



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

DECISION AND RATE ORDER

EB-2025-0054

ALGOMA POWER INC.

Application for rates and other charges to be effective January 1, 2026

BEFORE: **Allison Duff**
 Presiding Commissioner

December 18, 2025

1. OVERVIEW

The Ontario Energy Board (OEB) is approving changes to the rates that Algoma Power Inc. (Algoma Power) charges to distribute electricity to its customers, effective January 1, 2026.

The OEB approves the proposed annual adjustment to distribution rates of 3.10% using the OEB-approved Price Cap Incentive-Rate setting formula. The OEB also approves the additional adjustment to rates from the Rural or Remote Electricity Rate Protection (RRRP) program.¹ For 2026, the OEB approves a RRRP adjustment factor of 3.78% and RRRP funding of \$20,112,182 which decreases distribution rates for Algoma Power's residential customers.

The OEB approves interim disposition of certain Group 2 deferral and variance accounts and change in 2026 base rates to reflect the outcomes of the OEB's generic proceeding on cost of capital².

As a result of this Decision and Rate Order, there will be a monthly total bill increase of \$1.01 (0.60%) for a residential customer with a monthly consumption of 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate but includes impacts resulting from the Distribution Rate Protection (DRP) program. Algoma Power is one of the electricity distributors in Ontario to which this tax-funded program applies. The program has been in effect since July 2017 and currently caps monthly distribution charges at \$42.88.³

The OEB is also approving Algoma Power's request to continue changing the composition of its distribution service rates for Seasonal Customers. Residential and Seasonal distribution service rates have historically included a fixed monthly charge and a variable usage charge. In 2026, a Seasonal customer's fixed rate will increase by \$4 per month with a corresponding decrease to the variable usage charge.

¹ The setting of rates for Algoma Power's Residential R1 and R2 classes is subject to subsections 4(3.1) and 4(3.2) of Ontario Regulation 442/01 (Rural Or Remote Electricity Rate Protection) (RRRP Regulation), and Ontario Regulation 445/07 (Reclassifying Certain Classes Of Consumers As Residential-Rate Class Customers: Section 78 of the Act), each made under the *Ontario Energy Board Act, 1998*

² EB-2024-0063, Decision and Order, March 27, 2025

³ EB-2025-0133, Decision and Order, June 17, 2025

2. CONTEXT AND PROCESS

Algoma Power filed its application on August 14, 2025 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with [Chapter 3 \(Incentive Rate-Setting Applications\)](#) of the OEB's *Filing Requirements for Electricity Distribution Rate Applications* (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) used by the OEB.⁴ It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing adjustment years.

The OEB follows a standardized and streamlined process for processing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. The distributor then reviews, completes, and includes the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

Algoma Power serves approximately 12,460 mostly residential and commercial electricity customers in the Algoma District of Ontario.

Notice of the application was issued on September 2, 2025. There were no intervenors.

The application was supported by pre-filed written evidence, Rate Design Models, and a completed Rate Generator Model. As required during the proceeding, Algoma Power updated and clarified the evidence.

Algoma Power responded to interrogatories from OEB staff. Final submissions on the application were filed by OEB staff on October 31, 2025, and Algoma Power on November 13, 2025.

⁴ Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

3. DECISION OUTLINE

Each of the following issues is addressed in this Decision and Rate Order, together with the OEB's findings.

- Annual Adjustment Mechanism
- Rural or Remote Electricity Rate Protection
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Group 2 Deferral and Variance Accounts
- Residential Rate Design
- Implementation

This Decision and Rate Order does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges⁵ and loss factors, which are out of the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

⁵ Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the OEB's Decision and Order in EB-2025-0199, June 19, 2025, established the adjustment for energy retailer service charges, effective January 1, 2026; and the OEB's Decision and Order in EB-2025-0200, issued June 19, 2025, established the 2026 Wireline Pole Attachment Charge, effective January 1, 2026.

4. ANNUAL ADJUSTMENT MECHANISM

Algoma Power has applied to change its rates, effective January 1, 2026. The proposed rate change is based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.⁶

The components of the Price Cap adjustment formula applicable to Algoma Power are set out in the table below. Inserting these components into the formula results in a 3.10% increase to Algoma Power's rates: **3.10% = 3.70% - (0.00% + 0.60%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁷		3.70%
Less: X-factor	Productivity factor ⁸	0.00%
	Stretch factor (0.00% to 0.60%) ⁹	0.60%

An inflation factor of 3.70% applies to all IRM applications for the 2026 rate year. The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2026 rate year. The stretch factor component of the X-factor is one of five stretch factor groupings established by the OEB, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Algoma Power is 0.60%, resulting in a rate adjustment of 3.10%.

⁶ The adjustment does not apply to the following components of delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges (other than the Wireline Pole Attachment charge), and microFIT charge.

⁷ OEB Letter, 2026 Inflation Parameters, issued June 11, 2025

⁸ Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, December 4, 2013

⁹ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2024 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 18, 2025

OEB staff submitted that it has no concerns with Algoma Power's proposed Price Cap adjustment, and Algoma Power noted that the Price Cap adjustment of 3.10% should be applied to the January 1, 2026, distribution rates.

Findings

The OEB approves of Algoma Power's request for a 3.10% rate increase. The OEB finds the calculation is in accordance with the annually updated parameters set by the OEB. Algoma Power's new rates shall be effective January 1, 2026.

5. RURAL OR REMOTE ELECTRICITY RATE PROTECTION

Under the Rural or Remote Electricity Rate Protection (RRRP) Regulation, certain ratepayers in rural and remote areas of Ontario qualify for rate relief. This includes ratepayers in Algoma Power's R1 and R2 rate classes. The program is designed to subsidize electricity distributors serving rural or remote areas, ensuring that eligible customers pay electricity rates lower than they would otherwise incur.¹⁰

The RRRP funding provided to Algoma Power's eligible customer classes must be calculated in accordance with the applicable regulation and using the methodology established in prior OEB decisions.¹¹ This methodology requires determining an RRRP adjustment factor, which is equal to the simple average of the change in base rates (i.e., monthly fixed charges and distribution volumetric rates) for Residential and GS<50 customer classes across all licensed distributors in the preceding rate year. In its 2026 IRM application, Algoma Power is requesting adjustments to RRRP funding.¹²

OEB staff calculated an RRRP adjustment factor of 3.78%, which was applied to Algoma Power's base rates for R1 and R2 customer classes. This calculation was included in the OEB staff submission for Algoma Power's review and confirmation of accuracy.

OEB staff also calculated the RRRP funding amount of \$20,112,182, based on the difference between Algoma Power's indexed revenue requirement for R1 and R2 and the amounts recovered through base rates, after applying the RRRP adjustment factor and accounting for the disposition of the 2025 Cost of Capital deferral and variance account (DVA) for R1/R2. Algoma Power reviewed and agreed with OEB staff's updates to the RRRP funding amount in the rate design model.

Findings

The OEB has reviewed the methodology and calculations employed and approves the 3.78% adjustment factor and the resulting RRRP funding amount of \$20,112,182.

¹⁰ The setting of rates for Algoma Power's Residential R-1 and R-2 classes is subject to subsections 4(3.1) and 4(3.2) of O. Reg. 442/01 (Rural or Remote Electricity Rate Protection), and O. Reg. 445/07 (Reclassifying Certain Classes of Consumers as Residential-Rate Class Customers: Section 78 of the Act), each made under the *Ontario Energy Board Act, 1998*

¹¹ EB-2009-0278, Decision and Order

¹² Manager's Summary, p. 8

6. RETAIL TRANSMISSION SERVICE RATES

In Ontario, some distributors are connected directly to a licensed transmitter, while others may be embedded, or partially embedded, within the distribution system of another licensed distributor. Algoma Power is directly connected to a licensed transmitter.

To recover its cost of transmission services, Algoma Power requests approval to adjust the Retail Transmission Service Rates (RTSRs) that it charges its customers in accordance with the Uniform Transmission Rates (UTRs) currently in effect. Algoma Power updated its RTSRs based on the preliminary UTRs.

The OEB sets the UTRs based on the approved revenue requirements for multiple transmitters. Preliminary UTRs are based on those revenue requirements that have already been approved for 2026. These preliminary UTRs are to be used for the setting of RTSRs to minimize the accumulation of variances in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge). The cost consequences of any future adjustments to 2026 UTRs to reflect remaining approvals to a transmitter's revenue requirement will be tracked in these accounts and recovered over time. On October 9, 2025, the OEB announced preliminary UTRs effective January 1, 2026.¹³

OEB staff had no concerns with Algoma Power's requested adjustments to its RTSRs.¹⁴

On March 31, 2025, the OEB issued a report on the design of a new Electric Vehicle Charging Rate (EVC Rate), *Electric Vehicle Charging Rate Overview – Final Report*. The EVC Rate reduces the RTSRs that participating electric vehicle charging stations pay. The report requires electricity distributors to begin offering the EVC Rate to eligible customers in 2026, once their OEB-approved 2026 distribution rates become effective.

Findings

Algoma Power's proposed adjustment to its RTSRs is approved. The RTSRs have been adjusted based on the preliminary UTRs.

If final UTRs differ from the preliminary UTRs, the resulting differences will be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

¹³ EB-2025-0232, OEB Letter "2026 Preliminary Uniform Transmission Rates and Hydro One Sub-Transmission Rates", issued October 9, 2025

¹⁴ OEB Staff Submission, October 31, 2025, p. 1

In accordance with the OEB's March 31, 2025 report, Algoma Power will provide eligible electric vehicle charging station customers with the option to elect to be charged the RTSRs on the basis of the EVC Rate.

7. GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 DVAs to determine whether those balances should be disposed of. OEB policy states that Group 1 account balances should be disposed of if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor can justify why balances should not be disposed of.¹⁵ If the net balance does not exceed the threshold, a distributor may still request disposition.¹⁶

The 2024 year-end net balance for Algoma Power's Group 1 accounts eligible for disposition, including interest projected to December 31, 2025, is a credit of \$136,810, and pertains to variances accumulated during the 2024 calendar year. This amount represents a total claim of \$0.0005 per kWh, which does not exceed the pre-set disposition threshold of \$0.001 per kWh.

Algoma Power has not requested disposition of its 2024 Group 1 DVA balances.

OEB staff noted that as the 2024 balances remain under review and could potentially impact the 2023 balances, there should also be no disposition of 2023 balances. In its reply submission, Algoma Power agreed with OEB staff's position and confirmed that no disposition should occur.

Algoma Power further requested approval to continue recording amounts in Account 1595, sub-account 2021, due to the sunset of certain Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) rate riders on December 31, 2023. OEB staff did not make a submission on this proposal.

Findings

The OEB finds that no disposition of Group 1 DVA balances will occur at this time as the disposition threshold was not exceeded.

The OEB approves Algoma Power's request to continue recording amounts in Account 1595, sub-account 2021, related to LRAMVA rate riders that expired December 31, 2023. The OEB is making no determination at this time on the potential future disposition of LRAMVA amounts.

¹⁵ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative" (EDDVAR), EB-2008-0046, July 31, 2009

¹⁶ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0046)", issued July 25, 2014

8. GROUP 2 DEFERRAL AND VARIANCE ACCOUNTS

Algoma Power's 2025 revenue requirement was approved in its cost of service proceeding using interim cost of capital parameters: a deemed short-term debt rate of 5.04% and a deemed return on equity (ROE) of 9.25%. Under the approved partial settlement, Algoma Power was required to update these parameters once the OEB issued the final 2025 Cost of Capital values.¹⁷

Following the OEB's March 27, 2025 generic cost of capital Decision and Order, Algoma Power recalculated its 2025 base revenue requirement using the final short-term debt rate of 3.91% and ROE of 9.00%, with no change to long-term debt.¹⁸ This resulted in a decrease of \$325,232 (0.97%), comprised of reductions in short-term debt (\$81,104), ROE (\$179,434), and PILs (\$64,694), plus estimated interest of \$10,261. The total refund to ratepayers is \$335,493.¹⁹

Algoma Power recorded these differences in Account 1508 – ROE Variance and Account 1508 – DSTDR Variance and proposes to dispose of these balances in this IRM proceeding and close the sub-accounts.²⁰ Algoma Power also proposes to amend 2026 base rates to reflect the final 2025 cost of capital parameters in accordance with OEB guidance.²¹

For allocation, Algoma Power used the 2025 approved class revenue requirement, returning the R1/R2 portions to the RRRP fund and crediting Seasonal and Street Lighting customers through a one-year rate rider.²² OEB staff considered the proposed allocation reasonable and consistent with Algoma Power's RRRP framework.

OEB staff had no concerns with the disposition of Algoma Power's cost of capital variance account balances and the adjustment to the base revenue requirement formula for 2026 rates on an interim basis. OEB staff submitted that Algoma Power's proposal was consistent with the objectives of the generic cost of capital Decision and Order and supported intergenerational equity. OEB staff agreed with Algoma Power that there was no specific OEB-approved treatment for implementing the generic cost of capital Decision and Order in its 2025 cost of service and that the proposal aligned with the OEB's findings that such variance accounts may be disposed of in an IRM or Custom IR application.

¹⁷ EB-2024-0007, [Partial Decision and Order](#), p. 6

¹⁸ IRR 1-Staff-4

¹⁹ *Ibid.*

²⁰ IRR 1-Staff-1, part a

²¹ EB-2024-0063

²² Manager's Summary, p. 28, Table 18

OEB staff noted that the complexity of annual layering of cost of capital calculations with IRM adjustments, Seasonal Rate Design changes, RRRP adjustments, and future billing policy updates was mitigated by the proposal. OEB staff further explained that the OEB's practice is to approve final disposition only on the basis of audited results, and Algoma Power's balances were not yet audited. As a result, OEB staff supported disposition on an interim basis until the balances can be audited. OEB staff did not anticipate significant forecasting errors given that the final cost of capital rates were available and the balances arose from a mechanistic true-up from interim to final 2025 parameters. OEB staff expected any true-up to occur as part of Algoma Power's 2027 IRM application.²³

Algoma Power agreed with OEB staff and supported disposition of the account balances on an interim basis until they are audited. Algoma Power noted that the updated RRRP funding amount for 2026 had been adjusted for a one-year, one-time disposal of cost of capital-related amounts totaling \$(298,347). The final RRRP funding amount, including the updated RRRP adjustment factor of 3.78% and the cost of capital adjustments, is \$20,112,182.

Findings

The OEB approves of the total credit balance of \$335,493 recorded in Account 1508 – ROE Variance, and Account 1508 – DSTDR Variance to reflect the final 2025 cost of capital parameters. The OEB approves the proposed interim disposition, a refund to customers, pending a third-party audit of the balances. The OEB will consider the closure of these sub-accounts when the balances are disposed on a final basis.

In addition, the OEB approves the proposed amendment to 2026 base rates and the updated RRRP funding amount for 2026 of \$20,112,182 to reflect the final 2025 cost of capital parameters.

²³ OEB Staff Submission, October 31, 2025, pp. 6-7

9. RESIDENTIAL RATE DESIGN

Some residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB's residential rate design policy²⁴ stipulates that distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period, that began in 2016. Distributors such as Algoma Power, who were approved for a transition period that is greater than four years, or who commenced transition in a later year, are required to continue with this transition until the monthly service charge is fully fixed.

Algoma Power noted that, as of January 1, 2023, the Residential R1(i) class has been billed using fully fixed distribution rates, completing the Residential Rate Design Transition for this class.²⁵ No further adjustments are required for the R1(i) class.

In this application, Algoma Power includes adjustments to the rate design for Seasonal service customers. Algoma Power explained that it was previously approved for an extended transition period and is required to continue this process until the fixed monthly charge is fully implemented.²⁶ As part of the OEB-approved settlement in Algoma Power's 2025 cost of service rates proceeding, the parties agreed to delay the implementation of fully fixed monthly distribution rates for the Seasonal class. Algoma Power would maintain the then-current fixed-variable split for this class as a rate mitigation measure. Beginning in 2026, Algoma Power would resume the transition to fully fixed rates.²⁷

In this proceeding, Algoma Power has proposed to resume that transition for the Seasonal class.²⁸ For 2026, Algoma Power proposes a \$4 per month increase to the fixed charge, accompanied by a corresponding reduction in the volumetric rate. Algoma Power forecasts that the transition of the Seasonal class to a fully fixed monthly charge will be completed by 2028.²⁹

Algoma Power's bill impact analysis, based on 2019 consumption data, shows that 10% of Seasonal customers consume 15 kWh per month. For these customers, the proposed 2026 rate change would result in an \$8.50 (8.57%) increase, which remains below the OEB's 10% threshold for requiring a mitigation plan.

²⁴ OEB Policy "A New Distribution Rate Design for Residential Electricity Customers", EB-2012-0410, issued April 2, 2015

²⁵ *Ibid.*

²⁶ EB-2023-0005, Decision and Rate Order, December 7, 2023, p. 4

²⁷ EB-2024-0007, Settlement Proposal supporting Partial Decision, November 19, 2024, p. 36

²⁸ Manager's Summary, p. 22

²⁹ *Ibid.*, p. 23

OEB staff submitted that it has no concerns with Algoma Power's residential rate design proposals in its 2026 IRM application. Algoma Power replied that it agreed with OEB staff that no rate mitigation is required, noting that Seasonal customers, including those at the 10th percentile of consumption, remain below the OEB's 10% threshold. Algoma Power further submitted that the proposed rate design adjustment should be approved as filed.

Findings

The OEB finds that the proposed 2026 increase to the monthly fixed charge for the Seasonal customer class is calculated in accordance with the OEB's residential rate design policy. The results of the monthly fixed charge and total bill impact for low-consumption consumers demonstrate that no mitigation is required. The OEB acknowledges that Algoma Power has already completed its transition to a fully fixed rate structure for residential customers.

The OEB approves the increase as proposed by the applicant as calculated in the final Rate Generator Model.

10. IMPLEMENTATION

Algoma Power Inc.'s new distribution rates shall be effective January 1, 2026. This Decision and Rate Order is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Tariff of Rates and Charges set out at Schedule A is deemed draft until certain procedural steps in the Order section are completed.

The Rate Generator Model also incorporates the following regulatory rates and charges set out in Table 10.1.

Table 10.1: Regulatory Rates and Charges

Rates	per kWh (\$)
Rural or Remote Electricity Rate Protection (RRRP)	0.0006
Wholesale Market Service (WMS) billed to Class A and B Customers	0.0041
Capacity Based Recovery (CBR) billed to Class B Customers	0.0006
Charges	(\$)
Smart Metering Entity Charge	0.42
microFIT Charge	5.00
Standard Supply Service - Administrative Charge (if applicable)	0.25

Each of the rates is a component of the “Regulatory Charge” on a customer’s bill and established separately by the OEB. The RRRP and WMS rates were set by the OEB on December 11, 2025.³⁰

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering

³⁰ EB-2025-0299, Decision and Order, December 11, 2025

Entity Charge was set by the OEB on September 8, 2022.³¹

The Standard Supply Service Charge is a monthly fee set by the OEB that covers the administrative costs of an electricity distributor when a customer buys power directly from them under the Regulated Price Plan instead of a third-party energy retailer. This fixed charge is uniform across all utilities in the province and is in addition to the Wholesale Market Service charge.

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,³² the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On November 27, 2025, the OEB issued a letter advising electricity distributors that the microFIT charge shall continue to be \$5.00 for the duration of the 2026 rate year (January 1 to December 31, 2026).³³

³¹ EB-2022-0137, Decision and Order, September 8, 2022

³² EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

³³ OEB Letter, “Review of Fixed Monthly Charge for microFIT Generator Service Classification”, issued November 27, 2025

11. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Algoma Power Inc.'s new distribution rates shall be effective January 1, 2026, in accordance with this Decision and Rate Order.
2. The Tariff of Rates and Charges set out at Schedule A of this Decision and Rate Order is deemed draft until the following procedural steps have been complied with:
 - i. Algoma Power Inc. shall review the Tariff of Rates and Charges and shall file with the OEB written confirmation of its completeness and accuracy or provide a detailed explanation of any inaccuracies or missing information, by December 19, 2025.
 - ii. The Tariff of Rates and Charges will be considered final if Algoma Power Inc. does not provide a submission to the OEB that inaccuracies were found or information was missing pursuant to item 2.i
 - iii. If the OEB receives a submission from Algoma Power Inc. to the effect that inaccuracies were found or information was missing pursuant to item 2.i, the OEB will consider the submission and issue a Final Rate Order.
3. Algoma Power Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
4. In accordance with the OEB's March 31, 2025 report, *Electric Vehicle Charging Rate Overview – Final Report*, Algoma Power Inc. will, as of January 1, 2026, provide eligible customers with the option to elect to be charged Retail Transmission Service Rates on the basis of the Electric Vehicle Charging Rate, subject to the standard terms and conditions set out in Appendix A of the report.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2025-0054** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 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, Oluwole (Wolly) Bibiresanmi, at 437-880-4352 or oluwole.bibiresanmi@oeb.ca

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, December 18, 2025

ONTARIO ENERGY BOARD

Ritchie Murray
Acting Registrar

SCHEDULE A
DECISION AND RATE ORDER
ALGOMA POWER INC.
TARIFF OF RATES AND CHARGES
EB-2025-0054
DECEMBER 18, 2025

Algoma Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2026
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2025-0054

RESIDENTIAL R1 SERVICE CLASSIFICATION

For the purposes of rates and charges, a residential service is defined in two ways:

- i) a dwelling occupied as a residence continuously for at least eight months of the year and, where the residential premises is located on a farm, includes other farm premises associated with the residential electricity meter, and
- ii) consumers who are treated as residential-rate class customers under Ontario Regulation 445/07 (Reclassifying Certain Classes of Consumers as Residential-Rate Class Customers: Section 78 of the Ontario Energy Board Act, 1998) made under the Ontario Energy Board Act, 1998.

This application refers to a Residential service with a demand of less than, or is forecast to be less than, 50 kilowatts, and which is billed on an energy basis. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge - Applicable only to customers that meet criteria (i) above	\$	69.91
Service Charge - Applicable only to customers that meet criteria (ii) above	\$	31.35
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate - Applicable only to customers that meet criteria (ii) above	\$/kWh	0.0441
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0121
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0088

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0006
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0006
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Algoma Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2026
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2025-0054

RESIDENTIAL R2 SERVICE CLASSIFICATION

This classification refers to a Residential service with a demand equal to or greater than, or is forecast to be equal to or greater than, 50 kilowatts, and which is billed on a demand basis. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	806.69
Distribution Volumetric Rate	\$/kW	4.1798
Retail Transmission Rate - Network Service Rate	\$/kW	4.6211
Retail Transmission Rate - Network Service Rate - EV CHARGING	\$/kW	0.7856
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	3.3435
Retail Transmission Rate - Line and Transformation Connection Service Rate - EV CHARGING	\$/kW	0.5684

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0006
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0006
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Algoma Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2026
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approved schedules of Rates, Charges and Loss Factors

EB-2025-0054

SEASONAL CUSTOMERS SERVICE CLASSIFICATION

This classification includes all services supplied to single-family dwelling units for domestic purposes, which are occupied on a seasonal/intermittent basis. A service is defined as Seasonal if occupancy is for a period of less than eight months of the year. Class B consumers are defined in accordance with O. Reg. 429. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	105.13
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0250
Rate Rider for Cost of Capital DVA (2026) - effective until December 31, 2026 (approved on an interim basis)	\$	(1.0500)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0121
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0088

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0006
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0006
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting. The consumption for these unmetered accounts will be based on the calculated connection load times the calculated hours of use established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per device)	\$	2.29
Distribution Volumetric Rate	\$/kWh	0.3695
Rate Rider for Cost of Capital DVA (2026) - effective until December 31, 2026 (approved on an interim basis)	\$/kWh	(0.0045)
Retail Transmission Rate - Network Service Rate	\$/kW	3.3462
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.4119

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0006
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0006
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.00
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

SPECIFIC SERVICE CHARGES

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Customer Administration

Arrears certificate (credit reference)	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	\$	65.00
Reconnection at meter - after regular hours	\$	185.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	415.00

Other

Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments)		40.59
Service call - customer owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Temporary service install & remove - overhead - no transformer	\$	500.00
Temporary service install & remove - underground - no transformer	\$	300.00
Temporary service install & remove - overhead - with transformer	\$	1,000.00

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RETAIL SERVICE CHARGES (if applicable)

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Retail Service Charges refer to services provided by Algoma Power Inc. to retailers or customers related to the supply of competitive electricity and are defined in the 2006 Electricity Distribution Rate Handbook.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	125.72
Monthly fixed charge, per retailer	\$	50.29
Monthly variable charge, per customer, per retailer	\$/cust.	1.24
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.74
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.74)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.63
Processing fee, per request, applied to the requesting party	\$	1.24
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	5.03
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.51

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer	1.0873
Total Loss Factor - Primary Metered Customer	1.0765