



Ontario
Energy
Board | Commission
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de l'Ontario

BY E-MAIL

May 15, 2020

James Keech, P.Eng.
President and Chief Executive Officer
Kingston Hydro Corporation
P.O. Box 790
Kingston ON L9Z 1A2
regulatory@kingstonhydro.com

Dear Mr. Keech:

**Re: Application for 2021 Electricity Rates
OEB File No. EB-2020-0034**

This letter is in response to your letter expressing an interest to defer Kingston Hydro Corporation's (Kingston Hydro) rebasing of its rates beyond the 2021 rate year.

The Ontario Energy Board (OEB) has reviewed Kingston Hydro's 2018 performance and a forecast of the 2019 performance. As a result, the OEB is granting Kingston Hydro's request to defer its 2021 cost of service application. The OEB will place Kingston Hydro on the list of distributors whose rates will be scheduled for rebasing for the 2022 rate year.

If Kingston Hydro subsequently seeks a further deferral the OEB will consider whether the Annual Incentive Rate-setting Index method that was developed for distributors intending longer periods without rebasing should be applied. The OEB will also consider whether the filing of a distribution system plan would be required at that time. Any request for an incremental capital module would need to be supported by evidence on Kingston Hydro's overall capital plan and how the proposed capital project has been accommodated in that plan, such as through the filing of an update to an existing distribution system plan.

If Kingston Hydro intends to seek a rate adjustment for 2021 rates, the OEB expects Kingston Hydro to adhere to the process for Price Cap Incentive Rate-setting applications for the 2021 rate year.

Yours truly,

Original signed by

Christine E. Long
Registrar and Board Secretary

cc. sgibson@utilitieskingston.com