

January 8, 2010

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

Dear Ms. Walli:

**Re: Docid Number – EB-2009-0201  
Kingston Hydro Corporation - Licence No. ED-2003-0057  
2010 IRM2 Distribution Rate Application  
Kingston\_IRR\_Board\_Staff\_20100108**

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Kingston Hydro Corporation filed an IRM2 Distribution Rate Application with the Ontario Energy Board (the "Board") on October 21, 2009 seeking approval for changes to rates that Kingston Hydro Corporation may charge for electricity distribution to be effective May 1, 2010.

Subsequently Board Staff filed interrogatories on December 15, 2009 and Kingston Hydro Corporation was advised that it was required to file responses to the interrogatories by January 11, 2010.

Enclosed please find two hard copies of Kingston Hydro Corporation's complete responses to all Board Staff interrogatories and a CD Rom containing a copy of the responses in PDF format and a completed Deferral and Variance Workform V4 in separate non-PDF format. An electronic copy of the complete responses in PDF format has been submitted through the Board's *Regulatory Electronic Submission System* ("RESS").

Yours truly,

*Original Signed by*

J.A. Keech, President & C.E.O.  
Kingston Hydro Corporation

Encl.

**Board Staff Interrogatories  
2010 IRM2 Electricity Distribution Rates  
Kingston Hydro Corporation ("Kingston Hydro")  
EB-2009-0201**

**1. Ref: 2010 IRM Deferral Variance Account 1588 – Power**

The 2008 ending balances reported in the 2010 IRM Deferral Variance Account work form prepared by Kingston Hydro shows the split for account 1588 – Power and Global Adjustment. On October 15, 2009 the Board issued "Regulatory Audit and Accounting Bulletin 200901" which clarified the accounting rules for reporting the 1588 – Global Adjustment sub-account.

<b>Account Description</b>	<b>Account Number</b>	<b>Total Claim I=C+D+E+F+G+H</b>
RSVA - Power (Excluding Global Adjustment)	1588	(296,479)
RSVA - Power (Global Adjustment Sub-account)	1588	1,132,744

- a) Has Kingston Hydro reviewed the Regulatory Audit & Accounting Bulletin 200901 dated October 15, 2009, and ensured that it has accounted for its account 1588 and sub-account Global Adjustment in accordance with this Bulletin?

**RESPONSE to IR 1.a): Kingston Hydro has reviewed the Regulatory Audit & Accounting Bulletin 200901 dated October 15, 2009, and has ensured it has accounted for its account 1588 and sub-account Global Adjustment in accordance with this Bulletin.**

- b) Has Kingston Hydro made adjustments subsequent to filing the 2010 IRM2 application and need to re-file an updated 2010 IRM Deferral Variance Account work form?

**RESPONSE to IR 1.b): Kingston Hydro was compliant with 1.a) at the time that Kingston Hydro filed its 2010 IRM2 application and no subsequent adjustments have been made.**

## **2. Ref: 2010 IRM Deferral Variance Account 1588 – Global Adjustment**

On November 13, 2009 Board Staff prepared a submission in the Enersource EB-2009-0193 2010 IRM3 Application. The following is an excerpt from the submission in respect to Board staff concerns with the current proposal for handling the disposition of the USoA 1588 – Global Adjustment.

*The EDDVAR Report as well as the Board's Decision in EB-2009-0113 adopted an allocation of the GA sub-account balance based on kWh for non RPP customers by rate class. Traditionally this allocation would then be combined with all other allocated variance account balances by rate class. The combined balance by rate class would then be divided by the volumetric billing determinants (kWh or kW) from the most recent audited year end or Board approved forecast, if available. This process hence spreads the recovery or refund of allocated account balances to all customers in the affected rate class.*

*This method was factored on two premises; a) that the recovery/refund of a variance unique to a subset of customers within a rate class would not be unfair to the rate class as a whole and b) that the distributors' billing systems would not be able to bill a subset of customers within a rate class, without placing a significant burden to the distributor.*

*For these reasons the Board's original Deferral Variance Account work form was modeled on this basis. However based on Enersource's evidence, there could be material unfairness to RPP customers within the affected rate classes.*

*Therefore Board staff suggests that a separate rate rider be established to clear the GA sub-account balance to Non-RPP customers within rate classes.*

*What remains unclear to Board staff is whether Enersource's billing system could accommodate that change within a reasonable timeframe."*

Board staff would like to poll Kingston Hydro on the above issue.

- a) Board staff is proposing that a separate disposition rate rider be applied prospectively to Non-RPP customers for 1588 – Global Adjustment. Does Kingston Hydro agree that this proposal would be fair to all customers? Why or why not?

**RESPONSE to IR 2.a): Kingston Hydro Corporation agrees that this proposal would be fair to all customers for the reasons advocated by the Board.**

- b) If the Board were to order Kingston Hydro to provide such a rate rider, would Kingston Hydro's billing system be capable of billing non-RPP the separate rate rider? What complications, if any, would Kingston Hydro see with this rate rider?

**RESPONSE to IR 2.b): Kingston Hydro Corporation's billing system is capable of billing non-RPP customers a rate rider that differs from RPP customers without any complications.**

- c) If Kingston Hydro were to be unable to bill in this fashion what would Kingston Hydro consider proposing in the alternative?

**RESPONSE to IR 2.c): Kingston Hydro is compliant with 2.b).**

### 3. Ref: 2010 IRM Deferral Variance Billing Determinants

Below are the Billed kWh for Non-RPP customers identified on Sheet "B1.3 Rate Class And Bill Det" of the work form.

Rate Class	Billed kWh for Non-RPP customers
	<b>D</b>
Residential	20,400,474
General Service Less Than 50 kW	16,822,686
General Service 50 to 4,999 kW	179,073,872
Large Use	153,262,880
Unmetered Scattered Load	1,133,523
Street Lighting	0
Standby Power - APPROVED ON AN INTERIM BASIS	

- a) Please identify if these values estimated values or actual values and specify the applicable period.

**RESPONSE to IR 3.a): The above Billed kWh for non-RPP customers is the actual billed values from January 01 2008 through to December 31 2008.**

- b) If the above values are estimated please explain why Kingston Hydro is unable to determine actual.

**RESPONSE to IR 3.b): The above values are actual billed values.**

- c) As discussed in the question above Board staff have proposed a non-RPP customer rate rider for disposition of the 1588 – Global adjustment. If accepted would Kingston Hydro support using the numbers above as the most reasonable denominator to be used for rate determination.

**RESPONSE to IR 3.c): Kingston Hydro would support using the actual Billed kWh for non-RPP customers for the period January 01 2008 through to December 31 2008 as the most reasonable denominator to use for rate determination for a non-RPP customer rate rider for disposition of the 1588 – Global adjustment.**

- d) If Kingston Hydro were to establish a separate rate rider to dispose of the balance of the 1588 – Global adjustment sub-account, does Kingston Hydro believe that the rider be

applied to customers in the MUSH sector? If not, would Kingston Hydro have the billing capability to exclude customers in the MUSH sector if a separate rate rider were to apply for the disposition of the 1588 – Global adjustment sub-account?

**RESPONSE to IR 3.d):** During the term of the collection of amounts in account 1588 – Global adjustment sub-account, many customers, including MUSH sector customers may have at some point been RPP customers or may have opted out of RPP. Kingston Hydro does not have the ability to identify which customers were either RPP or non-RPP during the period. Kingston Hydro also does not have the ability to separately identify MUSH sector customers for the purposes of creating a separate rate-rider. Therefore Kingston Hydro believes any separate rate rider to dispose of the balance of the 1588 – Global adjustment sub-account should be applied to customers in the MUSH sector.

**4. Ref: 2010 IRM Deferral Variance Total Claim**

Below are the Total Claim values for the EDDVAR Group One Deferral Accounts.

Account Description	Account Number	Total Claim I=C+D+E+F+G+H
LV Variance Account	1550	1,013,195
RSVA - Wholesale Market Service Charge	1580	(2,060,470)
RSVA - Retail Transmission Network Charge	1584	(814,758)
RSVA - Retail Transmission Connection Charge	1586	(342,818)
RSVA - Power (Excluding Global Adjustment)	1588	(296,479)
RSVA - Power (Global Adjustment Sub-account)	1588	1,132,744
Recovery of Regulatory Asset Balances	1590	(403,534)
Disposition and recovery of Regulatory Balances Account	1595	0
	Total	(1,772,120 )

- a) Please complete the amended Deferral Variance Account Work form V4 as found on the Board's website under the 2010 Electricity Distribution Rates update December 7, 2009. Note that Board staff can assist in converting your most recent model (either the one filed with your application or a more recent version if available). Please contact your case manager to assist you if need be.

**RESPONSE to IR 4.a): The amended Deferral Variance Account Work form V4 has been completed. A hard copy of the work form is attached, and will be submitted along with complete responses in PDF format through the Board's RESS filing system. As well, a CD Rom containing the Excel version of the Work form V4 is being sent to the Board.**

- b) Please confirm if these are the final balances for disposition. If not the final balances please provide amended work form to support final balances for disposition.

**RESPONSE to IR 4.b): Kingston Hydro Corporation confirms that these are the final balances for disposition.**

- c) Please reconcile final balance for disposition to the 2008 year end account balance reported in the RRR filing. Please identify the sources and reason for variances.

**RESPONSE to IR 4.c):** The difference between the final balance for disposition and the 2008 year end account balance reported in the RRR filing is a result of an accounting entry that was made to transfer amounts from 1590 recovery of regulatory asset balances to the other regulatory accounts. The original entry included a transfer to the regulatory accounts for anticipated Hydro One charges that were part of the Dec 31, 2004 regulatory asset disposition approval. While reviewing the accounts in connection with this filing, this misstatement was discovered. A correcting entry has been made in 2009 to properly account for the Hydro One charges included in the Dec 31, 2004 regulatory asset decision. In addition, all accounts were reviewed to ensure interest was calculated correctly and at the correct rates.

The effect of all entries done resulted in a net change of \$21,828.16

- d) Please confirm that Kingston Hydro has complied with and applied correctly the Boards accounting policy and procedures for calculation of the final disposition balance. If Kingston Hydro has used other practices in the calculation please explain where in the filing and why.

**RESPONSE to IR 4.d):** Kingston Hydro Corporation confirms that it has complied with and applied correctly the Board's accounting policy and procedures for calculation of the final disposition balance.

- e) Please confirm that Kingston Hydro has used the simple interest calculation as required by the Board using the Boards prescribed interest rates. If Kingston Hydro has used other calculations please explain where in the filing and why.

**RESPONSE to IR 4.e):** Kingston Hydro confirms it has used the simple interest calculation as required by the Board using the Board's prescribed interest rates.

- f) Please confirm that Kingston Hydro has complied with the requirement to apply recoveries to principal first as outlined in the 2006 Regulatory Assets Transactions document issued September 4, 2009 (included in the Updated IRM Deferral and Variance Account Work Form zip file). If Kingston Hydro has not complied with this requirement please explain why not?

**RESPONSE to IR 4.f):** Kingston Hydro confirms it has complied with the requirements to apply recoveries to principal first as outlined in the 2006 Regulatory Assets Transactions document issued September 4, 2009 (included in the Updated IRM Deferral and Variance Work Form zip file).



**5. Ref: Harmonized Sales Tax**

It is possible that the PST and GST may be harmonized effective July 1, 2010.

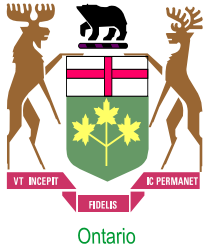
In the event that PST and GST are harmonized effective July 1, 2010:

- a) Would the Applicant agree to the establishment of a variance account to capture reductions in OM&A and capital expenditures?

**RESPONSE to IR 5.a): Kingston Hydro would not be in support of the establishment of variance account to capture reductions in OM&A and capital expenditures. The additional time required by Kingston Hydro to determine the affects of the HST would be significant and would potentially outweigh any financial benefits passed through to consumers.**

- b) Are there other alternatives that the Board might consider to reflect the reductions in OM&A and capital expenditures if this bill is enacted?

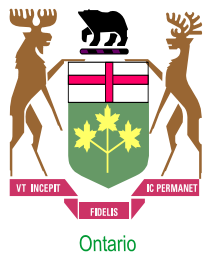
**RESPONSE to IR 5.b): Yes it is the opinion of Kingston Hydro Corporation that there are other alternatives to reflect the reductions in OM&A and capital expenditures if this bill is enacted. Kingston Hydro Corporation would recommend that the Board consider taking any reductions in OM&A and capital expenditures into account commencing with Cost of Service rate applications that rely on audited financial statements for the fiscal year ending December 31, 2011 and beyond. Kingston Hydro believes this would be the most appropriate alternative because 2011 will provide the first full year of audited HST effect.**



Name of LDC: Kingston Hydro Corporation  
File Number: EB-2009-0201  
Effective Date: Saturday, May 01, 2010

## LDC Information

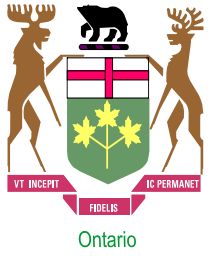
Applicant Name	Kingston Hydro Corporation
OEB Application Number	EB-2009-0201
LDC Licence Number	ED-2003-0057
Applied for Effective Date	May 1, 2010



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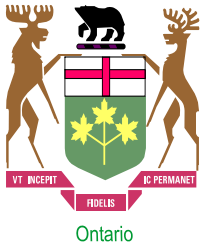
Sheet Name	Purpose of Sheet
<a href="#">A1.1 LDC Information</a>	Enter LDC Data
<a href="#">A2.1 Table of Contents</a>	Table of Contents
<a href="#">B1.1 2006 Reg Assets</a>	2006 Regulatory Asset Recovery
<a href="#">B1.2 2006 Reg Ass Prop Shr</a>	2006 Regulatory Asset Recovery Proportionate Share
<a href="#">B1.3 Rate Class And Bill Det</a>	Rate Class and 2008 Billing Determinants
<a href="#">C1.0 2006 Reg Asset Recovery</a>	Regulatory Assets - 2006 Regulatory Asset Recovery
<a href="#">C1.1 Reg Assets - Cont Sch 2005</a>	Regulatory Assets - Continuity Schedule 2005
<a href="#">C1.2 Reg Assets - Cont Sch 2006</a>	Regulatory Assets - Continuity Schedule 2006
<a href="#">C1.3 Reg Assets - Cont Sch 2007</a>	Regulatory Assets - Continuity Schedule 2007
<a href="#">C1.4 Reg Assets - Cont Sch 2008</a>	Regulatory Assets - Continuity Schedule 2008
<a href="#">C1.4a RegAssets - Cont Sch 2009</a>	Regulatory Assets - Continuity Schedule 2009 - 1588 Power Account Only
<a href="#">C1.5 Reg Assets - Con Sch Final</a>	Regulatory Assets - Continuity Schedule Final
<a href="#">D1.1 Threshold Test</a>	Threshold Test
<a href="#">E1.1 Cost Allocation kWh</a>	Cost Allocation - kWh
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<a href="#">E1.3 Cost Allocation 1590</a>	Cost Allocation - 1590
<a href="#">E1.4 Cost Allocation 1595</a>	Cost Allocation - 1595
<a href="#">F1.1 Calculation Rate Rider</a>	Calculation of Regulatory Asset Recovery Rate Rider
<a href="#">F1.2 Request for Clearance</a>	Request for Clearance of Deferral and Variance Accounts



Name of LDC: Kingston Hydro Corporation  
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2006 Regulatory Asset Recovery

Account Description	Account Number	Principal Amounts as of Dec-31 2004 A	Hydro One charges (if applicable) to Dec31-03 B	Hydro One charges (if applicable) Jan 1- 04 to Apr 30-06 C	Transition Cost Adjustment D	Principal Amounts E = A + B + C + D	Interest to Dec31- 04 F	Interest per 2006 Reg Assets G = H - F - E	Total Claim and Recoveries per 2006 Reg Assets H	Transfer of Board- approved amounts to 1590 as per 2006 EDR I = - E	Transfer of Board- approved Interest to 1590 as per 2006 EDR J = - ( F + G )
1. Dec. 31, 2004 Reg. Assets											
		Column G	Column K	Column M			Column H		Column N		
RSVA - Wholesale Market Service Charge	1580	733,074				733,074	149,070	70,864	953,008	(733,074 )	(219,934 )
RSVA - One-time Wholesale Market Service	1582	170,721				170,721	14,843	16,503	202,067	(170,721 )	(31,346 )
RSVA - Retail Transmission Network Charge	1584	(1,462,041 )	(87,619 )	(113,034 )		(1,662,694 )	(93,745 )	(148,212 )	(1,904,651 )	1,662,694	241,957
RSVA - Retail Transmission Connection Charge	1586	(1,530,143 )	352,922	260,222		(916,999 )	(99,244 )	(120,195 )	(1,136,438 )	916,999	219,439
RSVA - Power	1588	(131,599 )				(131,599 )	136,701	(12,722 )	(7,620 )	131,599	(123,979 )
Sub-Totals		(2,219,988 )	265,303	147,188		(1,807,497 )	107,625	(193,762 )	(1,893,634 )	1,807,497	86,137
Other Regulatory Assets	1508	15,275		30,937		46,212	244	1,171	47,627	(46,212 )	(1,415 )
Retail Cost Variance Account - Retail	1518	7,822				7,822	(1,507 )	756	7,071	(7,822 )	751
Retail Cost Variance Account - STR	1548	9,583				9,583	(793 )	927	9,717	(9,583 )	(134 )
Misc. Deferred Debits - incl. Rebate Cheques	1525	11,793	16,368			28,161	2,623	2,426	33,210	(28,161 )	(5,049 )
Pre-Market Opening Energy Variances Total	1571	218,401				218,401	49,277	21,112	288,790	(218,401 )	(70,389 )
Extra-Ordinary Event Losses	1572					0		0		0	0
Deferred Rate Impact Amounts	1574					0		0		0	0
Other Deferred Credits	2425					0		0		0	0
Sub-Totals		262,874	16,368	30,937		310,179	49,844	26,392	386,415	(310,179 )	(76,236 )
Qualifying Transition Costs	1570	2,677,548	55			2,677,603	409,620	258,834	3,346,057	(2,677,603 )	(668,454 )
Transition Cost Adjustment	1570				0	0			0	0	0
Sub-Totals		2,677,548	55			2,677,603	409,620	258,834	3,346,057	(2,677,603 )	(668,454 )
Total Regulatory Assets		720,434	281,726	178,125	0	1,180,285	567,089	91,464	1,838,838	(1,180,285 )	(658,553 )
Total Recoveries to April 30-06	2. Rate Riders Calculation	Cell C48								0	0
Balance to be collected or refunded	2. Rate Riders Calculation	Cell N51							1,838,838	(1,180,285 )	(658,553 )



Name of LDC:

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Kingston Hydro Corporation

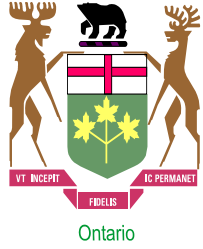
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2006 Regulatory Asset Recovery Proportionate Share

Rate Class	Total Claim	% Total Claim
Residential	2,494,996	135.7%
GS < 50 KW	249,860	13.6%
GS > 50 Non TOU	(539,594 )	(29.3%)
GS > 50 TOU	0	0.0%
Intermediate	0	0.0%
Large Users	(373,141 )	(20.3%)
Small Scattered Load	15,691	0.9%
Sentinel Lighting	0	0.0%
Street Lighting	(8,974 )	(0.5%)
Total	1,838,838	100.0%

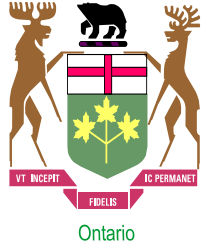
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**Name of LDC:** Kingston Hydro Corporation  
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**Regulatory Assets - Continuity Schedule 2006**

Account Description	Account Number	Opening Principal Amounts as of Jan-1-05 1	Low Voltage and Recoveries per 2006 Reg Asset	Transition Cost Adjustment	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Principal Balance as of May-1-06	Opening Interest Amounts as of Jan-1-05 4	Interest per 2006 Reg Asset	Recoveries per 2006 Reg Asset	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Interest Amounts as of May-1-06
LV Variance Account	1550										0
RSVA - Wholesale Market Service Charge	1580	733,074	0		(733,074 )	0	149,070	70,864		(219,934 )	0
RSVA - Retail Transmission Network Charge	1584	(1,462,041 )	(200,653 )		1,662,694	0	(93,745 )	(148,212 )		241,957	0
RSVA - Retail Transmission Connection Charge	1586	(1,530,143 )	613,144		916,999	0	(99,244 )	(120,195 )		219,439	0
RSVA - Power (Excluding Global Adjustment)	1588	(131,599 )			131,599	0	136,701	(12,722 )		(123,979 )	0
RSVA - Power (Global Adjustment Sub-account)						0					0
Recovery of Regulatory Asset Balances	1590		0		1,180,285	1,180,285			0	658,553	658,553
Disposition and recovery of Regulatory Balances Account	1595					0					0
Sub-Total		(2,390,709 )	412,491		3,158,503	1,180,285	92,782	(210,265 )	0	776,036	658,553
RSVA - One-time Wholesale Market Service	1582	170,721	0		(170,721 )	0	14,843	16,503		(31,346 )	0
Other Regulatory Assets	1508	15,275	30,937		(46,212 )	0	244	1,171		(1,415 )	0
Retail Cost Variance Account - Retail	1518	7,822	0		(7,822 )	0	(1,507 )	756		751	0
Retail Cost Variance Account - STR	1548	9,583	0		(9,583 )	0	(793 )	927		(134 )	0
Misc. Deferred Debits - incl. Rebate Cheques	1525	11,793	16,368		(28,161 )	0	2,623	2,426		(5,049 )	0
Pre-Market Opening Energy Variances Total	1571	218,401	0		(218,401 )	0	49,277	21,112		(70,389 )	0
Extra-Ordinary Event Losses	1572	0	0		0	0	0	0		0	0
Deferred Rate Impact Amounts	1574	0	0		0	0	0	0		0	0
Other Deferred Credits	2425	0	0		0	0	0	0		0	0
Qualifying Transition Costs	1570	2,677,548	55		(2,677,603 )	0	409,620	258,834		(668,454 )	0
Transition Cost Adjustment	1570			0	0	0					0
Total		720,434	459,851	0	0	1,180,285	567,089	91,464	0	0	658,553



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Regulatory Assets - Continuity Schedule 2005

Account Description	Account Number	Opening Principal Amounts as of Jan-1-05 <sup>4</sup>	Transactions (additions) during 2005, excluding interest and adjustments <sup>1</sup>	Transactions (reductions) during 2005, excluding interest and adjustments <sup>1</sup>	Adjustments during 2005 - instructed by Board <sup>2</sup>	Adjustments during 2005 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05 <sup>4</sup>	Interest Recovery Transactions during 2005	Interest Jan-1 to Dec31-05	Closing Interest Amounts as of Dec-31-05	Total Closing Amounts as of Dec-31-05	RRR Filing Amount as of Dec-31-05	Difference
		A	B	C	D	E	F	G	H	I	J	A	B	C = A - B
LV Variance Account	1550						0				0	0		0
RSVA - Wholesale Market Service Charge	1580		455,409				455,409			11,839	11,839	467,248	1,402,053	(934,805 )
RSVA - Retail Transmission Network Charge	1584			(612,916 )			(612,916 )			(21,678 )	(21,678 )	(634,594 )	(2,287,141 )	1,652,547
RSVA - Retail Transmission Connection Charge	1586			(552,667 )			(552,667 )			(20,802 )	(20,802 )	(573,469 )	(2,305,256 )	1,731,787
RSVA - Power (Excluding Global Adjustment)	1588		405,997				405,997			18,692	18,692	424,689	440,254	(15,565 )
RSVA - Power (Global Adjustment Sub-account)				(947,125 )			(947,125 )			(21,450 )	(21,450 )	(968,575 )	(968,946 )	371
Recovery of Regulatory Asset Balances	1590			(1,966,820 )			(1,966,820 )			(114,179 )	(114,179 )	(2,080,999 )	(2,080,999 )	(0 )
Disposition and recovery of Regulatory Balances Account	1595						0				0	0		
Total		0	861,406	(4,079,528 )	0	0	(3,218,122 )	0	0	(147,579 )	(147,579 )	(3,365,701 )	(5,800,035 )	2,434,335

<sup>1</sup> For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.  
<sup>2</sup> Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board  
<sup>3</sup> Provide supporting statement indicating nature of this adjustments and periods they relate to  
<sup>4</sup> Opening balances assumed to be zero as a result of clearance of Decemeber 2004 balances cleared in 2006 Regulatory Asset process



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Regulatory Assets - Continuity Schedule 2006

Account Description	Account Number	Opening Principal Amounts as of Jan-1-06	Transactions (additions) during 2006, excluding interest and adjustments	Transactions (reductions) during 2006, excluding interest and adjustments	Adjustments during 2006 - instructed by Board <sup>2</sup>	Adjustments during 2006 - other <sup>3</sup>	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Recovery Transactions during 2006	Interest Adjustmen t 2005/2006	Interest Jan-1 to Dec31-06	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Interest Amounts as of Dec-31-06	Total Closing Amounts as of Dec-31-06	RRR Filing Amount as of Dec-31-06	Difference
		A													A	B	C = A - B
LV Variance Account	1550	0						0	0					0	0	135,097	(135,097 )
RSVA - Wholesale Market Service Charge	1580	455,409		(890,807 )				(435,398 )	11,839			4,980		16,819	(418,579 )	578,144	(996,723 )
RSVA - Retail Transmission Network Charge	1584	(612,916 )		(164,668 )				(777,584 )	(21,678 )			(38,007 )		(59,686 )	(837,270 )	(2,603,659 )	1,766,389
RSVA - Retail Transmission Connection Charge	1586	(552,667 )	106,241					(446,426 )	(20,802 )			(29,071 )		(49,873 )	(496,299 )	(2,254,671 )	1,758,372
RSVA - Power (Excluding Global Adjustment)	1588	405,997		(1,870,754 )				(1,464,757 )	18,692			(41,255 )		(22,563 )	(1,487,320 )	(1,455,829 )	(31,491 )
RSVA - Power (Global Adjustment Sub-account)		(947,125 )	1,682,442					735,317	(21,450 )			3,963		(17,487 )	717,830	717,831	(1 )
Recovery of Regulatory Asset Balances	1590	(1,966,820 )		(289,388 )			1,180,285	(1,075,923 )	(114,179 )			(91,965 )	658,553	452,409	(623,514 )	(281,643 )	(341,871 )
Disposition and recovery of Regulatory Balances Account	1595	0						0	0					0	0		
Total		(3,218,122 )	1,788,683	(3,215,617 )	0	0	1,180,285	(3,464,771 )	(147,579 )	0	0		658,553	319,619	(3,145,152 )	(5,164,730 )	2,019,578

<sup>1</sup> For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

<sup>2</sup> Provide supporting evidence i.e. Board Decision, CRO Order, etc.

<sup>3</sup> Provide supporting statement indicating nature of this adjustments and periods they relate to

Name of LDC: Kingston Hydro Corporation  
File Number: EB-2009-0201  
Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2007

Account Description	Account Number	Opening Principal Amounts as of Jan-1-07	Transactions (additions) during 2007, excluding interest and adjustments <sup>1</sup>	Transactions (reductions) during 2007, excluding interest and adjustments <sup>1</sup>	Adjustments during 2007 - instructed by Board <sup>2</sup>	Adjustments during 2007 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Recovery Transactions during 2007	Interest Jan-1 to Dec31-07	Closing Interest Amounts as of Dec-31-07	Total Closing Amounts as of Dec-31-07	RRR Filing Amount as of Dec-31-07	Difference
												A	B	C = A - B
LV Variance Account	1550	0	407,860			131,683	539,543	0		16,728	16,728	556,271	556,271	(0 )
RSVA - Wholesale Market Service Charge	1580	(435,398 )		(1,302,539 )			(1,737,937 )	16,819		(43,720 )	(26,901 )	(1,764,838 )	(1,755,934 )	(8,904 )
RSVA - Retail Transmission Network Charge	1584	(777,584 )	84,891				(692,693 )	(59,686 )		(33,524 )	(93,210 )	(785,903 )	(545,914 )	(239,989 )
RSVA - Retail Transmission Connection Charge	1586	(446,426 )	251,343			(131,683 )	(326,766 )	(49,873 )		(21,403 )	(71,276 )	(398,042 )	(871,311 )	473,269
RSVA - Power (Excluding Global Adjustment)	1588	(1,464,757 )	1,347,807				(116,950 )	(22,563 )		(37,652 )	(60,215 )	(177,165 )	(124,737 )	(52,428 )
RSVA - Power (Global Adjustment Sub-account)		735,317		(343,416 )			391,901	(17,487 )		13,176	(4,311 )	387,590	387,592	(2 )
Recovery of Regulatory Asset Balances	1590	(1,075,923 )	293,132				(782,791 )	452,409		(45,025 )	407,384	(375,407 )	2,611,566	(2,986,973 )
Disposition and recovery of Regulatory Balances Account	1595	0					0	0			0	0		
Total		(3,464,771 )	2,385,033	(1,645,955 )	0	0	(2,725,693 )	319,619	0	(151,420 )	168,199	(2,557,494 )	257,532	(2,815,027 )

<sup>1</sup> For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

<sup>2</sup> Provide supporting evidence i.e. Board Decision, CRO Order, etc.

<sup>3</sup> Provide supporting statement indicating nature of this adjustments and periods they relate to

Name of LDC: Kingston Hydro Corporation  
File Number: EB-2009-0201  
Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2008

Account Description	Account Number	Opening Principal Amounts as of Jan-1-08	Transactions (additions) during 2008, excluding interest and	Transactions (reductions) during 2008, excluding interest and	Adjustment s during 2008 - instructed by Board <sup>2</sup>	Adjustment s during 2008 - other <sup>3</sup>	Transfer of Board-approved 2006 amounts to 1595 (2008)	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Recovery Transaction s during 2008	Interest Jan-1 to Dec31-08	Transfer of Board-approved 2006 interest amounts to 1595 (2008)	Closing Interest Amounts as of Dec-31-08	Total Closing Amounts as of Dec-31-08	RRR Filing Amount as of Dec-31-08	Difference
														A	B	C = A - B
LV Variance Account	1550	539,543	414,633					954,176	16,728		29,777		46,505	1,000,681	1,000,680	1
RSVA - Wholesale Market Service Charge	1580	(1,737,937 )		(212,917 )				(1,950,854 )	(26,901 )		(57,129 )		(84,030 )	(2,034,884 )	(2,035,282 )	398
RSVA - Retail Transmission Network Charge	1584	(692,693 )	10,816					(681,877 )	(93,210 )		(30,729 )		(123,939 )	(805,816 )	(557,709 )	(248,106 )
RSVA - Retail Transmission Connection Charge	1586	(326,766 )	71,702					(255,064 )	(71,276 )		(13,133 )		(84,409 )	(339,473 )	(688,498 )	349,025
RSVA - Power (Excluding Global Adjustment)	1588	(116,950 )		(112,967 )				(229,917 )	(60,215 )		(3,331 )		(63,546 )	(293,463 )	(241,035 )	(52,428 )
RSVA - Power (Global Adjustment Sub-account)		391,901	713,477					1,105,378	(4,311 )		17,180		12,869	1,118,247	1,118,249	(2 )
Recovery of Regulatory Asset Balances	1590	(782,791 )	51,737			(39,867 )		(770,921 )	407,384		(29,886 )		377,498	(393,423 )	(366,365 )	(27,059 )
Disposition and recovery of Regulatory Balances Account	1595	0						0	0				0	0		
Total		(2,725,693 )	1,262,365	(325,884 )	0	(39,867 )	0	(1,829,079 )	168,199	0	(87,251 )	0	80,948	(1,748,131 )	(1,769,959 )	21,828

<sup>1</sup> For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

<sup>2</sup> Provide supporting evidence i.e. Board Decision, CRO Order, etc.

<sup>3</sup> Provide supporting statement indicating nature of this adjustments and periods they relate to

<sup>4</sup> This records the values of amounts removed from Group One accounts in previous proceedings; but does not enter offsets for disposition of 1590, as recovery has not been completed.

**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

## Regulatory Assets - Continuity Schedule 2009 - 1588 Power Account Only

Account Description	Account Number	Transactions (additions) during 2009, excluding interest and adjustments <sup>1</sup>	Transactions (reductions) during 2009, excluding interest and adjustments <sup>1</sup>	Adjustments during 2009 - instructed by Board <sup>2</sup>	Adjustments during 2009 - other <sup>3</sup>	Closing Principal Balance as of Sep-30-09
LV Variance Account	1550					
RSVA - Wholesale Market Service Charge	1580					
RSVA - Retail Transmission Network Charge	1584					
RSVA - Retail Transmission Connection Charge	1586					
<b>RSVA - Power (Excluding Global Adjustment)</b>	1588		(808,241 )			(808,241 )
<b>RSVA - Power (Global Adjustment Sub-account)</b>		659,929				659,929
Recovery of Regulatory Asset Balances	1590					
Disposition and recovery of Regulatory Balances Account	1595					
Total		659,929	(808,241 )	0	0	(148,313 )

<sup>1</sup> For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

<sup>2</sup> Provide supporting evidence i.e. Board Decision, CRO Order, etc.

<sup>3</sup> Provide supporting statement indicating nature of this adjustments and periods they relate to

<sup>4</sup> This records the values of amounts removed from Group One accounts in previous proceedings; but does not enter offsets for disposition of 1590, as recovery has not been completed.

Name of LDC: Kingston Hydro Corporation  
File Number: EB-2009-0201  
Effective Date: Saturday, May 01, 2010

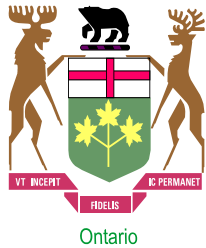
Regulatory Assets - Continuity Schedule Final

Account Description	Account Number	Opening Principal Amounts as of Jan-1-09 or Oct-01-09	Global Adjustment Reconciliation	Transfer of Board-approved 2007 amounts to 1595 (2009 COS)	Principal Amounts to be disposed	Opening Interest Amounts as of Jan-1-09	Global Adjustment Interest Reconciliation	Interest on Board-approved 2007 amounts prior to transfer Jan-1, 2009 to Date of Transfer	Transfer of Board-approved 2007 interest amounts to 1595 (2009 COS)	Projected Interest on Dec 31 -08 balance from Jan 1, 2009 to Dec 31, 2009 <sup>1</sup>	Projected Interest on Dec 31 -08 balance from Jan 1, 2010 to April 30, 2010 <sup>1</sup>	Interest Amounts to be disposed
		A	B	C	E = A + B +C + D	F	G	H	I	J	K	M = F + G + H + I + J + K
LV Variance Account	1550	954,176			954,176	46,505				10,789	1,725	59,019
RSVA - Wholesale Market Service Charge	1580	(1,950,854 )			(1,950,854 )	(84,030 )				(22,058 )	(3,528 )	(109,616 )
RSVA - Retail Transmission Network Charge	1584	(681,877 )			(681,877 )	(123,939 )				(7,710 )	(1,233 )	(132,881 )
RSVA - Retail Transmission Connection Charge	1586	(255,064 )			(255,064 )	(84,409 )				(2,884 )	(461 )	(87,754 )
RSVA - Power (Excluding Global Adjustment)	1588	(229,917 )			(229,917 )	(63,546 )				(2,600 )	(416 )	(66,562 )
RSVA - Power (Global Adjustment Sub-account)		1,105,378			1,105,378	12,869				12,498	1,999	27,366
Recovery of Regulatory Asset Balances	1590	(770,921 )			(770,921 )	377,498				(8,717 )	(1,394 )	367,387
Disposition and recovery of Regulatory Balances Account	1595	0			0	0				0	0	0
Total		(1,829,079 )	0	0	(1,829,079 )	80,948	0	0	0	(20,681 )	(3,307 )	56,959

Interest projected on December 31, 2008 closing principal balance.

Month	Prescribed Rate	Monthly Interest
Saturday, January 31, 2009	2.45	0.2081
Saturday, February 28, 2009	2.45	0.1879
Tuesday, March 31, 2009	2.45	0.2081
Thursday, April 30, 2009	1.00	0.0822
Sunday, May 31, 2009	1.00	0.0849
Tuesday, June 30, 2009	1.00	0.0822
Friday, July 31, 2009	0.55	0.0467
Monday, August 31, 2009	0.55	0.0467
Wednesday, September 30, 2009	0.55	0.0452
Saturday, October 31, 2009	0.55	0.0467
Monday, November 30, 2009	0.55	0.0452
Thursday, December 31, 2009	0.55	0.0467
Effective Rate		1.1307

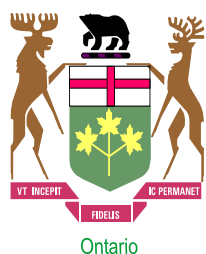
Month	Prescribed Rate	Monthly Interest
Sunday, January 31, 2010	0.55	0.0467
Sunday, February 28, 2010	0.55	0.0422
Wednesday, March 31, 2010	0.55	0.0467
Friday, April 30, 2010	0.55	0.0452
Effective Rate		0.1808



**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

## Threshold Test

Rate Class	Billed kWh B
Residential	200,555,058
General Service Less Than 50 kW	95,698,352
General Service 50 to 4,999 kW	283,589,419
Large Use	153,262,880
Unmetered Scattered Load	2,394,021
Street Lighting	4,156,386
Standby Power - APPROVED ON AN INT	0
	<u>739,656,116</u>
Total Claim	(1,772,120 )
Total Claim per kWh	- 0.002396



**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

**Cost Allocation - kWh**

Rate Class	Billed kWh	% kWh	1550	1580	1584	1586	1588 <sup>1</sup>	Total
Residential	200,555,058	27.1%	274,724	(558,689 )	(220,919 )	(92,954 )	(80,389 )	(678,226 )
General Service Less Than 50 kW	95,698,352	12.9%	131,089	(266,588 )	(105,415 )	(44,355 )	(38,359 )	(323,628 )
General Service 50 to 4,999 kW	283,589,419	38.3%	388,466	(789,999 )	(312,384 )	(131,439 )	(113,672 )	(959,028 )
Large Use	153,262,880	20.7%	209,942	(426,946 )	(168,825 )	(71,035 )	(61,433 )	(518,296 )
Unmetered Scattered Load	2,394,021	0.3%	3,279	(6,669 )	(2,637 )	(1,110 )	(960 )	(8,096 )
Street Lighting	4,156,386	0.6%	5,693	(11,578 )	(4,578 )	(1,926 )	(1,666 )	(14,056 )
Standby Power - APPROVED ON AN INTERIM BASIS	0	0.0%	0	0	0	0	0	0
	739,656,116	100.0%	1,013,195	(2,060,470 )	(814,758 )	(342,818 )	(296,479 )	(2,501,330 )
			-	-	-	-	-	-

<sup>1</sup> RSVA - Power (Excluding Global Adjustment)





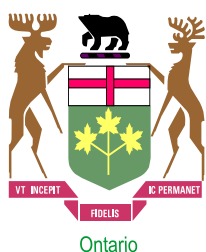
**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

## Cost Allocation - Non-RPP kWh

Rate Class	Non-RPP kWh	% kWh	1588 <sup>1</sup>
Residential	20,400,474	5.5%	62,339
General Service Less Than 50 kW	16,822,686	4.5%	51,406
General Service 50 to 4,999 kW	179,073,872	48.3%	547,204
Large Use	153,262,880	41.3%	468,332
Unmetered Scattered Load	1,133,523	0.3%	3,464
Street Lighting	0	0.0%	0
Standby Power - APPROVED ON AN INTERIM BASIS	0	0.0%	0
	<b>370,693,435</b>	<b>100.0%</b>	<b>1,132,744</b>

<sup>1</sup> RSVA - Power (Global Adjustment Sub-account)

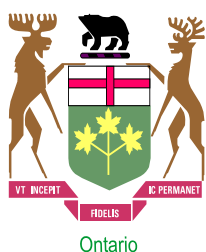




**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

## Cost Allocation - 1590

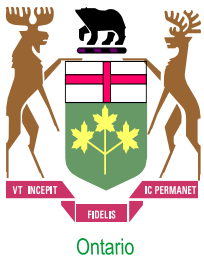
Rate Class	1590 Recovery Share Proportion	1590
Residential	135.7%	(547,528 )
General Service Less Than 50 kW	13.6%	(54,832 )
General Service 50 to 4,999 kW	(29.3%)	118,414
Large Use	(20.3%)	81,886
Unmetered Scattered Load	0.9%	(3,443 )
Street Lighting	(0.5%)	1,969
Standby Power - APPROVED ON AN INTERIM BASIS	0.0%	0
	100.0%	(403,534 )



**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

## Cost Allocation - 1595

Rate Class	1595 Recovery Share Proportion	1595
Residential	0.0%	0
General Service Less Than 50 kW	0.0%	0
General Service 50 to 4,999 kW	0.0%	0
Large Use	0.0%	0
Unmetered Scattered Load	0.0%	0
Street Lighting	0.0%	0
Standby Power - APPROVED ON AN INTERIM BASIS	0.0%	0
	0.0%	0



**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

Calculation of Regulatory Asset Recovery Rate Rider

Rate Rider Recovery Period - Years Two

Rate Rider Effective To Date

Monday, April 30, 2012

Rate Class	Vol Metric	Billed kWh A	Billed kW B	kWh C	Non-RPP D	1590 E	1595 F	Total G = C + D + E + F	Rate Rider kWh H = G / A (kWh) or H = G / B (kW)
Residential	kWh	200,555,058	0	(678,226 )	62,339	(547,528 )	0	(1,163,416 )	(0.00290)
General Service Less Than 50 kW	kWh	95,698,352	0	(323,628 )	51,406	(54,832 )	0	(327,054 )	(0.00171)
General Service 50 to 4,999 kW	kW	283,589,419	725,580	(959,028 )	547,204	118,414	0	(293,410 )	(0.20219)
Large Use	kW	153,262,880	297,062	(518,296 )	468,332	81,886	0	31,922	0.05373
Unmetered Scattered Load	kWh	2,394,021	0	(8,096 )	3,464	(3,443 )	0	(8,076 )	(0.00169)
Street Lighting	kW	4,156,386	11,195	(14,056 )	0	1,969	0	(12,086 )	(0.53981)
Standby Power - APPROVED ON AN INTERIM BASIS	kW	0	0	0	0	0	0	0	0.00000
		739,656,116	1,033,837	(2,501,330 )	1,132,744	(403,534 )	0	(1,772,120 )	
				-	-	-	-	-	

Enter the above value onto Sheet "J2.1 DeferralAccount Rate Rider" of the 2010 OEB IRM2 Rate Generator "J2.5 DeferralAccount Rate Rider2" of the 2010 OEB IRM3 Rate Generator



**Name of LDC:** Kingston Hydro Corporation  
**File Number:** EB-2009-0201  
**Effective Date:** Saturday, May 01, 2010

**Request for Clearance of Deferral and Variance Accounts**

Account Description	Account Number	Principal Amounts A	Interest Amounts B	Total Claim C = A + B
LV Variance Account	1550	(954,176 )	(59,019 )	(1,013,195 )
RSVA - Wholesale Market Service Charge	1580	1,950,854	109,616	2,060,470
RSVA - Retail Transmission Network Charge	1584	681,877	132,881	814,758
RSVA - Retail Transmission Connection Charge	1586	255,064	87,754	342,818
RSVA - Power (Excluding Global Adjustment)	1588	229,917	66,562	296,479
RSVA - Power (Global Adjustment Sub-account)	1588	(1,105,378 )	(27,366 )	(1,132,744 )
Recovery of Regulatory Asset Balances	1590	770,921	(367,387 )	403,534
Disposition and recovery of Regulatory Balances Account	1595	(1,829,079 )	56,959	(1,772,120 )
	Total	0	0	0