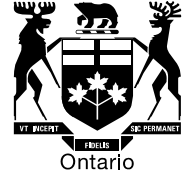


**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

December 07, 2011

Douglas Bradbury
Algoma Power Inc.
2 Sackville Avenue, Suite A
Sault Ste. Marie ON P6B 6J6

Dear Mr. Bradbury:

**Re: Algoma Power Inc.
Application for 2012 Rates
Application Board File Number EB-2011-0152**

This is to advise Algoma Power Inc. that the Rural and Remote Rate Protection Adjustment factor to be reflected in the final calculation of 2012 rates is 2.81%.

This is pursuant to the Board's EB- 2009-0278 Decision where at page 8 the Board indicated that it "... intends to calculate an RRRP adjustment factor annually for Algoma Power, with rates and the RRRP amount for the rate year affected accordingly. Every year the Board will communicate the RRRP adjustment factor to Algoma to ensure it is reflected in Algoma' Power's rates application."

For your information, the calculation details of the factor are enclosed as Schedule A.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary

cc. Parties to the EB-2011-0152 proceeding

**2012 Rural and Remote Rate Protection Factor
-calculation-**

Schedule A

Applicant Name *	Class	MFC 2010	VC 2010	MFC 2011	VC 2011	TB 2010	TB 2011	\$ Chg	% Chg	Average % Chg
Atikokan Hydro Inc.	Residential	30.53	9.68	30.58	9.68	40.21	40.26	0.05	0.12%	
Atikokan Hydro Inc.	GS < 50	69.89	17.80	70.02	17.80	87.69	87.82	0.13	0.15%	0.14%
Bluewater Power Distribution Corporation	Residential	13.66	14.88	13.68	14.88	28.54	28.56	0.02	0.07%	
Bluewater Power Distribution Corporation	GS < 50	24.48	34.40	24.01	33.80	58.88	57.81	-1.07	-1.82%	-0.87%
Brant County Power Inc.	Residential	10.95	17.28	11.00	16.56	28.23	27.56	-0.67	-2.37%	
Brant County Power Inc.	GS < 50	16.51	37.20	17.00	35.40	53.71	52.40	-1.31	-2.44%	-2.41%
Brantford Power Inc.	Residential	11.34	10.96	11.36	10.96	22.30	22.32	0.02	0.09%	
Brantford Power Inc.	GS < 50	24.54	12.80	24.59	12.80	37.34	37.39	0.05	0.13%	0.11%
Burlington Hydro Inc.	Residential	12.15	13.28	12.12	13.20	25.43	25.32	-0.11	-0.43%	
Burlington Hydro Inc.	GS < 50	25.24	27.20	25.19	27.00	52.44	52.19	-0.25	-0.48%	-0.45%
Cambridge and North Dumfries Hydro Inc.	Residential	9.93	12.88	9.95	12.88	22.81	22.83	0.02	0.09%	
Cambridge and North Dumfries Hydro Inc.	GS < 50	12.33	26.20	11.76	25.00	38.53	36.76	-1.77	-4.59%	-2.25%
Canadian Niagara Power Inc. (Average)	Residential	17.03	13.84	17.16	13.89	30.87	31.05	0.19	0.60%	
Canadian Niagara Power Inc. (Average)	GS < 50	24.51	40.40	24.09	39.47	64.91	63.56	-1.35	-2.08%	-0.74%
Centre Wellington Hydro Ltd.	Residential	13.99	10.32	13.79	10.16	24.31	23.95	-0.36	-1.48%	
Centre Wellington Hydro Ltd.	GS < 50	15.43	32.20	15.21	31.80	47.63	47.01	-0.62	-1.30%	-1.39%
Chapleau Public Utilities Corporation	Residential	18.43	8.16	18.46	8.16	26.59	26.62	0.03	0.11%	
Chapleau Public Utilities Corporation	GS < 50	30.01	24.40	30.00	24.40	54.41	54.40	-0.01	-0.02%	0.05%
Chatham-Kent Hydro Inc.	Residential	18.03	6.72	18.10	6.72	24.75	24.82	0.07	0.28%	
Chatham-Kent Hydro Inc.	GS < 50	33.10	22.40	33.23	22.40	55.50	55.63	0.13	0.23%	0.26%
COLLUS Power Corporation	Residential	9.40	14.24	8.94	13.52	23.64	22.46	-1.18	-4.99%	
COLLUS Power Corporation	GS < 50	17.86	22.40	17.86	22.40	40.26	40.26	0.00	0.00%	-2.50%
Cooperative Hydro Embrun Inc.	Residential	13.49	10.08	13.51	10.08	23.57	23.59	0.02	0.08%	
Cooperative Hydro Embrun Inc.	GS < 50	20.02	33.20	20.06	33.20	53.22	53.26	0.04	0.08%	0.08%
E.L.K. Energy Inc.	Residential	11.17	6.32	11.13	6.32	17.49	17.45	-0.04	-0.23%	
E.L.K. Energy Inc.	GS < 50	11.10	3.40	11.06	3.40	14.50	14.46	-0.04	-0.28%	-0.25%
Enersource Hydro Mississauga Inc.	Residential	11.75	9.44	11.77	9.44	21.19	21.21	0.02	0.09%	
Enersource Hydro Mississauga Inc.	GS < 50	39.51	23.00	39.58	23.00	62.51	62.58	0.07	0.11%	0.10%
ENWIN Utilities Ltd.	Residential	10.70	15.92	10.70	16.00	26.62	26.70	0.08	0.30%	
ENWIN Utilities Ltd.	GS < 50	25.17	32.40	25.22	40.00	57.57	65.22	7.65	13.29%	6.79%
Erie Thames Powerlines Corporation	Residential	14.19	10.08	14.19	10.08	24.27	24.27	0.00	0.00%	
Erie Thames Powerlines Corporation	GS < 50	18.94	18.00	18.94	18.00	36.94	36.94	0.00	0.00%	0.00%
Espanola Regional Hydro Distribution Corporation	Residential	9.94	9.60	9.96	9.60	19.54	19.56	0.02	0.10%	
Espanola Regional Hydro Distribution Corporation	GS < 50	17.88	29.40	17.95	29.40	47.28	47.35	0.07	0.15%	0.13%
Essex Powerlines Corporation	Residential	12.55	11.84	12.57	11.84	24.39	24.41	0.02	0.08%	
Essex Powerlines Corporation	GS < 50	20.59	14.00	25.89	17.60	34.59	43.49	8.90	25.73%	12.91%
Festival Hydro Inc.	Residential	14.75	13.04	14.78	12.96	27.79	27.74	-0.05	-0.18%	
Festival Hydro Inc.	GS < 50	29.05	29.00	28.87	29.00	58.05	57.87	-0.18	-0.31%	-0.24%
Fort Frances Power Corporation	Residential	11.85	6.96	11.89	6.96	18.81	18.85	0.04	0.21%	
Fort Frances Power Corporation	GS < 50	28.55	13.20	28.64	13.00	41.75	41.64	-0.11	-0.26%	-0.03%

**2012 Rural and Remote Rate Protection Factor
-calculation-**

Schedule A

Greater Sudbury Hydro Inc.	Residential	16.00	9.84	16.00	9.84	25.84	25.84	0.00	0.00%	
Greater Sudbury Hydro Inc.	GS < 50	21.72	37.40	21.36	36.80	59.12	58.16	-0.96	-1.62%	-0.81%
Grimsby Power Inc.	Residential	15.17	6.88	15.11	6.88	22.05	21.99	-0.06	-0.27%	
Grimsby Power Inc.	GS < 50	25.66	20.00	25.56	20.00	45.66	45.56	-0.10	-0.22%	-0.25%
Guelph Hydro Electric Systems Inc.	Residential	13.39	13.12	13.41	13.12	26.51	26.53	0.02	0.08%	
Guelph Hydro Electric Systems Inc.	GS < 50	12.24	31.20	12.26	31.20	43.44	43.46	0.02	0.05%	0.06%
Haldimand County Hydro Inc.	Residential	12.23	26.72	14.10	24.88	38.95	38.98	0.03	0.08%	
Haldimand County Hydro Inc.	GS < 50	28.60	40.40	28.65	40.40	69.00	69.05	0.05	0.07%	0.07%
Halton Hills Hydro Inc.	Residential	12.92	9.68	12.94	9.68	22.60	22.62	0.02	0.09%	
Halton Hills Hydro Inc.	GS < 50	28.13	17.80	28.28	17.80	45.93	46.08	0.15	0.33%	0.21%
Hearst Power Distribution Company Limited	Residential	8.42	8.16	9.00	12.48	16.58	21.48	4.90	29.55%	
Hearst Power Distribution Company Limited	GS < 50	5.97	19.40	19.50	13.20	25.37	32.70	7.33	28.89%	29.22%
Horizon Utilities Corporation	Residential	12.68	10.16	14.45	11.36	22.84	25.81	2.97	13.00%	
Horizon Utilities Corporation	GS < 50	27.45	14.60	32.16	16.80	42.05	48.96	6.91	16.43%	14.72%
Hydro 2000 Inc.	Residential	8.50	4.80	8.53	4.80	13.30	13.33	0.03	0.23%	
Hydro 2000 Inc.	GS < 50	24.52	16.20	24.61	16.20	40.72	40.81	0.09	0.22%	0.22%
Hydro Hawkesbury Inc.	Residential	5.87	6.32	5.89	6.32	12.19	12.21	0.02	0.16%	
Hydro Hawkesbury Inc.	GS < 50	13.55	10.80	13.60	10.80	24.35	24.40	0.05	0.21%	0.18%
Hydro One Brampton Networks Inc.	Residential	10.48	12.32	9.75	11.36	22.80	21.11	-1.69	-7.41%	
Hydro One Brampton Networks Inc.	GS < 50	20.15	35.60	17.61	31.00	55.75	48.61	-7.14	-12.81%	-10.11%
Hydro Ottawa Limited	Residential	8.52	16.56	8.54	16.56	25.08	25.10	0.02	0.08%	
Hydro Ottawa Limited	GS < 50	14.73	37.00	14.76	37.00	51.73	51.76	0.03	0.06%	0.07%
Innisfil Hydro Distribution Systems Limited	Residential	19.02	14.88	19.05	14.88	33.90	33.93	0.03	0.09%	
Innisfil Hydro Distribution Systems Limited	GS < 50	30.88	18.40	28.60	17.00	49.28	45.60	-3.68	-7.47%	-3.69%
Kenora Hydro Electric Corporation Ltd.	Residential	13.53	7.92	18.77	10.96	21.45	29.73	8.28	38.60%	
Kenora Hydro Electric Corporation Ltd.	GS < 50	25.77	8.00	36.86	11.40	33.77	48.26	14.49	42.91%	40.75%
Kingston Hydro Corporation	Residential	10.12	9.92	12.06	11.84	20.04	23.90	3.86	19.26%	
Kingston Hydro Corporation	GS < 50	23.46	19.40	24.83	20.60	42.86	45.43	2.57	6.00%	12.63%
Kitchener-Wilmot Hydro Inc.	Residential	9.55	13.52	9.59	13.60	23.07	23.19	0.12	0.52%	
Kitchener-Wilmot Hydro Inc.	GS < 50	25.17	24.40	25.27	24.40	49.57	49.67	0.10	0.20%	0.36%
Lakefront Utilities Inc.	Residential	9.25	10.64	9.29	10.72	19.89	20.01	0.12	0.60%	
Lakefront Utilities Inc.	GS < 50	23.07	17.00	22.20	16.20	40.07	38.40	-1.67	-4.17%	-1.78%
Lakeland Power Distribution Ltd.	Residential	15.19	10.96	15.22	10.96	26.15	26.18	0.03	0.11%	
Lakeland Power Distribution Ltd.	GS < 50	36.26	16.60	36.33	16.60	52.86	52.93	0.07	0.13%	0.12%
London Hydro Inc.	Residential	12.59	11.36	12.61	11.36	23.95	23.97	0.02	0.08%	
London Hydro Inc.	GS < 50	29.27	18.20	29.32	18.20	47.47	47.52	0.05	0.11%	0.09%
Middlesex Power Distribution Corporation (Average)	Residential	12.80	10.13	12.84	10.13	22.94	22.97	0.04	0.16%	
Middlesex Power Distribution Corporation (Average)	GS < 50	22.01	14.27	22.07	14.27	36.28	36.34	0.06	0.17%	0.17%
Midland Power Utility Corporation	Residential	11.66	15.52	11.68	15.52	27.18	27.20	0.02	0.07%	
Midland Power Utility Corporation	GS < 50	14.70	30.80	14.73	30.80	45.50	45.53	0.03	0.07%	0.07%
Milton Hydro Distribution inc.	Residential	13.71	10.24	14.80	11.04	23.95	25.84	1.89	7.89%	
Milton Hydro Distribution inc.	GS < 50	14.70	31.20	15.79	33.60	45.90	49.39	3.49	7.60%	7.75%

**2012 Rural and Remote Rate Protection Factor
-calculation-**

Schedule A

Newmarket-Tay Power Distribution Ltd. (Average)	Residential	14.02	10.08	14.71	11.44	24.10	26.15	2.05	8.51%	
Newmarket-Tay Power Distribution Ltd. (Average)	GS < 50	21.57	33.60	29.28	38.20	55.17	67.48	12.32	22.32%	15.42%
Niagara Peninsula Energy Inc. (Average)	Residential	13.00	12.64	15.62	12.56	25.64	28.18	2.54	9.91%	
Niagara Peninsula Energy Inc. (Average)	GS < 50	28.81	27.60	36.77	26.80	56.41	63.57	7.16	12.69%	11.30%
Niagara-on-the-Lake Hydro Inc.	Residential	18.03	10.16	18.06	10.16	28.19	28.22	0.03	0.11%	
Niagara-on-the-Lake Hydro Inc.	GS < 50	45.27	27.20	45.35	27.20	72.47	72.55	0.08	0.11%	0.11%
Norfolk Power Distribution Inc.	Residential	20.73	15.20	20.77	15.20	35.93	35.97	0.04	0.11%	
Norfolk Power Distribution Inc.	GS < 50	49.47	27.60	49.74	27.80	77.07	77.54	0.47	0.61%	0.36%
North Bay Hydro Distribution Limited	Residential	14.16	10.16	14.21	10.16	24.32	24.37	0.05	0.21%	
North Bay Hydro Distribution Limited	GS < 50	21.70	33.60	21.78	33.80	55.30	55.58	0.28	0.51%	0.36%
Northern Ontario Wires Inc.	Residential	17.57	10.64	17.64	10.72	28.21	28.36	0.15	0.53%	
Northern Ontario Wires Inc.	GS < 50	23.55	26.40	23.64	26.60	49.95	50.24	0.29	0.58%	0.56%
Oakville Hydro Electricity Distribution Inc.	Residential	13.25	11.60	13.10	11.44	24.85	24.54	-0.31	-1.25%	
Oakville Hydro Electricity Distribution Inc.	GS < 50	32.54	28.60	32.20	28.20	61.14	60.40	-0.74	-1.21%	-1.23%
Orangeville Hydro Limited	Residential	16.18	11.20	16.14	11.12	27.38	27.26	-0.12	-0.44%	
Orangeville Hydro Limited	GS < 50	32.76	20.00	32.82	20.00	52.76	52.82	0.06	0.11%	-0.16%
Orillia Power Distribution Corporation	Residential	13.47	12.96	13.49	12.96	26.43	26.45	0.02	0.08%	
Orillia Power Distribution Corporation	GS < 50	35.32	31.40	35.38	31.40	66.72	66.78	0.06	0.09%	0.08%
Oshawa PUC Networks Inc.	Residential	8.43	9.84	8.45	9.84	18.27	18.29	0.02	0.11%	
Oshawa PUC Networks Inc.	GS < 50	8.37	34.40	8.39	34.40	42.77	42.79	0.02	0.05%	0.08%
Parry Sound Power Corporation	Residential	16.79	10.72	21.55	13.76	27.51	35.31	7.80	28.35%	
Parry Sound Power Corporation	GS < 50	25.29	20.80	32.19	26.40	46.09	58.59	12.50	27.12%	27.74%
Peterborough Distribution Incorporated	Residential	11.79	9.20	11.81	9.20	20.99	21.01	0.02	0.10%	
Peterborough Distribution Incorporated	GS < 50	29.59	17.80	29.64	17.80	47.39	47.44	0.05	0.11%	0.10%
Powerstream Inc. (Average)	Residential	13.61	10.84	13.55	10.80	24.45	24.35	-0.09	-0.39%	
Powerstream Inc. (Average)	GS < 50	22.14	27.80	22.18	27.80	49.94	49.98	0.04	0.08%	-0.15%
PUC Distribution Inc.	Residential	8.71	12.08	8.73	12.08	20.79	20.81	0.02	0.10%	
PUC Distribution Inc.	GS < 50	14.81	35.60	14.87	35.60	50.41	50.47	0.06	0.12%	0.11%
Renfrew Hydro Inc.	Residential	14.49	11.92	14.11	11.68	26.41	25.79	-0.62	-2.35%	
Renfrew Hydro Inc.	GS < 50	29.96	26.40	30.07	26.60	56.36	56.67	0.31	0.55%	-0.90%
Rideau St. Lawrence Distribution Inc.	Residential	10.26	9.36	10.28	9.36	19.62	19.64	0.02	0.10%	
Rideau St. Lawrence Distribution Inc.	GS < 50	24.22	14.80	24.34	14.80	39.02	39.14	0.12	0.31%	0.20%
Sioux Lookout Hydro Inc.	Residential	24.01	8.24	24.05	8.24	32.25	32.29	0.04	0.12%	
Sioux Lookout Hydro Inc.	GS < 50	42.65	16.20	42.73	16.20	58.85	58.93	0.08	0.14%	0.13%
St. Thomas Energy Inc.	Residential	10.93	12.48	11.50	12.80	23.41	24.30	0.89	3.80%	
St. Thomas Energy Inc.	GS < 50	15.50	28.40	17.00	29.40	43.90	46.40	2.50	5.69%	4.75%
Thunder Bay Hydro Electricity Distribution Inc.	Residential	10.17	10.24	9.88	9.92	20.41	19.80	-0.61	-2.99%	
Thunder Bay Hydro Electricity Distribution Inc.	GS < 50	17.86	26.20	17.89	26.20	44.06	44.09	0.03	0.07%	-1.46%
Tillsonburg Hydro Inc.	Residential	10.53	14.40	9.82	13.44	24.93	23.26	-1.67	-6.70%	
Tillsonburg Hydro Inc.	GS < 50	24.81	30.20	24.85	30.20	55.01	55.05	0.04	0.07%	-3.31%
Toronto Hydro-Electric System Limited	Residential	18.25	12.58	18.25	12.16	30.83	30.41	-0.42	-1.35%	

**2012 Rural and Remote Rate Protection Factor
-calculation-**

Schedule A

Toronto Hydro-Electric System Limited	GS < 50	24.30	45.40	24.30	44.94	69.70	69.24	-0.46	-0.66%	-1.00%
Veridian Connections Inc. (Average)	Residential	10.51	13.92	10.53	13.92	24.43	24.45	0.02	0.08%	
Veridian Connections Inc. (Average)	GS < 50	12.59	36.40	12.28	35.30	48.99	47.58	-1.42	-2.89%	-1.40%
Wasaga Distribution Inc.	Residential	11.81	11.76	11.82	11.76	23.57	23.58	0.01	0.04%	
Wasaga Distribution Inc.	GS < 50	13.64	27.60	13.65	27.60	41.24	41.25	0.01	0.02%	0.03%
Waterloo North Hydro Inc.	Residential	14.56	10.48	14.56	14.72	25.04	29.28	4.24	16.93%	
Waterloo North Hydro Inc.	GS < 50	30.63	20.80	30.63	27.40	51.43	58.03	6.60	12.83%	14.88%
Welland Hydro-Electric System Corp.	Residential	14.21	11.44	14.24	11.44	25.65	25.68	0.03	0.12%	
Welland Hydro-Electric System Corp.	GS < 50	24.54	17.20	24.58	17.20	41.74	41.78	0.04	0.10%	0.11%
Wellington North Power Inc.	Residential	13.86	11.12	13.88	11.12	24.98	25.00	0.02	0.08%	
Wellington North Power Inc.	GS < 50	27.83	24.00	27.88	24.00	51.83	51.88	0.05	0.10%	0.09%
West Coast Huron Energy Inc.	Residential	14.08	14.56	14.08	14.56	28.64	28.64	0.00	0.00%	
West Coast Huron Energy Inc.	GS < 50	33.44	23.00	33.43	23.00	56.44	56.43	-0.01	-0.02%	-0.01%
Westario Power Inc.	Residential	11.22	11.28	11.24	11.28	22.50	22.52	0.02	0.09%	
Westario Power Inc.	GS < 50	20.55	18.20	20.59	18.20	38.75	38.79	0.04	0.10%	0.10%
Whitby Hydro Electric Corporation	Residential	16.71	10.96	17.24	11.28	27.67	28.52	0.85	3.07%	
Whitby Hydro Electric Corporation	GS < 50	19.51	36.20	19.80	38.80	55.71	58.60	2.89	5.19%	4.13%
Woodstock Hydro Services Inc.	Residential	11.10	15.20	12.72	17.44	26.30	30.16	3.86	14.68%	
Woodstock Hydro Services Inc.	GS < 50	21.45	24.60	24.58	28.20	46.05	52.78	6.73	14.61%	14.65%
Hydro One Networks Inc.	Residential	13.98	26.55	20.29	36.08	40.53	56.37	15.84	39.07%	
Hydro One Networks Inc.	GS < 50	27.62	70.74	26.21	68.01	98.35	94.22	-4.14	-4.21%	17.43%

* Note: Rate Orders as of November 15, 2011

Average Percentage Change	2.81%
---------------------------	-------