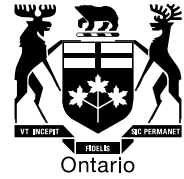


**Ontario Energy  
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**BY E-MAIL**

October 12, 2012

Randy Murphy  
Kingston Hydro Corporation  
1211 John Counter Boulevard  
PO Box 790  
Kingston, ON K7L 4X7

Dear Mr. Murphy:

**Re: Kingston Hydro Corporation  
Application for Rates  
Application Board File Number EB-2012-0142**

In accordance with the Notice of Application and Hearing, please find attached Board Staff Interrogatories in the above proceeding.

As a reminder, Kingston Hydro Corporation's responses to interrogatories are due by Wednesday, October 29, 2012.

Yours truly,

*Original signed by*

Josh Wasylyk  
Advisor, Applications & Regulatory Audit

c. Sherry Gibson, Kingston Hydro Corporation

Encl.

**Kingston Hydro Corporation (“Kingston”)  
2013 IRM3 Rate Application  
EB-2012-0142  
Board staff Interrogatories**

**Question #1**

Ref: A portion of the 2013 IRM3 Rate Generator Model, Sheet 6 is reproduced below.

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue <sup>1</sup>
Residential	\$/kWh	194,606,362		17,867,642	0	6,257,879
General Service Less Than 50 kW	\$/kWh	93,096,784		13,582,827	0	1,925,310
General Service 50 to 4,999 kW	\$/kW	259,610,762	701,859	186,305,709	503,678	2,330,378
Large Use	\$/kW	152,017,673	297,737	152,017,673	297,737	413,990
Unmetered Scattered Load	\$/kWh	2,275,040		1,206,779	0	52,530
Standby Power - APPROVED ON AN INTERIM BASIS					0	
Street Lighting	\$/kW	4,024,186	11,336	4,024,186	11,336	111,950
MicroFit						
<b>Total</b>		<b>705,630,807</b>	<b>1,010,932</b>	<b>375,004,816</b>	<b>812,751</b>	<b>11,092,037</b>

Board staff has been unable to confirm the Metered kWh, Metered kW, Billed kWh for Non-RPP Customers, Estimated kW for Non-RPP Customers, and Distribution Revenue figures Kingston has provided with the reported amounts in Kingston’s 2.1.5 RRR (as at December 31, 2011) or with the parameters underpinning the 2011 cost of service application.

a) Please reconcile the data for all rate classes for the following:

- Metered kWh
- Metered kW
- Billed kWh for Non-RPP Customers
- Estimated kW for Non-RPP Customers
- Distribution Revenue

## Question #2

Ref: A portion of the 2012 IRM3 RTSR Work form, Sheet 4 is reproduced below.

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Residential	kWh	189,907,882	-	1.0344		196,440,713	-
General Service Less Than 50 kW	kWh	90,727,966	-	1.0344		93,849,008	-
General Service 50 to 4,999 kW	kW	275,468,270	766,581		49.25%	275,468,270	766,581
Large Use	kW	154,329,910	294,114		71.92%	154,329,910	294,114
Unmetered Scattered Load	kWh	2,097,698	-	1.0344		2,169,859	-
Standby Power - APPROVED ON AN INTERIM BASIS						-	-
Street Lighting	kW	4,142,242	11,256		50.44%	4,142,242	11,256

- a) Please confirm that the amounts entered into the columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” have not been adjusted by Kingston’s Board-approved loss factor.

## Question #3

Ref: A portion of the 2012 IRM3 Tax Sharing Model, Sheet 3 is reproduced below.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections	Re-based Billed kWh	Re-based Billed kW	Rate ReBal Base Service Charge	Rate ReBal Base Distribution Volumetric Rate kWh	Rate ReBal Base Distribution Volumetric Rate kW
				A	B	C	D	E	F
RES	Residential	Customer	kWh	23,386	194,606,362		12.06	0.0148	
GSLT50	General Service Less Than 50 kW	Customer	kWh	3,244	93,096,784		24.83	0.0103	
GSGT50	General Service 50 to 999 kW	Customer	kW	347	259,610,762	701,859	269.01		1.9270
LU	Large Use > 5000 kW	Customer	kW	3	152,017,673	297,737	4,959.68		1.0118
SL	Street Lighting	Connections	kW	5,155	4,024,186	11,336	0.99		4.4901
USL	Unmetered Scattered Load	Customer	kWh	164	2,275,040		11.09	0.0135	
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						

Board staff has been unable to confirm the rates for Rate Re-Balanced Base Service Charge, Rate Re-Balanced Base Distribution Volumetric Rate kWh and Rate Re-Balanced Base Distribution Volumetric Rate kW for all rate classes with Kingston’s last Board-approved Tariff of Rates and Charges.

- a) Please reconcile the above service charges and both the volumetric rate kWh and kW for all rate classes.

#### Question #4

Ref: A portion of the 2012 IRM3 Tax Sharing Model, Sheet 5 is reproduced below.

<b>1. Tax Related Amounts Forecast from Capital Tax Rate Changes</b>	<b>2011</b>	<b>2013</b>
Taxable Capital	\$ -	\$ -
Deduction from taxable capital up to \$15,000,000	\$ -	\$ -
Net Taxable Capital	\$ -	\$ -
Rate	0.000%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -
<b>2. Tax Related Amounts Forecast from Income Tax Rate Changes</b>	<b>2011</b>	<b>2013</b>
Regulatory Taxable Income	\$ 1,544,582	\$ 1,544,582
Corporate Tax Rate	25.90%	26.50%
Tax Impact	\$ 400,095	\$ 409,314
<b>Grossed-up Tax Amount</b>	<b>\$ 557,623</b>	<b>\$ 556,890</b>
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 557,623	\$ 556,890
<b>Total Tax Related Amounts</b>	<b>\$ 557,623</b>	<b>\$ 556,890</b>
Incremental Tax Savings		-\$ 733
Sharing of Tax Savings (50%)		-\$ 367

Board staff has been unable to confirm the regulatory taxable income amounts and grossed-up tax amounts shown above with Kingston's last cost of service Board-approved Revenue Requirement Work Form.

- a) Please reconcile the amounts shown for regulatory taxable income and the grossed-up tax amount.