



June 3, 2019

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27th floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Algoma Power Inc. 2020 Cost of Service Application (EB-2019-0019)**

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On May 17, 2019, Algoma Power Inc. ("API") submitted its 2020 Cost of Service Application (the "Application"). The Application requested that the OEB make determinations on a number of items as Preliminary Issues, as outlined in Items #11 through #14 in API's list of requested approvals in Section 1.3.4 of Exhibit 1. On May 31, 2019, the OEB issued a letter confirming that it would commence processing the Application, and that it would be in contact to discuss process related to the Preliminary Issues.

Following discussion with OEB Staff related to process for the Preliminary Issues and the implications that process would have on the timely resolution of the Application, API has decided to modify the relief requested in the Application as follows:

- 1) API withdraws its request for an amendment to its electricity distribution licence to extend the expiry date of certain code exemptions (Item #11 in the list of requested approvals) and confirms that it will address this item in a separate, stand-alone application;
- 2) API maintains its request for the OEB to approve the cost allocation and recovery methodologies for each category of DLI-related costs (Items #12 and #13 in the list of requested approvals), but withdraws its request for the OEB to make determinations on these items as Preliminary Issues; and,
- 3) API replaces its request for the OEB to approve a continuation of the rate rider related to the disposition of Account 1574 on an interim basis (Item #14 in the list of requested approvals), with a request to resume charging this rate rider, effective January 1, 2020.

In support of these changes, the following consequential amendments have been made to the evidence and the OEB's Chapter 2 Appendices:

- 1) Items #9 and #10 have been removed from Section 1.2.3 – Executive Summary;
- 2) Section 1.3.4 – Legal Application has been updated to reflect that API is no longer making requests pursuant to Section 74 of the Act, and is no longer seeking approval of any items as Preliminary Issues;
- 3) The lists of approvals in Section 1.3.4 and Appendix 1C, and OEB Appendix 2-A have been updated accordingly;
- 4) Sections 1.3.6 and 1.3.8 of Exhibit 1 have been updated accordingly;
- 5) The words “as a preliminary issue” have been removed from references to Sections 1.3.4 and 1.3.7 in the following Exhibits:
  - a. Exhibit 2 (p. 54 of 57)
  - b. Exhibit 4 (p. 30 of 94)
  - c. Exhibit 7 (p. 8 of 23)

Amended versions of Exhibits 1, 2, 4 and 7, as well as the OEB's Chapter 2 Appendices (changes to 2-A only) have been submitted through RESS. Two sets of hard copies (pages with changes only) have been printed on blue pages and sent to the OEB's offices for the purpose of updating hard copies of the Application. For clarity, API did not make any changes to Section 1.3.5, but included this section due to changes in spacing resulting from updates to other sections.

Evidence in Section 9.11.3 of Exhibit 9 related to the extension of the Seasonal rate rider that provides for the disposition of Account 1574 has not been updated at this time. API acknowledges that the OEB is unlikely to make a decision on this matter prior to the June 30, 2019 expiry of the current rate rider, which will cause a gap in rider revenue between the expiry of the current rider on June 30, 2019 and the eventual re-implementation date of the rider as a result of this Application. In view of the likelihood of the gap in rider revenue API has revised Section 1.3.8 to reflect its commitment to updating the calculation of the required disposition period for the rider during the proceeding based on the timing of the OEB's decision on this matter and any updates to the load forecast for the Seasonal class.

API respectfully submits that with these amendments the Application can be processed in the normal course without the need for extraordinary, preliminary procedural steps, given the elimination of all requests for the determination of certain elements of the Application as Preliminary Issues.

If you have any questions in connection with the amendments outline above, please do not hesitate to contact the undersigned by phone or by email.

Yours truly,

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