



February 27, 2015

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

Dear Ms. Walli,

Re: Kingston Hydro Corporation – ED-2003-0057 - 2016 Custom IR Rate Application

The Ontario Energy Board (the "Board") issued a letter to all distributors on January 29, 2015 regarding 2016 Electricity Distribution Rate Applications. The Board has identified the distributors scheduled to apply to have their rates rebased for 2016 (the "2016 Rebasing List"), based upon those distributors whose rates were last set based on a cost of service application for the 2012 rate year, as well as distributors that were scheduled to have their rates rebased for the 2015 rate year but whose rate rebasing was deferred by one year.

Kingston Hydro Corporation's rates were last set based on a cost of service application for the 2011 rate year. The Board had identified Kingston Hydro ("Kingston") on its 2015 Rebasing List however Kingston requested and was granted by the Board a deferral beyond the 2015 rate year. Amongst the reasons cited for deferral in Kingston's deferral request letter to the Board dated March 26, 2014, Kingston indicated that it wished to align its rate year with its fiscal year (Jan 1 to Dec 31) and reasoned that it believed it could adequately manage its resources and financial needs so that an eight month deferral would not negatively and significantly impact its financial position.

Kingston has not been included on the 2016 Rebasing List. Kingston Hydro wishes to advise the Board of its intention to file a Custom IR cost of service application for rates effective January 1st for each of 2016, 2017, 2018, 2019 and 2020. If anything changes with respect to our intention, we will notify the Board immediately of such change.

If you have any questions, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy Murphy".

Randy Murphy
Chief Financial Officer