



EB-2014-0055

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Algoma
Power Inc. for an order approving just and reasonable
rates and other charges for electricity distribution to be
effective January 1, 2015.

INTERIM RATE ORDER AND PROCEDURAL ORDER NO. 3

October 16, 2014

Algoma Power Inc. ("Algoma Power") filed a complete cost of service application (the "Application") with the Ontario Energy Board (the "Board") on May 12, 2014 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Algoma Power charges for electricity distribution, to be effective January 1, 2015. The Board assigned the Application file number EB-2014-0055.

The Board established procedures to facilitate a technical conference which was held on August 20, 2014 and a settlement conference which commenced on September 29, 2014. The parties' settlement discussions concluded on October 8, 2014.

Algoma Power filed a proposed partial settlement agreement between itself and the registered intervenors (collectively, "the Parties") on October 10, 2014.

The following issues remain unsettled:

- Algoma Power's proposal to seek recovery of the RRRP funding variance from the 2002 to 2007 period;
- The appropriate revenue-to-cost ratios; and
- The appropriate fixed/variable ratio.

The Parties have proposed that the unsettled issues be heard by the Board in an oral hearing. The Board grants this request, and has scheduled an oral hearing for October 20-21, 2014.

The Board is reserving its decision on the proposed settlement agreement at this time. If necessary, the Board may wish to question the Parties on the proposed partial settlement agreement at the commencement of the oral hearing on October 20, 2014.

Interim Rate Order

Algoma Power filed its application with the Board on May 12, 2014 with a proposed effective date of January 1, 2015 for new rates. Algoma Power requested approval of making its current rates interim on January 1, 2015 in the event that the requested 2015 rates are not implemented by that time. The Board's decision may not be issued until after the proposed effective date of January 1, 2015. The Board is therefore declaring Algoma Power's current approved rates interim as of January 1, 2015 pending the Board's final decision on this Application. This determination is made without prejudice to the Board's decision on the Application, and should not be construed as predictive, in any way whatsoever, of the Board's final determination with regards to the effective date of rates arising from this Application.

The Board considers it necessary to make provision for the following matters related to this proceeding.

THE BOARD ORDERS THAT:

1. Algoma Power Inc.'s current Board-approved Tariff of Rates and Charges is declared interim effective January 1, 2015.
2. An oral hearing shall be convened on October 20, 2014, starting at 9:30 a.m. If necessary, the oral hearing shall continue on October 21, 2014, starting at 9:30 a.m. The oral hearing will be held in the Board's North Hearing Room at 2300 Yonge Street, 25th Floor, Toronto.

All filings to the Board must quote the file number, EB-2014-0055, be made through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format.

Filings must clearly state the sender's name, postal address and telephone number, fax

number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Suresh Advani at suresh.advani@ontarioenergyboard.ca and Board Counsel, Ljuba Djurdjevic at ljuba.djurdjevic@ontarionenergyboard.ca.

ADDRESS

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DATED at Toronto, **October 16, 2014**

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary