



BY RESS and EMAIL

December 20, 2013

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Walli:

**Re: Kingston Hydro Corporation ("Kingston Hydro")
2014 IRM Distribution Rate Application
Kingston Hydro Interrogatory Responses
Board File No. EB-2013-0146**

In accordance with Procedural Order No. 1, please find attached Kingston Hydro responses to Board staff interrogatories in the above proceeding.

Yours truly,

A handwritten signature in black ink, appearing to read "S. Gibson".

Sherry Gibson
Senior Advisor, Rates and Regulatory Affairs

Encl.

**Kingston Hydro Corporation (“Kingston Hydro”)
2014 Electricity Distribution Rates EB-2013-0146**

Responses to Board Staff Interrogatories

Interrogatory #1

Standby Power

Ref: Rate Generator Model

A portion of Sheet “4. Current Tariff Schedule” from the Rate Generator Model is reproduced below.

STANDBY POWER - APPROVED ON AN INTERIM BASIS Service Classification

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.2500

Board staff notes that the Regulatory Components of the monthly rates and charges, i.e. Wholesale Market Service Rate, Rural Rate Protection Charge and Standard Supply Service Administrative Charge have been applied to the Standard Power rate class. Board staff further notes that these charges are not applicable to the Standard Power rate class.

- a. If the inclusion of these charges is an error, Board staff will make the relevant correction.

Response

- a. The Regulatory Components of the monthly rates and charges, i.e. Wholesale Market Service Rate, Rural Rate Protection Charge, and Standard Supply Service Administrative Charge are not applicable to Kingston Hydro’s Standby Power – Approved on an Interim Basis service classification. Board Staff may proceed with making the relevant correction.

Interrogatory #2

Disposition During 2013

Ref: Rate Generator Model Ref: 2013 IRM Decision
 and Order (EB-2012-0142)

A portion of Sheet “5. 2014 Continuity Schedule” from the Rate Generator Model is reproduced below.

		2013		
Account Descriptions	Account Number	Principal Disposition during 2013 - instructed by Board	Interest Disposition during 2013 - instructed by Board	Closing Principal Balances as of Dec 31-12 Adjusted for Dispositions during 2013
Group 1 Accounts				
LV Variance Account	1550	350,965	11,134	57,237
RSVA - Wholesale Market Service Charge	1580	(1,483,873)	(50,339)	(888,314)
RSVA - Retail Transmission Network Charge	1584	405,592	15,315	356,916
RSVA - Retail Transmission Connection Charge	1586	362,499	14,782	299,622
RSVA - Power (excluding Global Adjustment)	1588	(314,526)	(4,912)	188,897
RSVA - Global Adjustment	1589	2,735,979	65,318	2,641,339
Recovery of Regulatory Asset Balances	1590			0
Disposition and Recovery/Refund of Regulatory Balances (2008) ⁵	1595			0
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁵	1595			0
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁵	1595	(256)	(11)	(265,818)
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁵	1595			0
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		2,056,380	51,287	2,389,879
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		(679,599)	(14,031)	(251,460)
RSVA - Global Adjustment	1589	2,735,979	65,318	2,641,339
Deferred Payments in Lieu of Taxes	1562			0
Total of Group 1 and Account 1562		2,056,380	51,287	2,389,879
Special Purpose Charge Assessment Variance Account⁴	1521			
LRAM Variance Account⁶	1568			0
Total including Accounts 1562 and 1568		2,056,380	51,287	2,389,879

Table 3 from Kingston Hydro’s 2013 IRM Decision and Order which identifies the principal and interest amounts approved for disposition for Group 1 Accounts during 2013 is reproduced below.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	\$350,965	\$11,134	\$362,099
RSVA - Wholesale Market Service Charge	1580	-\$1,483,873	-\$50,339	-\$1,534,212
RSVA - Retail Transmission Network Charge	1584	\$405,592	\$15,315	\$420,907
RSVA - Retail Transmission Connection Charge	1586	\$362,499	\$14,782	\$377,281
RSVA - Power (excluding Global Adjustment)	1588	-\$314,526	-\$4,912	-\$319,438
RSVA - Power – Global Adjustment Sub-Account	1588	\$2,735,979	\$65,318	\$2,801,297
Recovery of Regulatory Asset Balances	1590	-\$256	-\$11	-\$267
Total Group 1 Excluding Global Adjustment Sub-Account				-\$693,631
Total Group 1				2,107,667

Board staff notes that the principal and interest amounts identified against Account 1590 in the 2013 IRM Decision and Order have been indicated against Account 1595 in the Rate Generator Model.

- a. If the indication of the amounts against Account 1595 in the Rate Generator Model is an error, Board staff will make the relevant correction.

Response

- a. In the Rate Generator Model, Sheet “5. 2014 Continuity Schedule”, the amounts against Account 1595 should be against Account 1590. Board Staff may proceed with making the relevant correction.

Interrogatory #3

Projected Interest

Ref: Rate Generator Model

A portion of Sheet “5. 2014 Continuity Schedule” from the Rate Generator Model is reproduced below.

Account Descriptions	Account Number	2013			Projected Interest on Dec-31-12 Balances		Total Claim
		Interest Disposition during 2013 - instructed by Board	Closing Principal Balances as of Dec 31-12 Adjusted for Dispositions during 2013	Closing Interest Balances as of Dec 31-12 Adjusted for Dispositions during 2013	Projected Interest from Jan 1, 2013 to December 31, 2013 on Dec 31 -12 balance adjusted for disposition during 2013 ²	Projected Interest from January 1, 2013 to April 30, 2013 on Dec 31 -12 balance adjusted for disposition during 2013 ²	
Group 1 Accounts							
LV Variance Account	1550	11,134	57,237	(1,062)	841		57,016
RSVA - Wholesale Market Service Charge	1580	(50,339)	(888,314)	984	(13,058)		(900,388)
RSVA - Retail Transmission Network Charge	1584	15,315	356,916	1,716	5,247		363,879
RSVA - Retail Transmission Connection Charge	1586	14,782	299,622	1,093	4,404		305,119
RSVA - Power (excluding Global Adjustment)	1588	(4,912)	188,897	8,252	2,777		199,925
RSVA - Global Adjustment	1589	65,318	2,641,339	(2,986)	38,828		2,677,181
Recovery of Regulatory Asset Balances	1590		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2008) ³	1595		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2009) ³	1595		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2010) ³	1595	(11)	(265,818)	27,196	(1,954)		(240,576)
Disposition and Recovery/Refund of Regulatory Balances (2011) ³	1595		0	0	0		0
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		51,287	2,389,879	35,193	37,085	0	2,462,157
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		(14,031)	(251,460)	38,179	(1,743)	0	(215,023)
RSVA - Global Adjustment	1589	65,318	2,641,339	(2,986)	38,828	0	2,677,181
Deferred Payments in Lieu of Taxes	1562		0	0	0	0	0
Total of Group 1 and Account 1562		51,287	2,389,879	35,193	37,085	0	2,462,157
Special Purpose Charge Assessment Variance Account⁴	1521						
LRAM Variance Account⁶	1568		0	0			0
Total including Accounts 1562 and 1568		51,287	2,389,879	35,193	37,085	0	2,462,157

Board staff notes that the column pertaining to the Projected Interest from January 1, 2014 to April 30, 2014 is unpopulated.

- a. If the omission of this interest is an error, Board staff will make the relevant correction.

Response

- a. In Sheet “5. 2014 Continuity Schedule” of the Rate Generator Model, the column pertaining to the Projected Interest from January 1, 2014 to April 30, 2014 should be populated with the applicable interest. Board Staff may proceed with making the relevant correction.

Interrogatory #4

General Service 50 to 4,999 kW

Ref: Rate Generator Model

Ref: RTSR Model

A portion of Sheet “11. Proposed Rates” from the Rate Generator Model is reproduced below.

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

Retail Transmission Rate - Network Service Rate	\$/kW	3.29450
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.11020

LARGE USE SERVICE CLASSIFICATION

Retail Transmission Rate - Network Service Rate	\$/kW	3.29490
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.54270

STREET LIGHTING SERVICE CLASSIFICATION

Retail Transmission Rate - Network Service Rate	\$/kW	1.97520
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.52420

A portion of Sheet “13. Final 2014 RTS Rates” from the RTSR Model is reproduced below.

Rate Class	Unit		Proposed RTSR Network		Proposed RTSR Connection
Residential	kWh	\$	0.0069	\$	0.0053
General Service Less Than 50 kW	kWh	\$	0.0063	\$	0.0049
General Service 50 to 4,999 kW	kW	\$	2.7423	\$	2.1127
Large Use	kW	\$	3.3042	\$	2.5457
Unmetered Scattered Load	kWh	\$	0.0069	\$	0.0053
Street Lighting	kW	\$	1.9808	\$	1.5260
Standby Power - APPROVED ON AN INTERIM BASIS	0	\$	-	\$	-

Board staff notes that the Network and Connection rates for the General Service 50 to 4,999 KW, Large Use and Street Lighting rate classes calculated in the RTSR Model do not match the rates input in the Rate Generator Model.

- a. If the input of the Network and Connection rates in the Rate Generator Model is an error, Board staff will make the relevant correction.

Response

- a. In Sheet "11. Proposed Rates" from the Rate Generator Model, the Network and Connection Rates for the General Service 50 to 4,999 KW, Large Use and Street Lighting rate classes should be the rates calculated in the RTSR Model Sheet "13. Final 2014 RTS Rates". Board Staff may proceed with making the relevant correction.

Interrogatory #5

Non-Loss Adjusted Metered Billed kWh and kW

Ref: RTSR Model A portion of Sheet “4. RRR Data” from the RTSR Model 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	184,723,623		1.0344		191,078,116	-
General Service Less Than 50 kW	kWh	90,445,755		1.0344		93,557,089	-
General Service 50 to 4,999 kW	kW	267,297,509	781,391		46.89%	267,297,509	781,391
Large Use	kW	154,868,534	323,212		65.67%	154,868,534	323,212
Unmetered Scattered Load	kWh	1,312,359		1.0344		1,357,504	-
Street Lighting	kW	4,555,371	10,989		56.82%	4,555,371	10,989
Standby Power - APPROVED ON AN INTERIM BASIS						-	-

- 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 Hydro’s Board-approved loss factor.

Response

- a. Confirmed.
 In the RTSR Model Sheet “4. RRR Data”, the amounts entered into the columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” have not been adjusted by Kingston Hydro’s Board-approved loss factor.