

Exhibit 8:

RATE DESIGN



Exhibit 8: Rate Design

Tab 1 (of 4): Fixed/Variable Proportion

FIXED/VARIABLE PROPORTION

Kingston Hydro has proposed a Test Year service revenue requirement of \$14,987,724, with other revenue offset of \$811,893, and a net (base) revenue requirement of \$14,175,831 to be recovered through distribution rates.

Exhibit 6 – Revenue Deficiency or Sufficiency provides further detail of the revenue requirement and the calculation of revenue deficiency for the Test Year 2023.

The base revenue requirement is allocated to the various rate classes using the proposed revenue to cost ratios detailed in Exhibit 7 – Cost Allocation. The completed Revenue Requirement (RRWF) Workform Tab. '11. Cost Allocation' details the calculated class revenues to be recovered through distribution rates.

Kingston Hydro's distribution rates consist of a fixed monthly rate and a variable rate, and the amounts of these rates are specific to each customer class. A portion of distribution revenue is derived from fixed rates and a portion of distribution revenue is derived from variable rates. The Residential rate class is fully fixed and all distribution revenue for this class is derived from its fixed distribution rate.

1 The following Table 1 provides cost allocation study fixed charge floor and ceiling
 2 charges, boundary values, and the existing and proposed fixed charge rates:

3

4 **Table 1: Cost Allocation Study Fixed Charge Floor and Ceiling, Existing**
 5 **and Proposed Fixed Charges**

| Rate Class | Cost Allocation | | Existing Rate | Proposed Rate | Boundary Values | |
|------------------|-----------------|----------|---------------|---------------|-----------------|------------|
| | Floor | Ceiling | | | Minimum | Maximum |
| Residential | \$4.88 | \$16.19 | \$27.24 | \$28.64 | \$4.88 | \$27.24 |
| GS < 50 kW | \$5.21 | \$16.70 | \$16.16 | \$16.41 | \$5.21 | \$16.70 |
| GS 50 - 4,999 kW | \$58.58 | \$128.97 | \$117.69 | \$127.74 | \$58.58 | \$128.97 |
| Large Use | \$63.04 | \$402.87 | \$5,419.98 | \$5,419.98 | \$63.04 | \$5,419.98 |
| Street Lighting | \$0.63 | \$8.02 | \$1.37 | \$1.25 | \$0.63 | \$8.02 |
| USL | \$1.61 | \$8.71 | \$6.78 | \$7.13 | \$1.61 | \$8.71 |

6

7 A review of the above Table 1 above reveals the Large Use rate class existing
 8 2022 fixed rate is above the cost allocation study's calculated ceiling value for
 9 this class.

10

11 As outlined in the OEB's Chapter 2 Filing Requirements, if a distributor's current
 12 fixed charge for any non-residential class is higher than the calculated ceiling,
 13 there is no requirement to lower the fixed charge to the ceiling, nor are
 14 distributors expected to raise the fixed charge further above the ceiling for any
 15 non-residential class.

16

17 **Proposed Fixed/Variable Proportion**

18

19 The existing and proposed fixed charges and fixed/variable per cent splits by rate
 20 class are shown in Table 2. The existing fixed/variable splits for all rate classes
 21 are maintained except for the Large Use rate class. The proposed change from
 22 current fixed/variable split for this class stems from the fixed charge being above
 23 the cost allocation ceiling value. Kingston Hydro proposes for the 2023 Test Year

1 to maintain the current 2022 level of fixed charge for Large Use. In doing so this
 2 changes the fixed/variable split for the Large Use rate class.

3

4 **Table 2: Existing and Proposed Fixed Variable Splits**

| Rate Class | Existing Fixed/Variable | | | Proposed Fixed/Variable | | |
|-----------------------------|----------------------------|---------|--------|----------------------------|---------|--------|
| | Current Fixed Rate | Fixed % | Var. % | Proposed Fixed Rate | Fixed % | Var. % |
| Residential | \$27.24 | 100.0% | 0.0% | \$28.64 | 100.0% | |
| GS < 50 kW | \$16.16 | 26.8% | 73.2% | \$16.41 | 26.8% | 73.2% |
| GS 50 to 4,999 kW | \$117.69 | 17.2% | 82.8% | \$127.74 | 17.2% | 82.8% |
| Large Use | \$5,419.98 | 34.6% | 65.4% | \$5,419.98 | 31.9% | 68.1% |
| Street Lighting | \$1.37 | 52.2% | 47.8% | \$1.25 | 52.2% | 47.8% |
| Unmetered Scattered Load | \$6.78 | 45.8% | 54.2% | \$7.13 | 45.8% | 54.2% |
| Standby | | | | | | |

5

- 1 Table 3 below details the proposed fixed and variable revenue proportions by
 2 rate class and per cent splits.

3

4 **Table 3: Proposed Rate Class Revenue Fixed/Variable Proportion**

| Rate Class | Fixed Revenue | Variable Revenue | Total Distribution Revenue | Fixed % | Var. % |
|--------------------------|---------------|------------------|----------------------------|---------|--------|
| Residential | \$ 8,570,064 | \$ - | \$ 8,570,064 | 100.0% | |
| GS <50 kW | \$ 569,730 | \$ 1,559,201 | \$ 2,128,931 | 26.8% | 73.2% |
| GS 50 to 4,999 KW | \$ 459,788 | \$ 2,209,151 | \$ 2,668,938 | 17.2% | 82.8% |
| Large Use | \$ 195,119 | \$ 415,633 | \$ 610,752 | 31.9% | 68.1% |
| Street Lighting | \$ 85,957 | \$ 78,859 | \$ 164,817 | 52.2% | 47.8% |
| Unmetered Scattered Load | \$ 14,804 | \$ 17,524 | \$ 32,327 | 45.8% | 54.2% |
| Standby | | | | | |
| Totals | \$ 9,895,462 | \$ 4,280,367 | \$ 14,175,829 | 69.8% | 30.2% |

5

The following Table 4 details Kingston Hydro's current distribution rates, the proposed 2023 Test Year fixed, and variable distribution rates calculated using the 2023 proposed load forecast billing determinants, and proposed rate class fixed/variable proportions.

Table 4: 2022 Current Rates and 2023 Test Year Proposed Distribution Rates

| Rate Class | Variable Rate Billing Determinant | 2022 Current Charges | | 2023 Proposed Charges | |
|--------------------------|-----------------------------------|----------------------|---------------|-----------------------|---------------|
| | | Fixed Rate | Variable Rate | Fixed Rate | Variable Rate |
| Residential | \$/kWh | \$27.24 | - | \$28.64 | - |
| GS <50 kW | \$/kWh | \$16.16 | 0.0174 | \$16.41 | 0.0177 |
| GS 50 to 4,999 kW | \$/kW | \$117.69 | 3.5786 | \$127.74 | 3.8629 |
| Large Use | \$/kW | \$5,419.98 | 1.4453 | \$5,419.98 | 1.6038 |
| Street Lighting | \$/kW | \$1.37 | 15.6066 | \$1.25 | 14.2278 |
| Unmetered Scattered Load | \$/kWh | \$6.78 | 0.0134 | \$7.13 | 0.0141 |

The proposed distribution rates for each of the rate classes have been designed to capture the class specific distribution revenue requirements proposed in Exhibit 7 Cost Allocation using the proposed class specific distribution revenue fixed/variable proportions.

Supporting discussion on the 2023 load forecast inputs used in the determination of the proposed distribution rates may be found in Exhibit 3 Load and Revenue Forecasts.



1 **Transformer Allowance for Ownership**

2

3 Kingston Hydro is proposing to maintain its current Transformer Allowance for
4 Ownership of \$0.60/kW. The Transformer Allowance for Ownership is intended to
5 reimburse customers who own their own transformers for the costs of
6 transformation from primary to secondary voltage. Kingston Hydro provides this
7 service, and these costs are included in base distribution rates; when a customer
8 owns its own transformer it is incurring these costs directly and as such is entitled
9 to receive a credit. Kingston Hydro's estimated transformer allowance for the
10 2023 Test Year is \$211,979.

Exhibit 8: Rate Design

**Tab 2 (of 4): Retail Transmission Service Rates
(RTSRs) and Other Charges**

1 **RETAIL TRANSMISSION SERVICE RATES (RTSRs)**

2
3 Kingston Hydro is applying for an adjustment of its Retail Transmission Service
4 Rates (“RTSR”). The OEB’s *Guideline G-2008-0001: Electricity Distribution Retail*
5 *Transmission Service Rates* (the “Guideline”) issued October 22, 2008, and with
6 revisions up to June 28, 2012 (revision 4.0) outlines the information the OEB
7 requires electricity distributors to file when proposing adjustments to their
8 RTSRs.

9
10 Kingston Hydro has partially embedded status, and as such, incurs transmission
11 costs based on wholesale UTR rates and as well as transmission costs based on
12 Hydro One Networks RTSR rates for its Sub-transmission rate class. Kingston
13 Hydro passes these charges on to customers with OEB-approved RTSR.

14
15 To calculate updated RTSR rates, Kingston Hydro has utilized the most recent
16 version of the OEB’s RTSR_Workform (2023 RTSR Workform v 1.0 _20220527),
17 for the development of the proposed rates. The RRR billing determinants in the
18 2023 model have been updated with Kingston Hydro’s 2.1.5 Performance Based
19 Regulation RRR Billing determinants, recently filed April 2022 with the OEB.

20
21 Kingston Hydro’s current approved 2022 RTSRs reflect the 2021 UTR and Sub-
22 transmission rates¹ in effect at the time of Kingston Hydro’s 2022 IRM² rate
23 proceeding.

¹ EB-2021-0176, OEB Decision and Rate Order, June 24, 2021; EB-2020-0030, OEB Decision and Rate Order, December 17, 2020

² EB-2021-0037, OEB Decision and Rate Order, December 9, 2021

1 The 2023 RTSR Workform utilized to calculate the 2023 RTSR rates reflects the
2 very recent OEB Decision and Rate Order³ whereby the OEB set the 2022
3 Uniform Transmission Rates (UTR) effective as of April 1, 2022.

4
5 The most current UTR rates, effective April 1, 2022, are as follows:

- 6
7
 - \$5.46/kW/Month Network Service Rate
 - 8 • \$0.88/kW/Month Line Connection Service Rate
 - 9 • \$2.81/kW/Month Transformation Connection Service Rate

10
11 Based on the most recent OEB approved HONI distribution rates⁴, the current
12 RTSRs for HONI's Sub-Transmission rate class, effective January 1, 2022, are
13 as follows:

- 14
15
 - Retail Transmission Rate – Network Service Rate \$4.3473/kW/month;
 - 16 • Retail Transmission Rate – Line Connection Service Rate
 - 17 \$0.6788/kW/month, and,
 - 18 • Retail Transmission Rate –Transformation Connection Service Rate
 - 19 \$2.3267/kW/month.

20
21 The populated RTSR Workform has been filed along with this Application in live
22 Excel format. The proposed RTSR rates are those calculated in RTSR Workform
23 Tab “8. RTSR rates to Forecast”. The following Table 1 provides current and
24 proposed RTSR volumetric rates:

25

³ EB-2022-0084, OEB Decision and Rate Order, April 7, 2022

⁴ EB-2021-0032, OEB Decision and Rate Order, December 14, 2021.

1 Table 1: Current and Proposed RTSR Rates

| <i>Transmission - Network</i> | | 2022 | 2023 |
|----------------------------------|-----|--------------|---------------|
| Rate Class | | Current Rate | Proposed Rate |
| Residential | kWh | 0.0080 | 0.0095 |
| GS < 50 kW | kWh | 0.0071 | 0.0085 |
| GS 50 to 4,999 kW | kW | 3.1322 | 3.7445 |
| Large Use | kW | 3.7739 | 4.5116 |
| Unmetered Scattered Load | kWh | 0.0080 | 0.0095 |
| Street Lighting | kW | 2.2625 | 2.7047 |
| | | | |
| <i>Transmission - Connection</i> | | 2022 | 2023 |
| Rate Class | | Current Rate | Proposed Rate |
| Residential | kWh | 0.0064 | 0.0067 |
| GS < 50 kW | kWh | 0.0059 | 0.0061 |
| GS 50 to 4,999 kW | kW | 2.5569 | 2.6461 |
| Large Use | kW | 3.0808 | 3.1883 |
| Unmetered Scattered Load | kWh | 0.0064 | 0.0067 |
| Street Lighting | kW | 1.8468 | 1.9112 |

2

3 The adjustments to Kingston Hydro's RTSR rates are primarily due to combined
 4 increases in UTR and Sub-transmission rates from when Kingston Hydro's rates
 5 were last set, to current rates used to calculate the above proposed. The rates
 6 for 2021 and 2022 are provided in the RTSR model Tab '4. UTRs and Sub-
 7 transmission'.

8

9 The 2023 proposed RTSR rates were used in the working capital allowance
 10 calculation provided in the Allowance for Working Capital section in Exhibit 2 of
 11 this Application.

RETAIL SERVICE CHARGE

Kingston Hydro's Tariff of Rates and Charges also includes energy retailer service charges. These charges refer to the charges that recover the cost of services provided by electricity distributors to electricity retailers or to customers, related to the supply of competitive electricity. Kingston Hydro's current retail service rates and charges were established on a generic basis by the OEB.

Kingston Hydro is not proposing any changes to its energy retail service charges. In accordance with the OEB's November 29, 2018 issued [Report of the Ontario Energy Board: Energy Retailer Service Charges](#), generic retailer service charges for rate-regulated electricity distributors are to be adjusted by an annual inflation factor. Per the report the OEB will issue a generic order every December to adjust all miscellaneous service charges that are subject to an inflationary adjustment to be effective January 1st of each year.

The most recent OEB Decision and Rate Order¹ for inflationary adjustment effective January 1, 2022, for energy retailer service charges for electricity distributors was issued November 25, 2021.

Kingston Hydro notes that the OEB's 2023 Tariff Schedule and Bill Impact model, Tab '3. Regulatory Charges' current energy retailer service charge rate amounts listed are different than those contained in Kingston Hydro's 2022 current approved Tariff.

¹ EB-2021-0301



- 1 Kingston Hydro's proposed 2023 Tariff includes the energy retailer service
- 2 charges at Kingston Hydro's current approved 2022 levels of charge.

REGULATORY CHARGES

The Wholesale Market Service (“WMS”) rate is designed to allow distributors to recover costs charged by the IESO for the operation of the IESO-administered markets and the operation of the IESO-controlled grid.

The Rural or Remote Electricity Rate Protection (“RRRP”) program is designed to reduce costs for eligible customers located in certain rural or remote areas where the cost of distributing electricity is higher.

The Standard Supply Service Charge (“SSSC”) is set by the OEB as an administrative fee payable by customers who purchase electricity directly from their distributor.

These rates are set by the OEB on a generic (i.e., province-wide) basis. This application reflects the current WMS rate of \$0.0030/kWh, Capacity Based Recovery (“CBR”) rate of \$0.0004/kWh, RRRP rate of \$0.0005/kWh, and SSSC of \$0.25. These are the most recent rates approved by the OEB.

SMART METER ENTITY CHARGE

On March 1, 2018, the OEB approved the application (EB-2017-0290) by the Independent Electricity System Operator (IESO), in its capacity as the Smart Metering Entity (SME), for a smart metering charge (SMC) for the 2018-2022 period for Residential and General Service less than 50 kW rate classifications.

Kingston Hydro's current approved tariff includes the SMC rate of 57 cents per meter per month.

On March 31, 2022, the IESO, in its capacity as the SME filed an application with the OEB under section 78 of the Ontario Energy Board Act, 1998 seeking approval to charge distributors a monthly SMC of \$0.43 per meter per month for the five-year period commencing on January 1, 2023. This would replace the current SMC of \$0.57 per meter per month which was approved by the OEB in the EB-2017-0290 proceeding for the period from January 1, 2018 to December 31, 2022.

In addition, the SME requested approval of an interim SMC – also in the amount of \$0.43 per meter per month – for the period from April 1, 2022 to December 31, 2022. The SME's rationale for lowering the SMC for this period is to reduce a forecast overcollection of revenue that would otherwise occur as a result of multiple factors detailed in the SME application.

In the OEB's April 14, 2022 Decision under delegated authority, the OEB authorized the Smart Metering Entity's (SME) proposed charge of 43 cents per month on an interim basis. This change became effective as of April 1, 2022 for



1 the SME and effective as of May 1, 2022 for electricity distributors, including
2 Kingston Hydro.

3
4 In this application Kingston Hydro proposes the continuation of the SMC rate of
5 43 cents per month. This interim rate has been used to calculate the cost of
6 power charges for the test year 2023 in Exhibit 2 of this application and the Excel
7 format Ch 2 Appendix App.2-ZB Cost of Power tab includes this interim SMC
8 rate.

9
10 If during Kingston Hydro's COS rate application proceeding, a determination of
11 the final SMC for 2023 is approved by the OEB, Kingston Hydro proposes to
12 update its application to the final OEB approved SMC 2023 rate.

SPECIFIC SERVICE CHARGES

Kingston Hydro proposes the continuation of existing specific service charges at the current levels of charge detailed in Kingston Hydro's current Tariff of Rates and Charges. Exhibit 8 Tab 2 Schedule 6 Wireline Pole Attachment Charge provides further detail on the specific service charge generic pole attachment charge and OEB inflationary adjustment to the level of the charge.

Kingston Hydro confirms it does not have any rates or charges that are included in its Conditions of Service but do not appear on its OEB-approved tariff sheet.

WIRELINE POLE ATTACHMENT CHARGE

On March 22, 2018, the OEB issued its Report on Wireline Pole Attachment Charges, Report on Wireline Pole Attachment Charges (Pole Attachment Report), updating its approach to wireline pole attachments¹; that an annual OEB inflationary adjustment of the generic wireline pole attachment charge be applied. The generic level of charge applies to all licensed distributors that have not received OEB approval for a distributor-specific pole attachment charge.

For 2019, the province-wide wireline pole attachment charge was set at \$43.63 per pole per year for each user. As a result of the OEB's inflationary adjustment for January 1, 2020, the charge was revised to \$44.50. The inflationary adjustment for 2021 was suspended, and the 2021 pole attachment charge remained at \$44.50 on an interim basis. On December 16, 2021, the OEB issued an Order² that made final the 2021 pole attachment charge of \$44.50, previously set on an interim basis. The Order also set the effective January 1, 2022, wireline pole attachment charge to \$34.76 per attacher, per year, per pole, and was issued subsequent to Kingston Hydro's 2022 approved Tariff which includes the charge at the 2021 level.

Kingston Hydro is not proposing a distributor-specific wireline pole attachment charge.

The OEB's 2023 Tariff Schedule and Bill Impact model lists this charge in Tab '3. Regulatory Charges'. The generic charge amount listed in the model as current is

¹ EB-2015-0304

² EB-2021-0302



1 \$44.50, and the proposed 2023 charge the model calculates is \$45.97 which
2 reflects a proxy for inflation applied at 3.3%.
3
4 Kingston Hydro's proposed 2023 tariff generated by the 2023 Tariff Schedule and
5 Bill Impact model includes the OEB's generic wireline pole attachment charge
6 (Specific charge for access to the power poles - per pole/year (with the exception
7 of wireless attachments)) at the model calculated amount of \$45.97.

LOW VOLTAGE SERVICE RATES

Low Voltage Service Rates

Kingston Hydro is a partially embedded electricity distributor within Hydro One Networks Inc. (HONI). Kingston Hydro is considered by HONI to be a Sub-Transmission (ST) customer and subject to applicable OEB approved HONI ST delivery rates, generally referred to as Low Voltage (LV) charges.

For distributors LV costs and approved LV recoveries are to be treated similar to other “pass through” charges. Current LV revenues are recovered through a separate rate that is not embedded within the approved distribution rates. Kingston’s current LV service rates were last adjusted in its annual update Year 5 Custom IR, for 2020 using 2019 HONI rates.

In this Application Kingston Hydro is proposing to adjust its LV rates for 2023 Test Year.

Forecast LV Volumes

2023 test year and 2022 bridge year forecast LV volume is based upon applying an average ratio of LV kW to kWh for the five most recent historical years to the test load forecast total kWh. The 2023 Test Year forecast LV volume is 789,204 kW. Table 1 details the historical and forecast LV volumes calculation:

1 **Table 1: Forecast LV Volumes Calculation**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--------------------|-------------|-------------|-------------|-------------|-------------|--|----------------|
| LV kW | 779,337 | 786,686 | 770,526 | 818,849 | 767,002 | 782,882 | 789,204 |
| Total kWh | 691,762,298 | 704,356,676 | 695,884,995 | 659,875,330 | 661,213,848 | 680,571,953 | 686,067,639 |
| ratio LV kW to kWh | 0.0011266 | 0.0011169 | 0.0011073 | 0.0012409 | 0.0011600 | 0.0011503 | |
| | | | | | | average ratio of 5 year historicals applied to 2022 and 2023 total kWh | |

2

3

4 **Bridge Year Forecast LV Cost**

5

6 The following Table 2 details applicable 2022 HONI LV rates¹ and is applied to
 7 the 2022 bridge year forecast LV volumes:

8

9 **Table 2: 2022 Bridge Year Forecast LV Cost**

| | | Rates | Volume | Forecast Cost |
|---|-----------|-----------|---------|---------------------|
| <u>Applicable current 2022 LV HONI rates</u> | | | | |
| Service Charge 2022 | per month | \$ 612.97 | 4 | \$ 29,423 |
| Deferred Tax Asset Fixed Rate Rider | per month | \$ 36.18 | 4 | \$ 1,737 |
| Facility Charge for connection to Common ST Lines (44 to 13.8 kV) | \$/kW | 1.6208 | 782,882 | \$ 1,268,895 |
| Deferred Tax Asset Volumetric Rate Rider | \$/kW | 0.0540 | 782,882 | \$ 42,276 |
| Total Estimated 2022 Bridge LV Costs | | | | \$ 1,342,330 |

10

11

12 **2023 Test Year Forecast LV Costs**

13

14 Forecast 2023 Test Year LV cost is the average LV cost for the most recent five-
 15 year historical LV costs to Kingston Hydro.

16

17 The following Table 3 provides Kingston Hydro's LV volumes, LV costs, and year
 18 over year change in cost, for the most recent 5-year historical, and the forecast
 19 for 2022 Bridge and 2023 Test Year:

¹EB-2021-0032

1 **Table 3: LV Volumes, LV Cost, and Cost Impact – Historical and Forecast**

| Year | LV kW | LV Cost | \$ Change | % Change |
|------------------|---------|-------------|-------------|----------|
| 2017 actual | 779,337 | \$1,200,630 | | |
| 2018 actual | 786,686 | \$971,756 | (\$228,874) | -19.1% |
| 2019 actual | 770,526 | \$1,417,394 | \$445,638 | 45.9% |
| 2020 actual | 818,849 | \$1,979,605 | \$562,211 | 39.7% |
| 2021 actual | 767,002 | \$1,913,725 | (\$65,880) | -3.3% |
| 2022 bridge year | 782,882 | \$1,342,330 | (\$571,395) | -29.9% |
| 2023 test year | 789,204 | \$1,496,622 | \$154,292 | 11.5% |

2

3 The year over year cost variances can be attributed primarily to changes in HONI

4 LV rates and rate riders.

5

6 **Allocation of LV Costs to Rate Classes and Calculation of LV Recovery**

7 **Rates**

8

9 Low voltage costs have been allocated to each customer classification based

10 each classes proportion of the projected 2023 Retail Transmission-Connection

11 rate revenues. An LV recovery rate for each class is then calculated by dividing

12 Kingston Hydro's 2023 load forecast volumes for each class (kW or kWh

13 depending upon class) into the corresponding class allocated 2023 LV charges.

14

1 The calculation to recover the forecast \$1,496,622 Low Voltage cost is outlined in
2 the following Table 4.

3

4 **Table 4: Proposed Low Voltage Service Rates Calculation**

| 2022 Current and 2023 Proposed Low Voltage Service Rates | | | | | |
|---|--|------------------|---------------------|------------------|----------------|
| Customer Class Name | 2022 Current Low Voltage Rates | | | | |
| | Rate | per | | | |
| Residential | \$0.0028 | kWh | | | |
| General Service < 50 kW | \$0.0025 | kWh | | | |
| General Service 50 to 4999 | \$1.0539 | kW | | | |
| Large Use | \$1.2699 | kW | | | |
| Unmetered Scattered Load | \$0.0028 | kWh | | | |
| Street Lighting | \$0.7612 | kW | | | |
| Standby | | kW | | | |
| | | | | | |
| Customer Class Name | 2023 PROJECTED TRANSMISSION-CONNECTION REVENUE | | | | |
| | Rate ¹ | per | Volume ² | Revenue | % |
| Residential | \$0.0067 | kWh | 195,604,191 | 1,304,116 | 29.34% |
| General Service < 50 kW | \$0.0061 | kWh | 92,369,384 | 559,852 | 12.60% |
| General Service 50 to 4999 | \$2.6461 | kW | 611,542 | 1,618,226 | 36.41% |
| Large Use | \$3.1883 | kW | 295,837 | 943,215 | 21.22% |
| Unmetered Scattered Load | \$0.0067 | kWh | 1,301,927 | 8,680 | 0.20% |
| Street Lighting | \$1.9112 | kW | 5,543 | 10,593 | 0.24% |
| Standby Power | | kW | | | |
| | | | | | |
| TOTAL | | | 290,188,424 | 4,444,684 | 100.00% |
| Customer Class Name | 2023 PROPOSED LOW VOLTAGE CHARGES & RATES | | | | |
| | % Allocation | Charges | Volume ³ | Rate | per |
| Residential | 29.34% | 439,125 | 186,841,333 | \$0.0024 | kWh |
| General Service < 50 kW | 12.60% | 188,515 | 88,231,334 | \$0.0021 | kWh |
| General Service 50 to 4999 | 36.41% | 544,892 | 611,542 | \$0.8910 | kW |
| Large Use | 21.22% | 317,601 | 295,837 | \$1.0736 | kW |
| Unmetered Scattered Load | 0.20% | 2,923 | 1,243,602 | \$0.0024 | kWh |
| Street Lighting | 0.24% | 3,567 | 5,543 | \$0.6436 | kW |
| Standby Power | | | | | kW |
| | | | | | |
| TOTAL | | 1,496,622 | 277,229,191 | | |
| ¹ Rates from 2023 RTSR Workform (EB-2022-0044) June 2022 ² kWh's uplifted for line losses - 2023 Forecast volumes ³ kWh's not uplifted for line losses - 2023 Forecast volumes | | | | | |

5

6



1 The above 2023 proposed LV rates have been used in cost of power and
2 working capital calculations in Exhibit 2 of this application for test 2023.
3
4 Kingston Hydro has also completed the Tab '9. LV Rates' in the 2023 RTSR
5 Workform. The 2023 proposed LV rates shown match the LV rates calculated in
6 the LV Rates Tab in the RTSR Workform.



Exhibit 8: Rate Design

Tab 3 (of 4): Loss Adjustment Factors

LOSS ADJUSTMENT FACTORS

Kingston Hydro is partially embedded (supplied from a mix of transmission and distribution connected delivery points) however, monthly energy charges for its seven Hydro One Networks Inc. (HONI) delivery points are received from the Independent Electricity System Operator (IESO) since Kingston Hydro is the registered meter participant for all delivery points.

Kingston Hydro has not been asked to complete a loss study as a result of any previous decisions. Consequently, Kingston Hydro has taken a consistent approach with the Board's Filing Requirements to prepare its loss factor estimates for the 2023 Test Year.

The current approved loss factors were last updated under the OEB approval of the Kingston Hydro 2016 Cost of Service (EB-2015-0083) Decision.

Proposed loss factors have been calculated using the most recent five years, 2017 to 2021 inclusive, in accordance with Section 2.8.8 in Filing Requirements Electricity Distribution Rate Applications – 2022 Edition for 2023 Rates Applications – Chapter 2 Cost of Service dated April 18, 2022.

The loss factor calculations are provided in the live EXCEL Chapter 2 Appendices worksheet App.2.R_Loss Factors filed with this Application.

1 Supply Facilities Loss Factor - Losses Upstream of Distributor's System

2
3 Kingston Hydro's current Supply Facility Loss Factor (SFLF) is 1.0079. The
4 proposed SFLF for this 2023 Cost of Service application is 1.0039 which
5 represents a proposed decrease of 0.4% in the average annual SFLF. The
6 decrease in the SFLF is due to a change in the calculation method of the supply
7 facility loss factor which was made to align with the current OEB approved
8 calculation methodology.
9

10 Distribution Loss Factor – Losses Within Distributor's System

11
12 The current Distribution Loss Factor (DLF) for Kingston Hydro is 1.0303. The
13 proposed DLF for this 2023 Cost of Service application is 1.0429 which
14 represents a proposed increase of 1.22% in the average annual DLF. A five year
15 historic average was calculated in accordance with OEB Chapter 2 filing
16 requirements to smooth year-to-year variations in the DLF.
17

18 Total Loss Factor

19
20 Kingston Hydro's Total Loss Factor (TLF) which is applied to customer's
21 consumption is calculated from the SFLF and the DLF. Calculations suggest that
22 the TLF should be adjusted to 1.0469 which represents a proposed increase of
23 0.73% relative to the current approved TLF of 1.0393.
24

25 Loss Adjustment Factors

26
27 Loss adjustment factors are based on the TLF then adjusted accordingly
28 depending upon the customer's metering arrangement and kW demand class.

The current and proposed loss adjustment factors are summarized in the table below.

| Loss Adjustment Factor | Current | Proposed | % Change |
|---|---------|----------|----------|
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0188 | 1.0139 | -0.5% |
| Total Loss Factor - Primary Metered Customer > 5,000 kW | 1.0086 | 1.0038 | -0.5% |
| Total Loss Factor - Secondary Metered Customer < 5,000 kW | 1.0393 | 1.0469 | 0.7% |
| Total Loss Factor - Primary Metered Customer < 5,000 kW | 1.0289 | 1.0364 | 0.7% |

Reconciliation between Energy reported in Appendix 2-R and RRR filing

For quality assurance purposes, Kingston Hydro used additional data sources and analysis to validate the annual energy figures used in the Appendix 2-R Loss Factor calculations. As a result, some of the historic wholesale and retail energy figures submitted with Kingston Hydro's Appendix 2-R Loss Factor calculations of this cost of service application are different than the figures previously submitted with Kingston Hydro's annual RRR filings.

The following table provides a reconciliation between the energy reported in the annual RRR filing and the Appendix 2-R filing of this cost of service application.

| Year | Total "Wholesale" kWh (lower value) IESO plus Generation | | | "Retail" kWh delivered by distributor | | |
|---------|---|--------------|----------|---------------------------------------|--------------|----------|
| | RRR | Appendix 2-R | % Change | RRR | Appendix 2-R | % Change |
| 2017 | 709,485,459 | 712,408,428 | 0.41% | 687,828,987 | 691,762,298 | 0.57% |
| 2018 | 733,582,771 | 733,649,007 | 0.01% | 705,379,503 | 704,356,676 | -0.15% |
| 2019 | 717,331,271 | 721,943,258 | 0.64% | 695,884,995 | 695,884,995 | 0.00% |
| 2020 | 681,149,565 | 681,849,031 | 0.10% | 659,894,754 | 659,875,330 | 0.00% |
| 2021 | 683,853,084 | 684,377,888 | 0.08% | 661,167,110 | 661,213,848 | 0.01% |
| Average | 705,080,430 | 706,845,522 | 0.25% | 682,031,070 | 682,618,629 | 0.09% |



Attachment 1 (of 1):

Line Loss Study

Line Loss Study

Kingston Hydro has not provided a line loss study as it does not meet the requirements to provide one. The OEB Filing Requirements for Electricity Distribution Rate Applications – 2022 Edition for 2023 Rate Applications Chapter 2 Cost of Service dated April 18, 2022 do not require a line loss study if previous OEB decisions have not required a line loss study and the proposed distribution loss factor calculated in accordance with OEB Filing Requirements is less than 5%.

Exhibit 8: Rate Design

Tab 4 (of 4): Rates and Bill Impacts

TARIFF OF RATES AND CHARGES

Kingston Hydro's current 2022 OEB approved Tariff of Rates and Charges is provided in Exhibit 8 Tab 4 Schedule 1 Attachment 1.

Kingston Hydro's proposed 2023 Test Year Tariff of Rates and Charges is provided in Exhibit 8 Tab 4 Schedule 1 Attachment 2.

Kingston Hydro's existing 2022 and proposed 2023 Test Year Tariff of Rates and Charges is also filed along with this Application in separate live Excel format.

Current Tariff of Rates and Charges

Kingston Hydro's current service classifications included on the current tariff are as follows:

1. Residential
2. General Service less than 50 kW
3. General Service 50 to 4,999 kW
4. Large Use
5. Unmetered Scattered Load
6. Standby Power
7. Street Lighting
8. microFIT

1 **Proposed Tariff of Rates and Charges**

2
3 The current service classifications are continued in the proposed Tariff, as well
4 as the continuation of all other current charges.

5
6 Kingston Hydro proposes to maintain the OEB's generic service charge rate at
7 the approved level for the microFIT customer class, which currently is \$4.55¹.

8
9 Kingston Hydro proposes to maintain its Primary Metering Allowance for
10 transformer losses of (1.00) per cent, applied to measured demand and energy.

11
12 **Proposed Rate Classification Description Amendment**

13
14 Kingston Hydro proposes one update to the wording for its Standby Power rate
15 classification. Currently the Standby Power description includes a reference to
16 Kingston Hydro's past 2020 CDM targets. Kingston Hydro proposes to remove
17 the words "to contribute towards Kingston Hydro's 2020 Conservation Targets, ".
18

19 Removal of this reference in the Standby Power description does not affect
20 conditions of service and the application of rates.

21
22 In the proposed 2023 Tariff these words have been removed from the last
23 sentence of the description.

¹ Review of Fixed Monthly Charge for microFIT Generator Service Classification - OEB File Numbers
EB-2009-0326 and EB-2010-0219, February 25, 2021



Attachment 1 (of 2):

Current Tariff Schedule

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0037

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge | \$ | 27.24 |
| Smart Metering Entity Charge - effective until December 31, 2022 | \$ | 0.57 |
| Low Voltage Service Rate | \$/kWh | 0.0028 |
| Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 | \$/kWh | 0.0003 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0080 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0064 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

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EB-2021-0037

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge | \$ | 16.16 |
| Smart Metering Entity Charge - effective until December 31, 2022 | \$ | 0.57 |
| Distribution Volumetric Rate | \$/kWh | 0.0174 |
| Low Voltage Service Rate | \$/kWh | 0.0025 |
| Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 | \$/kWh | 0.0003 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0071 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0059 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

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EB-2021-0037

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
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MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|--|--------|----------|
| Service Charge | \$ | 117.69 |
| Distribution Volumetric Rate | \$/kW | 3.5786 |
| Low Voltage Service Rate | \$/kW | 1.0539 |
| Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 Applicable only for Non-Wholesale Market Participants | \$/kW | (0.1260) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 | \$/kW | 0.2281 |
| Retail Transmission Rate - Network Service Rate | \$/kW | 3.1322 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 2.5569 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
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EB-2021-0037

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Kingston Hydro Corporation
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MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|-------|----------|
| Service Charge | \$ | 5,419.98 |
| Distribution Volumetric Rate | \$/kW | 1.4453 |
| Low Voltage Service Rate | \$/kW | 1.2699 |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 | \$/kW | 0.1317 |
| Retail Transmission Rate - Network Service Rate | \$/kW | 3.7739 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 3.0808 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

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EB-2021-0037

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge (per customer) | \$ | 6.78 |
| Distribution Volumetric Rate | \$/kWh | 0.0134 |
| Low Voltage Service Rate | \$/kWh | 0.0028 |
| Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 | \$/kWh | 0.0003 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0080 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0064 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

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EB-2021-0037

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires Kingston Hydro Corporation to provide back-up service. Standby Charges are to be applied to behind-the-meter generators that are not IESO market participants, FIT program participants, net-metered generators or retail generators, which have their own metering and settlement conventions as per regulation and legislation. Further servicing details are available in the distributors's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES

Standby Charges are based on applicable monthly General Service < 50kW, General Service > 50kW to 4,999 kW or Large Use Distribution Volumetric Charges, depending on the rate classification of the generator host facility.

In the case where utility grade metering is not installed on the generator, Distribution Charges on the generator host facility's load account will be determined by multiplying the peak hourly delivered load as measured by the load account meter in kW by applicable variable charges for the rate class. Standby Charges are determined by multiplying the nameplate capacity of the behind the meter generator in KW by applicable Standby Power charges in each month.

This type of scenario is preferable for our customers if the generator is a "baseload" or "24-7-365" generator such as a fuel cell CHP unit or pressure-drop turbine unit. It may also be preferable to the customer where the cost of utility grade metering is high or the size of the generator is very small relative to the demand of the host load customer.

In the case where utility grade metering is installed on the generator, Distribution Charges on the generator host facility's load account will be determined by multiplying the peak hourly delivered load as measured by the load account meter in kW by applicable variable charges for the rate class. Standby Charges will be determined by multiplying the peak coincident combined kW delivered by both the distribution system and the generator, less the peak hourly delivered load in kW of the host customer facility as measured by the generator host load account meter.

This type of scenario is preferable for customers who wish to use generators or electricity storage facilities to participate in provincial conservation initiatives such as the IESO's Demand Response or Industrial Conservation Initiatives, or reduce kWh consumption to contribute towards Kingston Hydro's 2020 Conservation Targets, but are not able to operate their generators "24-7-365".

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

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EB-2021-0037

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge (per light) | \$ | 1.37 |
| Distribution Volumetric Rate | \$/kW | 15.6066 |
| Low Voltage Service Rate | \$/kW | 0.7612 |
| Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 | \$/kW | 0.0927 |
| Retail Transmission Rate - Network Service Rate | \$/kW | 2.2625 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 1.8468 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0037

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment, and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|----------------|----|------|
| Service Charge | \$ | 4.55 |
|----------------|----|------|

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

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ALLOWANCES

| | | |
|---|-------|--------|
| Transformer Allowance for Ownership - per kW of billing demand/month | \$/kW | (0.60) |
| Primary Metering Allowance for Transformer Losses - applied to measured demand & energy | % | (1.00) |

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Customer Administration

| | | |
|---|----|-------|
| Arrears certificate | \$ | 15.00 |
| Statement of account | \$ | 15.00 |
| Request for other billing information | \$ | 15.00 |
| Account history | \$ | 15.00 |
| Returned cheque (plus bank charges) | \$ | 15.00 |
| Legal letter | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 15.00 |
| Special meter reads | \$ | 30.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct) | \$ | 30.00 |

Non-Payment of Account

| | | |
|--|----|--------|
| Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate) | % | 1.50 |
| Reconnection charge - at meter - during regular hours | \$ | 65.00 |
| Reconnection charge - at meter - after regular hours | \$ | 185.00 |
| Reconnection charge - at pole - during regular hours | \$ | 185.00 |
| Reconnection charge - at pole - after regular hours | \$ | 415.00 |

Other

| | | |
|--|----|--------|
| Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments) - Approved on an Interim Basis | \$ | 44.50 |
| Layout fees | \$ | 200.00 |

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2022

This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0037

RETAIL SERVICE CHARGES (if applicable)

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

| | | |
|--|----------|-----------|
| One-time charge, per retailer, to establish the service agreement between the distributor and the retailer | \$ | 107.68 |
| Monthly fixed charge, per retailer | \$ | 43.08 |
| Monthly variable charge, per customer, per retailer | \$/cust. | 1.07 |
| Distributor-consolidated billing monthly charge, per customer, per retailer | \$/cust. | 0.64 |
| Retailer-consolidated billing monthly credit, per customer, per retailer | \$/cust. | (0.64) |
| Service Transaction Requests (STR) | | |
| Request fee, per request, applied to the requesting party | \$ | 0.54 |
| Processing fee, per request, applied to the requesting party | \$ | 1.07 |
| Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party | | |
| Up to twice a year | \$ | no charge |
| More than twice a year, per request (plus incremental delivery costs) | \$ | 4.31 |
| Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019) | \$ | 2.15 |

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

| | |
|---|--------|
| Total Loss Factor - Secondary Metered Customer < 5,000 kW | 1.0393 |
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0188 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW | 1.0289 |
| Total Loss Factor - Primary Metered Customer > 5,000 kW | 1.0086 |



Attachment 2 (of 2):

Proposed Tariff Schedule

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0044

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge | \$ | 28.64 |
| Rate Rider for Group 2 Deferral/Variance Accounts - effective until December 31, 2024 | \$ | 0.22 |
| Smart Metering Entity Charge - effective until December 31, 2023 | \$ | 0.43 |
| Low Voltage Service Rate | \$/kWh | 0.0024 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2024 | \$/kWh | 0.0008 |
| Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until December 31, 2024 | \$/kWh | (0.0001) |
| Rate Rider for Power - Global Adjustment (non-RPP customers) - effective until December 31, 2024 | \$/kWh | (0.0013) |
| Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2025 | \$/kWh | 0.0005 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0095 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0067 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0044

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge | \$ | 16.41 |
| Smart Metering Entity Charge - effective until December 31, 2023 | \$ | 0.43 |
| Distribution Volumetric Rate | \$/kWh | 0.0177 |
| Low Voltage Service Rate | \$/kWh | 0.0021 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2024 | \$/kWh | 0.0008 |
| Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until December 31, 2024 | \$/kWh | (0.0001) |
| Rate Rider for Power - Global Adjustment (non-RPP customers) - effective until December 31, 2024 | \$/kWh | (0.0013) |
| Rate Rider for Group 2 Deferral/Variance Accounts - effective until December 31, 2024 | \$/kWh | (0.0001) |
| Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2025 | \$/kWh | 0.0014 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0085 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0061 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
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EB-2022-0044

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|--|--------|----------|
| Service Charge | \$ | 127.74 |
| Distribution Volumetric Rate | \$/kW | 3.8629 |
| Low Voltage Service Rate | \$/kW | 0.8910 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2024 | \$/kW | 0.1370 |
| Rate Rider for Disposition of Deferral/Variance Accounts Applicable only for Non-Wholesale Market Participants - effective until December 31, 2024 | \$/kW | 0.1994 |
| Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until December 31, 2024 | \$/kW | (0.0267) |
| Rate Rider for Power - Global Adjustment (non-RPP customers) - effective until December 31, 2024 | \$/kWh | (0.0013) |
| Rate Rider for Group 2 Deferral/Variance Accounts - effective until December 31, 2024 | \$/kW | (0.1176) |
| Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2025 | \$/kW | (0.0349) |
| Retail Transmission Rate - Network Service Rate | \$/kW | 3.7445 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 2.6461 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
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EB-2022-0044

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|--|-------|----------|
| Service Charge | \$ | 5,419.98 |
| Distribution Volumetric Rate | \$/kW | 1.6038 |
| Low Voltage Service Rate | \$/kW | 1.0736 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2024 | \$/kW | 0.4418 |
| Rate Rider for Group 2 Deferral/Variance Accounts - effective until December 31, 2024 | \$/kW | (0.0870) |
| Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2025 | \$/kW | (0.2210) |
| Retail Transmission Rate - Network Service Rate | \$/kW | 4.5116 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 3.1883 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
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EB-2022-0044

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge (per customer) | \$ | 7.13 |
| Distribution Volumetric Rate | \$/kWh | 0.0141 |
| Low Voltage Service Rate | \$/kWh | 0.0024 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2024 | \$/kWh | 0.0008 |
| Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until December 31, 2024 | \$/kWh | (0.0001) |
| Rate Rider for Power - Global Adjustment (non-RPP customers) - effective until December 31, 2024 | \$/kWh | (0.0013) |
| Rate Rider for Group 2 Deferral/Variance Accounts - effective until December 31, 2024 | \$/kWh | 0.0008 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0095 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0067 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0044

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires Kingston Hydro Corporation to provide back-up service. Standby Charges are to be applied to behind-the-meter generators that are not IESO market participants, FIT program participants, net-metered generators or retail generators, which have their own metering and settlement conventions as per regulation and legislation. Further servicing details are available in the distributors's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES

Standby Charges are based on applicable monthly General Service < 50kW, General Service > 50kW to 4,999 kW or Large Use Distribution Volumetric Charges, depending on the rate classification of the generator host facility.

In the case where utility grade metering is not installed on the generator, Distribution Charges on the generator host facility's load account will be determined by multiplying the peak hourly delivered load as measured by the load account meter in kW by applicable variable charges for the rate class. Standby Charges are determined by multiplying the nameplate capacity of the behind the meter generator in KW by applicable Standby Power charges in each month.

This type of scenario is preferable for our customers if the generator is a "baseload" or "24-7-365" generator such as a fuel cell CHP unit or pressure-drop turbine unit. It may also be preferable to the customer where the cost of utility grade metering is high or the size of the generator is very small relative to the demand of the host load customer.

In the case where utility grade metering is installed on the generator, Distribution Charges on the generator host facility's load account will be determined by multiplying the peak hourly delivered load as measured by the load account meter in kW by applicable variable charges for the rate class. Standby Charges will be determined by multiplying the peak coincident combined kW delivered by both the distribution system and the generator, less the peak hourly delivered load in kW of the host customer facility as measured by the generator host load account meter.

This type of scenario is preferable for customers who wish to use generators or electricity storage facilities to participate in provincial conservation initiatives such as the IESO's Demand Response or Industrial Conservation Initiatives, or reduce kWh consumption, but are not able to operate their generators "24-7-365".

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0044

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|--------|----------|
| Service Charge (per light) | \$ | 1.25 |
| Distribution Volumetric Rate | \$/kW | 14.2278 |
| Low Voltage Service Rate | \$/kW | 0.6436 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2024 | \$/kW | 0.2829 |
| Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until December 31, 2024 | \$/kW | (0.0232) |
| Rate Rider for Power - Global Adjustment (non-RPP customers) - effective until December 31, 2024 | \$/kWh | (0.0013) |
| Rate Rider for Group 2 Deferral/Variance Accounts - effective until December 31, 2024 | \$/kW | 9.2568 |
| Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2025 | \$/kW | 0.3922 |
| Retail Transmission Rate - Network Service Rate | \$/kW | 2.7047 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 1.9112 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0044

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any changes, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment, and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|----------------|----|------|
| Service Charge | \$ | 4.55 |
|----------------|----|------|

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

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ALLOWANCES

| | | |
|---|-------|--------|
| Transformer Allowance for Ownership - per kW of billing demand/month | \$/kW | (0.60) |
| Primary Metering Allowance for Transformer Losses - applied to measured demand & energy | % | (1.00) |

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Customer Administration

| | | |
|---|----|-------|
| Arrears certificate | \$ | 15.00 |
| Statement of account | \$ | 15.00 |
| Request for other billing information | \$ | 15.00 |
| Account history | \$ | 15.00 |
| Returned cheque (plus bank charges) | \$ | 15.00 |
| Legal letter | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 15.00 |
| Special meter reads | \$ | 30.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct) | \$ | 30.00 |

Non-Payment of Account

| | | |
|--|----|--------|
| Late payment - per month | | |
| (effective annual rate 19.56% per annum or 0.04896% compounded daily rate) | % | 1.50 |
| Reconnection charge - at meter - during regular hours | \$ | 65.00 |
| Reconnection charge - at meter - after regular hours | \$ | 185.00 |
| Reconnection charge - at pole - during regular hours | \$ | 185.00 |
| Reconnection charge - at pole - after regular hours | \$ | 415.00 |

Other

| | | |
|---|----|--------|
| Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments) | \$ | 44.50 |
| Layout fees | \$ | 200.00 |

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2023
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approved schedules of Rates, Charges and Loss Factors

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RETAIL SERVICE CHARGES (if applicable)

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

| | | |
|--|----------|-----------|
| One-time charge, per retailer, to establish the service agreement between the distributor and the retailer | \$ | 104.24 |
| Monthly fixed charge, per retailer | \$ | 41.70 |
| Monthly variable charge, per customer, per retailer | \$/cust. | 1.04 |
| Distributor-consolidated billing monthly charge, per customer, per retailer | \$/cust. | 0.62 |
| Retailer-consolidated billing monthly credit, per customer, per retailer | \$/cust. | (0.62) |
| Service Transaction Requests (STR) | | |
| Request fee, per request, applied to the requesting party | \$ | 0.52 |
| Processing fee, per request, applied to the requesting party | \$ | 1.04 |
| Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party | | |
| Up to twice a year | \$ | no charge |
| More than twice a year, per request (plus incremental delivery costs) | \$ | 4.17 |
| Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019) | \$ | 2.08 |

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

| | |
|---|--------|
| Total Loss Factor - Secondary Metered Customer < 5,000 kW | 1.0469 |
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0139 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW | 1.0364 |
| Total Loss Factor - Primary Metered Customer > 5,000 kW | 1.0038 |

REVENUE RECONCILIATION

The OEB's Revenue Requirement Workform (RRWF), Tab "13. Rate Design", calculates a reconciliation of the proposed volumes, and distribution rates to the proposed 2023 Test Year revenue requirement to be recovered through distribution rates. The completed RRWF is filed along with this Application in live Excel format.

The following tables provide revenue per class at current 2022 rates and 2023 load forecast and then at proposed 2023 rates and 2023 load forecast.



1 **Table 1: Projected Distribution Revenue at Existing Rates and 2023**
 2 **Volumes**

| Rate Class | 2023 Projected Revenue from Existing Variable Charges | | | | | | |
|-------------------------------|---|-------------------------|----------------------|------------------|---------------------------|---------------------------|------------------------------------|
| | Variable Distribution Rate | per | Volume | Variable Revenue | Transform. Allowance Rate | Transform. Allowance kW's | Transform. Allowance \$'s |
| Residential | | kWh | 186,841,333 | 0 | 0.00 | 0 | 0 |
| General Service < 50 kW | \$0.0174 | kWh | 88,231,334 | 1,535,225 | 0.00 | 0 | 0 |
| General Service 50 to 4999 kW | \$3.5786 | kW | 611,542 | 2,188,465 | 0.60 | 255,258 | 153,155 |
| Large Use | \$1.4453 | kW | 295,837 | 427,573 | 0.60 | 98,040 | 58,824 |
| Street Lighting | \$15.6066 | kW | 5,543 | 86,502 | 0.60 | 0 | 0 |
| Unmetered Scattered Load | \$0.0134 | kWh | 1,243,602 | 16,664 | 0.00 | 0 | 0 |
| Standby | | | | | | | |
| Total Variable Revenue | | | | 4,254,429 | | 353,298 | 211,979 |
| Rate Class | 2023 Projected Distribution Revenue at Existing Rates | | | | | | |
| | Fixed Rate | Customers / Connections | Fixed Charge Revenue | Variable Revenue | TOTAL | Transform. Allowance \$\$ | Revenues less Transform. Allowance |
| Residential | \$27.24 | 24,932 | 8,149,719 | 0 | 8,149,719 | 0 | 8,149,719 |
| General Service < 50 kW | \$16.16 | 2,893 | 560,970 | 1,535,225 | 2,096,195 | 0 | 2,096,195 |
| General Service 50 to 4999 kW | \$117.69 | 300 | 423,607 | 2,188,465 | 2,612,072 | 153,155 | 2,458,917 |
| Large Use | \$5,419.98 | 3 | 195,119 | 427,573 | 622,692 | 58,824 | 563,868 |
| Street Lighting | \$1.37 | 5,735 | 94,288 | 86,502 | 180,789 | 0 | 180,789 |
| Unmetered Scattered Load | \$6.78 | 173 | 14,078 | 16,664 | 30,742 | 0 | 30,742 |
| Standby | | | | | | | |
| Distribution Revenue | | | 9,437,780 | 4,254,429 | 13,692,209 | 211,979 | 13,480,230 |

3
4



1 **Table 2: 2023 Projected Distribution Revenue at Proposed 2023 Rates and**
 2 **Volumes**

| Rate Class | 2023 Projected Revenue from Proposed Variable Charges | | | | | | |
|-------------------------------|---|-------------------------|----------------------|------------------|---------------------------|-----------------------------|------------------------------------|
| | Variable Distribution Rate | per | Volume | Variable Revenue | Transform. Allowance Rate | Transform. Allowance kW's | Transform. Allowance \$'s |
| Residential | \$0.0000 | kWh | 186,841,333 | 0 | 0.00 | 0 | 0 |
| General Service < 50 kW | \$0.0177 | kWh | 88,231,334 | 1,561,695 | 0.00 | 0 | 0 |
| General Service 50 to 4999 kW | \$3.8629 | kW | 611,542 | 2,362,327 | 0.60 | 255,258 | 153,155 |
| Large Use | \$1.6038 | kW | 295,837 | 474,463 | 0.60 | 98,040 | 58,824 |
| Street Lighting | \$14.2278 | kW | 5,543 | 78,859 | 0.60 | 0 | 0 |
| Unmetered Scattered Load | \$0.0141 | kWh | 1,243,602 | 17,535 | 0.00 | 0 | 0 |
| Standby | | | | | | | |
| Total Variable Revenue | | | | 4,494,878 | | 353,298 | 211,979 |
| Rate Class | 2023 Projected Distribution Revenue at Proposed Rates | | | | | | |
| | Fixed Rate | Customers / Connections | Fixed Charge Revenue | Variable Revenue | TOTAL | Transform. Allowance \$\$ | Revenues less Transform. Allowance |
| Residential | \$28.64 | 24,932 | 8,568,574 | 0 | 8,568,574 | 0 | 8,568,574 |
| General Service < 50 kW | \$16.41 | 2,893 | 569,648 | 1,561,695 | 2,131,342 | 0 | 2,131,342 |
| General Service 50 to 4999 kW | \$127.74 | 300 | 459,780 | 2,362,327 | 2,822,107 | 153,155 | 2,668,952 |
| Large Use | \$5,419.98 | 3 | 195,119 | 474,463 | 669,582 | 58,824 | 610,758 |
| Street Lighting | \$1.25 | 5,735 | 86,029 | 78,859 | 164,888 | 0 | 164,888 |
| Unmetered Scattered Load | \$7.13 | 173 | 14,804 | 17,535 | 32,339 | 0 | 32,339 |
| Standby | | | | | | | |
| Distribution Revenue | | | 9,893,954 | 4,494,878 | 14,388,833 | 211,979 | 14,176,854 |
| | | | | | | | |
| | | | | | | Total Distribution Revenues | 14,176,854 |
| | | | | | | Base Revenue Requirement | 14,175,831 |
| | | | | | | Difference | 1,023 |
| | | | | | | | 0.007% |

3
 4
 5 The above Table 2 agrees to the RRWF Workform Tab 13 reconciliation.

BILL IMPACT INFORMATION

The OEB's 2023 Tariff Schedule and Bill Impact Model version 1.0 _20220527, has been completed and is filed along with this Application in live Excel format. Tab '6. Bill Impacts' provides bill impacts for typical customers and a range of consumption levels on a class-by-class basis.

The Tariff Schedule and Bill Impacts model identifies existing rates and proposed changes to rates, and calculates detailed bill impacts including:

- % change in distribution excluding pass-through costs (e.g., DVAs) – “Sub-Total A”,
- % change in distribution – “Sub-Total B”;
- % change in delivery – “Sub-Total C”; and
- % change in total bill.

Rates and charges input into the Tariff Schedule and Bill Impact Model have been rounded to the decimal places as shown on current and proposed Tariff of Rates and Charges.

The bill impacts for Residential and General Service less than 50 kW rate classifications are summarized as follows:

- The total bill impact of the rates proposed in this Application for a residential customer consuming 750 kWh per month is \$4.01 or 3.3%.



- 1 • The total bill impact of the rates proposed in this Application for a general
- 2 service less than 50 kW customer consuming 2,000 kWh per month is \$8.47
- 3 or 2.9%.

RATE MITIGATION

As described in Exhibit 7, the total bill impact for the Street Lighting rate class exceeds 10% after revenues are rebalanced according to the OEB's policy range and standard practice. Total bill increases in excess of 10% cannot be avoided by changing the deferral and variance account (DVA) disposition periods. Most of the total bill impact is the result of the Group 2 DVA rate rider in increases to STRs. Street Lighting rates must decline below 2022 approved rates to achieve a 2023 total bill impact of 10%.

Kingston Hydro's rate mitigation proposal for the Street Lighting class is described in detail in Exhibit 7. A generalized methodology to be applied in the event that revenue-to-cost ratios change throughout the application process is described below.

To mitigate rate increases in which total bill impacts exceed 10%, Kingston Hydro proposes to adjust revenues to be collected from that rate class downward with offsetting increases to revenues of the class(es) with the lowest revenue-to-cost ratios to maintain revenue neutrality. The mitigated class's rates will increase in future years such that total bills increase by 10% per year until the class reaches the minimum revenue-to-expense ratio. As the mitigated class's rates increase in subsequent years, rates of the class(es) with the highest revenue-to-cost ratios will decrease to maintain revenue neutrality.