



Ag Energy

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Co-operatives exist to fill a gap – to address a need common to the membership. To prosper and remain vital, co-ops must constantly find new and innovative ways to anticipate and deliver exactly what the membership needs. Ag Energy celebrates its 25th anniversary in 2013. This milestone is a testament to the energy distributor's resilience, dynamism and strategic growth initiatives. In 2013, the market for energy in Ontario looks very different than it did in 25 years ago. Back then, there was no retail energy market. Energy was controlled by crown corporations and pricing was regulated by the province. When the government deregulated the natural gas market in 1988, the threat of volatility in this new market created a new and more uncertain environment for energy consumers.

A group of Ontario greenhouse operations pursued a co-operative solution to the concerns of the open market, and subsequently formed Ag Energy to purchase their natural gas. When the province deregulated electricity in 2002, Ag Energy expanded into that market as well. Greenhouses use a lot of gas and electricity, so minor price fluctuations can have a significant impact on their bottom line. By becoming a co-op member, these growers could rely on stability and security not afforded to their counterparts who bought from conventional power brokers.

Today, Ag energy is flourishing. Though it pursued some solar projects under the FIT program, the co-op's core business remains the sale of natural gas and electricity. Food processors and ethanol producers have joined greenhouses as Ag energy members. The co-op maintains a growing seller portfolio to continue to stay competitive. In 2012, the co-op was successful enough to pay patronage and dividends to its members on both gas and electricity. Planned growth is spurred by new and changing membership, and the organization is focused on reducing administrative efforts. To that end, the organization hopes to have consumption and share information online in the near future.

For its 25th anniversary, Ag Energy is planning to celebrate their successes with current and former members in what remains a volatile and high-risk industry. It's clear to the co-op that celebrating membership drives success, and the committed and savvy board of directors is clear proof. This year, Ag Energy is more focused on getting out in the community than ever, with the goal to connect more youth with socially responsible business. Ag energy continues to boost involvement in the local agriculture community and is an active member of the Guelph Co-op Network and On Co-op.

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