is, in fact, contrary to the evidence. According to Chosen Energy, the evidence, including bank information, business plan information and pro forma financial statements establishes that Chosen Energy "can reasonably be expected to be financially responsible in the conduct of business".

Chosen Energy submitted that the justification that Chosen Energy has no history of revenue-generating business is an unfair and unwarranted reason to deny licensing. Chosen Energy submitted that start-up companies exist in many fields and they may not have a record of activities, but that is not a proper reason to deny them an opportunity. Chosen Energy submitted that its lack of a history of revenue-generating activities should not be a barrier to licensing.

Chosen Energy submitted that OEB staff's allegation that it did not provide adequate supporting documents is incorrect. Chosen Energy provided a pro forma financial statement from an expert accounting firm, as well as a letter of reference from TD Bank. The pro forma financials show Chosen Energy's projected financial position (income statement, balance sheet and cashflow statement) as projected for 3 years. The letter of reference from TD Bank includes all required information about cash and credit available, and confirms Chosen Energy's positive financial position.

Chosen Energy submitted that OEB staff argued that the Delegated Authority was correct in finding that only one of the "key individuals" identified by Chosen Energy "meets the description of 'key individual' identified in the application".¹³ Chosen Energy

¹³ OEB Staff Submission, p. 9

submitted that neither the Delegated Authority nor OEB staff identify which of the proposed “key individuals” fail to meet the description from the licence application, nor the basis for that conclusion.

Chosen Energy submitted that the information set out in its licence application about the three key individuals establishes that each has experience in the energy industry, including with compliance, quality assurance and financial matters. Chosen Energy also submitted that, as explained in response to sections 12(d) and 13(a) of its Licence Application¹⁴, Chosen Energy had the support and guidance of experienced expert consultants providing support for sales, pricing, strategy and portfolio management, and for finance and accounting matters.

The Delegated Authority’s Reasons for Decision Were Inadequate

Chosen Energy submitted that the Delegated Authority’s brief reasons for decision do not meet the expected and required standard, as detailed in the Notice of Appeal.¹⁵

Chosen Energy submitted that the key finding justifying denial of the licence is that “[t]he OEB has reviewed the documents and information filed by the applicant in support of its financial position and finds that the information does not support a finding that the Applicant can reasonably be expected to be financially responsible in the conduct of its business.”¹⁶ No details whatsoever are provided. Chosen Energy submitted that it is not accurate for OEB Staff to now state in argument that “[t]he 2026 Decision enabled Chosen Energy to understand why its application was denied and what deficiencies remained outstanding”.¹⁷

OEB Staff and the Delegated Authority Denied Chosen Energy Procedural Fairness

Chosen Energy submitted that it did not receive procedural fairness. Chosen Energy argues that as set out in the Notice of Appeal, Chosen Energy’s CEO was in constant touch with OEB staff and was eager to provide any missing information and allay any questions or concerns.¹⁸ Chosen Energy submitted that rather than specifically outlining concerns apparently held by OEB staff and giving the applicant the opportunity to respond, the Application was instead directed to the Delegated Authority and denied.

¹⁴ EB-2026-0022

¹⁵ Notice of Appeal, pp. 7-8

¹⁶ EB-2026-0022, Decision and Order, p. 3

¹⁷ OEB Staff Submission, p. 12

¹⁸ Notice of Appeal, p. 9

A Shorter Term Licence Would Have Been Appropriate

Chosen Energy submitted that its Notice of Appeal sets out examples where a delegated authority has approved a shorter term electricity retailer licence to give an applicant the opportunity to establish itself as a reliable market participant.¹⁹ The Delegated Authority does not appear to have considered that option for Chosen Energy. Chosen Energy argued that it is an error.

Chosen Energy submitted that OEB staff stated that a shorter licence term would not have addressed the concerns raised by the Delegated Authority.²⁰ Chosen Energy argued that the submission fails to recognize or acknowledge that this is precisely what happened in prior cases where a shorter initial licence term was approved.

Findings

The OEB will briefly address the following broad categories of Chosen Energy's submissions (in its Notice of Appeal and its reply):

- **Alleged Errors in the Decision and Adequacy of Reasons**

As noted previously, in reaching the Decision to deny the licence, the Delegated Authority made three key findings:

- Financial: "the information does not support a finding that the Applicant can reasonably be expected to be financially responsible in the conduct of its business."
- Technical capabilities: Chosen Energy had not "described their policies, or provided sufficient information regarding their processes and procedures, that are in place or will be put in place to ensure compliance with its legal and regulatory obligations when serving the requested licensable activities"; and "the OEB is not satisfied of the Applicant's technical capabilities and that it possesses the necessary qualifications and expertise to conduct the licensable activities in accordance with all legal and regulatory obligations."
- Key individual/staff experience: "the individuals listed in support of regulatory compliance and technical matters have limited pertinent experience and do not provide assurance that the Applicant has the technical capability necessary to

¹⁹ *Ibid.*, page 6

²⁰ *Ibid.*

operate as a licensed electricity retailer. Further, Chosen Energy's financial position does not support the hiring or contracting individuals with such qualifications and experience to serve the projected volume of consumers."

While OEB staff submitted that "[t]he 2026 Decision enabled Chosen Energy to understand why its application was denied and what deficiencies remained outstanding", the basis for this conclusion is not entirely clear to the OEB. The 2026 Decision does not identify specific deficiencies or shortcomings in the application – put another way, there is no indication as to why Chosen Energy could not reasonably be expected to be financially responsible or technically capable in carrying on the intended business. The OEB appreciates that elements of the application related to the applicant's financial position, and technical skills and key individual/staff qualifications are treated as confidential. However, the decision does not include a general, non-confidential discussion of the reasons, nor is there a confidential portion of the Decision that provides further insight.

The OEB has reviewed the information provided by Chosen Energy in support of its application. This includes both the public portion of the application and the financial and staffing/external resource information provided in confidence. Chosen Energy has:

- identified certain financial resources;
- set out a limited range of policies to address customer service and compliance matters and identified key individuals that have (according to the application) energy sector experience in sales, customer service and business development (albeit not as proprietors, partners, officers or directors of entities licensed by the OEB); and
- identified external resources and contractors who will be providing financial, technical and regulatory compliance services to Chosen Energy.

The OEB agrees with the Delegated Authority that the years of energy sector experience are limited. However, the OEB also acknowledges Chosen Energy's plan to retain the services of experienced external resources. The description of policies and procedures in the Application to ensure compliance with its legal and regulatory obligations is also limited, but Chosen Energy will be required to operate in compliance with all applicable legislation and OEB codes including, without limitation, the *Retailer Code of Conduct*.

- **Procedural Fairness**

While it appears that there was communication between OEB staff and Chosen Energy's CEO following the submission of the Application, the OEB notes that it is an applicant's responsibility to submit a complete application and make its case for the issuance of a licence. Presumably the application was complete, as it went to the Delegated Authority for disposition, but it is not the role of OEB staff to assist in supplementing the application or ensuring that it will be successful. Moreover, the decision on the application is that of the Delegated Authority. While that person is an employee of the OEB, any OEB staff members communicating with the applicant do not speak for the OEB or the individual decision maker. The OEB does not find that there was a denial of procedural fairness in this case.

- **Short Term Licence**

Subsection 7(4) of the OEB Act provides that on an appeal from an order made by an employee of the OEB pursuant to section 6, the OEB may confirm, vary or cancel the order. In the current appeal, and as mentioned previously, the OEB is varying the original order, and will issue a retailer licence that contains the OEB's standard conditions with a term of two years from the date of licence issuance.

While the two year initial term is shorter than the typical five year licence term, it is not unprecedented. As Chosen Energy has accurately noted,²¹ the OEB has, on a number of occasions, issued electricity retailer licences for terms of less than five years to new market entrants. Similarly, in a recent appeal from a Delegated Authority decision, the OEB set a two year term for a new market entrant.²²

On the issue of a potential shorter licence term, OEB staff submitted (in part):

In its Appeal, Chosen Energy argued that there were "five other instances where the OEB has opted to approve a licence for two years or less, rather than five years" and submitted that "nowhere in the Decision is it shown that the Delegated Authority considered this shorter term approval option. No explanation is provided as to why this option is not appropriate for Chosen Energy." In essence, Chosen Energy submits that the Delegated Authority ought to have considered granting a shorter-term licence.

²¹ Chosen Energy Reply Submission, at page 6

²² EB-2026-0121, GridERP Inc.

OEB Staff respectfully disagrees. OEB Staff submits that the OEB is not bound by its previous licensing decisions, and each application is evaluated on its own evidentiary record and merits. The fact that shorter-term licenses have been issued in other circumstances does not create an obligation on the Delegated Authority to adopt the same approach here. Rather, the Delegated Authority was required to determine whether Chosen Energy satisfied the applicable statutory and regulatory requirements.

Neither the OEB Act nor O. Reg. 90/99 requires the Delegated Authority to consider, or provide reasons for not granting a shorter-term licence. If an applicant does not satisfy the requirements of section 2(1) and section 2(2) of O. Reg. 90/99 provides that a licence shall be refused. OEB Staff submits that the Delegated Authority appropriately applied O. Reg 90/99 in this case.²³ [Footnotes omitted]

The OEB agrees with OEB staff that the OEB is not bound by its previous licensing decisions; that each case is decided on its own record and merits; and that the Delegated Authority is not required to consider, or provide reasons for not granting a shorter-term licence.

However, the OEB has considered the past treatment of certain new market entrants; the record of the application under appeal; and the apparent effort of Chosen Energy (as acknowledged by the Delegated Authority) to implement “certain changes following the denial of its previous electricity retailer licence application.” The OEB’s past treatment of other new entrants, while not determinative, does provide some assistance in considering the current appeal. This is particularly the case where the regulation sets only a reasonableness standard with respect to the applicant’s financial position, and provides no further guidance in this regard. For example, the regulation does not require the applicant to maintain particular capital reserves.

The OEB has considered a number of key factors in determining appropriate conditions:

- i. Chosen Energy is a new entrant to the market; and
- ii. the Chief Executive Officer’s energy sector experience is outside of Ontario, and the electricity sector experience of the second and third individuals identified as key individuals (the OEB agrees with the Delegated Authority that they do not

²³ OEB Staff Submission, at page 10

meet the description of key individuals in the licence application form, but that is not fatal to the application) is limited.

The OEB considers two years to be reasonable in the current case. As noted above, Chosen Energy should use the next two years to demonstrate that it is a reliable participant in the Ontario electricity market. Chosen Energy may seek a longer term when it applies for the renewal of the licence, and it is anticipated that the OEB will consider Chosen Energy's circumstances and history of compliance with the terms of its licence at that time. The OEB is making no finding at this time on Chosen Energy's eligibility for a longer licence term at a later date.

4 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Decision of the OEB dated April 23, 2026 is varied to reverse the denial of an electricity retailer licence to Chosen Energy Limited.
2. The OEB will issue a licence authorizing Chosen Energy Limited to retail electricity subject to the standard conditions and a term of two years, pursuant to this Decision and Order.
3. Chosen Energy Limited shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

DATED at Toronto September 17, 2026

ONTARIO ENERGY BOARD

Ritchie
Murray

 Digitally signed by Ritchie
Murray
Date: 2026.09.17
08:45:35 -04'00'

Ritchie Murray
Registrar