

December 10, 2012

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

Dear Ms. Walli,

RE: Algoma Power Inc.: Application for 2013 Electricity Distribution Rates; EB-2012-0104

On October 22, 2012, Algoma Power Inc. ("API") applied to the Ontario Energy Board (the "Board") for an Order or Orders approving its proposed electricity distribution rates for API effective January 1, 2013. The Ontario Energy Board issued File Number EB-2012-0104.

On June 15, 2012 API submitted its application for Smart Meter Cost Recovery. The Board assigned File Number EB-2012-0285 to this matter. On July 17, 2012, API requested that the Smart Meter application referenced above be "held in abeyance and combined with API's future 2013 IRM rate application". The Board granted permission for the Smart Meter application to be held in abeyance until such time as Algoma filed its 2013 IRM rate application, at which time both the Smart Meter application and the 2013 IRM rate application would be combined.

In the application attached, API requested an exemption from the requirements of Time of Use billing for 47 remote customers that are beyond the reach of conventional communications infrastructure.

API requests to withdraw this section of the application and will make a separate application to amend its distribution license as it relates to its installations.

Yours truly,

Original signed by:

Douglas R. Bradbury Director, Regulatory Affairs

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