



November 16, 2020

Ms. Christine E. Long
Registrar
Ontario Energy Board
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Algoma Power Inc. ("API") 2021 IRM Application (EB-2020-0003)
Inflation Factor Election**

In response to the OEB's letter of November 9, 2020, API confirms that it is electing to implement the standard 2021 inflation factor for electricity distributors, which the OEB calculated as 2.2%. In consideration of API's assigned stretch factor of 0.60%, the resulting net 2021 Price-Cap IR adjustment factor for API is 1.60%.

Sincerely,

Greg Beharriell, P.Eng.
Manager, Regulatory Affairs
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cc: Birgit Armstrong (OEB Staff)