



October 5, 2018

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

Attention: Board Secretary

Re: OEB Proposed Customer Service Rules - Allocation of Payment (Section 5.2.4).

Thank you for the opportunity to provide input to the proposed customer service rule.

Kingston Hydro Corporation's electric customer bills are combined with our municipal customer's utilities (water, sewer and gas). Our preference would be to continue to allocate customer payments to electric first and not allow the customer to make the choice. The reason being, during the winter disconnection ban period when we are not able to mitigate our financial risk by disconnecting electric customers our customers may choose to pay only the water portion of the bill to prevent disconnection of their water service while not paying anything towards their electric account. The financial risk to the municipal utilities is mitigated with the option to transfer municipal utility arrears to the property owner's property taxes in the event a customer does not pay following a disconnection or disconnection notice. The financial risk to the electric utility if we not able to allocate payments to electric first would then be burdened on our other electric customers as our bad debt for electric customers increase.

Therefore, Kingston Hydro Corporation asks that the current rule of allocation to electric first remain especially if the winter disconnection ban remains in place.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Meleschuk".

S.B. Meleschuk
Vice President and Corporate Secretary