



August 14, 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. ("API") Application for 2020 Distribution Rates (EB-2019-0019)
Responses to Interrogatories and Confidential Filing**

In accordance with Procedural Order No. 1, dated July 3, 2019, please find enclosed API's responses to interrogatories submitted by Ontario Energy Board Staff ("Staff"), the Vulnerable Energy Consumers Coalition ("VECC"), and the School Energy Coalition ("SEC"). A number of supporting models and related documents, as referenced throughout the enclosed responses, are also included on the enclosed memory stick and have been filed electronically via RESS.

API has redacted limited portions of the following documents in the hard copy and publicly filed version of these responses:

- Cost breakdowns provided in response to 2-Staff-29;
- Cost breakdowns provided in response to 2-Staff-30; and,
- Certain cost breakdown details and identification of specific properties/areas in the Facilities Business Case and associated appendices filed in support of the response to 2-Staff-29(a) and referenced in other interrogatory responses.

The enclosed memory stick contains both the public (redacted) versions of the above-referenced documents, as well as the unredacted versions which are being filed in confidence pursuant to the OEB's Practice Direction on Confidential Filings (the "Practice Direction").

The redacted information is limited to the following:

- Identification of the preferred property on which API proposes to construct its new Sault Ste. Marie work centre;
- Identification of API's forecasted purchase price for this property;
- Identification of other properties which API also considered for the construction of the work centre; and,

- The detailed breakdown of estimated construction costs for the project, which has not yet been tendered, and a potential alternative which could be considered if the project is not approved.

API is in the process of preparing a conditional offer to purchase the preferred property and believes that public disclosure of the redacted information at this point in time could impair its ability to acquire the preferred property at competitive market rates. Further, API has not yet tendered the detailed design and construction of the new facility and believes that disclosure of a detailed cost breakdown on the public record could jeopardize the competitiveness of the tendering process.

Pursuant to the Practice Direction, API has made every effort to keep the amount of redacted information to a minimum by redacting specific information only and publicly filing the balance of the documents.

API notes that the next steps in the proceeding are the determination of a draft issues list by August 20, 2019, followed by a settlement conference scheduled for August 28-30, 2019. API is prepared to verbally disclose and discuss the redacted information to participants in the settlement conference and/or to provide unredacted copies of the relevant documents at any point in time to counsel and experts that have executed the Board's form of Declaration and Undertaking with respect to confidentiality.

If API is able to secure its acquisition of the preferred property prior to the OEB's final decision and order in the current proceeding, a portion of the redacted information may no longer require confidential treatment and API would consider withdrawing its request for confidential treatment of that specific information. Further, API notes that the detailed breakdown of the project cost estimate, and the results of the tendering process for the Sault Ste. Marie Facility project would be placed on the public record of a future IRM proceeding when API seeks approval of the associated rate riders.

If you have any questions or require further information, please do not hesitate to contact me.

Yours truly,

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cc: Intervenor of Record in EB-2019-0019
Birgit Armstrong, OEB Case Manager