

March 31, 2010

Kirsten Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms. Walli,

**Re: Kingston Hydro Corporation – Licence No. ED-2003-0057
2010 Incentive Regulation Mechanism (2010 IRM) Rate Application
Board File No. EB-2009-0201
Review of Draft Tariff of Rates and Charges
Kingston_DRF_Tariff_Review_20100331**

As per the Ontario Energy Board's order in item 2 of the Decision and Order, issued March 25, 2010, in the matter of an application filed by Kingston Hydro Corporation with the Ontario Energy Board to have its rates adjusted for May 1, 2010 on the basis of the 2nd Generation Incentive Rate Mechanism process, Kingston Hydro has reviewed the draft Tariff of Rates and Charges set out in Appendix A of the Decision and Order.

The review has revealed several inaccuracies and they are as follows:

1. Distribution Company name referred to in Appendix A

Kingston Hydro Corporation's previous name, Kingston Electricity Distribution Limited, appears throughout the Appendix A Tariff of Rates and Charges, rather than our current name, Kingston Hydro Corporation.

The heading for each of pages 1-10 of the Tariff of Rates and Charges should read our current name, Kingston Hydro Corporation. As well, on page 6 of the Tariff of Rates and Charges, under "Standby Power", there is a reference to Kingston Electricity Distribution that should read Kingston Hydro Corporation.

2. Transformer Allowance for Ownership metric

The metric for Transformer Allowance for Ownership is \$/kW. The Tariff, p.9, is missing the "/kW" and only shows "\$".

3. Service Charge and Distribution Volumetric Rate Tariff Inaccuracies

Several rate class service charges and distribution volumetric rates in the Tariff of Rates and Charges differ from IRM2 Rate Model rate outputs. Kingston Hydro's calculations of these 2010 rates reveal outputs that match those of the IRM2 Model. The table below details the inaccuracies.

Distribution Service Charge Rate

Class	Kingston Hydro Calculations		IRM2 Model		2010 Tariff Sheet		% Diff
	2010 Rates	2010 Rates Rounded	Final Base	Final Rounded			
Residential	10.119862	10.12	10.119900	10.12	10.15	check	0.3%
General Service Less Than 50 kW	23.388565	23.39	23.388653	23.39	23.46	check	0.3%
General Service 50 to 4,999 kW	234.103491	234.10	234.104378	234.10	234.82	check	0.3%
Large Use	3,864.252310	3,864.25	3,864.266963	3,864.27	3876.01	check	0.3%
Unmetered Scattered Load	9.703977	9.70	9.704014	9.70	9.73	check	0.3%
Standby Power - APPROVED ON AN INTERIM BASIS	0.000000	0.00	0.000000	0.00		ok	
Street Lighting	0.861475	0.86	0.861479	0.86	0.86	ok	

Distribution Volumetric Rate

Class	Kingston Hydro Calculations		IRM2 Model		Tariff Sheet		% Diff
	2010 Rates	2010 Rates Rounded	Final Base	Final Rounded			
Residential	0.012378	0.0124	0.012378	0.0124	0.0124	ok	
General Service Less Than 50 kW	0.009704	0.0097	0.009704	0.0097	0.0097	ok	
General Service 50 to 4,999 kW	1.689086	1.6891	1.689092	1.6891	1.6942	check	0.3%
Large Use	0.837117	0.8371	0.837120	0.8371	0.8397	check	0.3%
Unmetered Scattered Load	0.011783	0.0118	0.011783	0.0118	0.0118	ok	
Standby Power - APPROVED ON AN INTERIM BASIS	0.000000	0.0000	0.000000	0.0000		ok	
Street Lighting	3.912683	3.9127	3.912698	3.9127	3.9246	check	0.3%

Kingston Hydro Corporation's submission follows the guidelines set by the Ontario Energy Board. As President and Chief Executive Officer of Kingston Hydro Corporation, I respectfully request that this submission be considered by the Board and reflected in the final Tariff of Rates and Charges.

Yours truly,



J.A. Keech, President & CEO
Kingston Hydro Corporation