

BY EMAIL

August 20, 2019

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Algoma Power Inc. (Algoma Power)
Application for 2020 Electricity Distribution Rates
OEB Staff Submission
Ontario Energy Board File Number: EB-2019-0019**

In accordance with Procedural Order No. 2, please find attached OEB staff's submission in the above proceeding.

Yours truly,

Original Signed By

Birgit Armstrong
Project Advisor
Major Applications

Encl.

ONTARIO ENERGY BOARD

STAFF SUBMISSION ON CONFIDENTIALITY

2020 ELECTRICITY DISTRIBUTION RATES

Algoma Power Inc.

EB-2019-0019

August 20, 2019

INTRODUCTION

Algoma Power Inc. (Algoma Power) filed a cost of service application with the Ontario Energy Board (OEB) on May 17, 2019 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, 2020.

In the cover letter accompanying Algoma Power's responses to interrogatories, filed August 14, 2019, and pursuant to the OEB's *Practice Direction on Confidential Filings* (Practice Direction), Algoma Power requested confidential treatment for documents and associated appendices in two interrogatory responses related to its proposed Sault Ste. Marie facility:

1. Cost breakdown provided in response to 2-Staff-29
2. Cost breakdown provided in response to 2-Staff-30

The OEB issued Procedural Order No. 2 on August 15, 2019, which set out a schedule for submissions and a reply submission on the confidentiality requests. OEB staff's submission on the confidentiality requests is set out below.

STAFF SUBMISSION

Algoma Power redacted the following information:

- Identification of the preferred property on which Algoma Power proposes to construct its new Sault Ste. Marie work center
- Identification of Algoma Power's forecasted purchase price for this property
- Identification of other properties which Algoma Power also considered for the construction of the work center
- 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

Algoma Power noted that it 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 could impair its ability to acquire the preferred property at competitive market rates. Algoma Power further stated that it 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.

Algoma Power stated that it is prepared to verbally disclose the redacted information to participants in the settlement conference and/or provide unreacted copies of the relevant documents at any point in time to counsel and experts that have executed the OEB's form of Declaration and Undertaking with respect to confidentiality.

In Appendix A of the Practice Direction, the OEB states that it will strive to find balance between the general public interest in transparency and openness and the need to protect confidential information. Among other factors, the OEB may consider the potential harm that could result from the disclosure of the information, including prejudice to any person's competitive position and whether the information could interfere significantly with negotiations being carried out by a party. Given the specific information and ongoing nature of negotiations, OEB staff submits that the redacted information in response to 2-Staff-29 and 2-Staff-30, and the associated documents and Excel spreadsheet, should be maintained in confidence.

All of which is respectfully submitted