



## **Kingston Hydro Corporation**

### **Application for electricity distribution rates and other charges beginning January 1, 2023**

#### **Decision on Issues List August 16, 2022**

Kingston Hydro Corporation (Kingston Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on June 17, 2022 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Kingston Hydro charges for electricity distribution, beginning January 1, 2023.

The OEB issued a Notice of Hearing on July 7, 2022. Procedural Order No. 1 (PO 1) dated July 29, 2022, that approved the Consumers Council of Canada (CCC), School Energy Coalition (SEC) and Vulnerable Energy Consumers Coalition (VECC) as intervenors in this proceeding. PO 1 also made provision, among other matters, for parties to develop a proposed issues list or advise the OEB in writing that the parties and OEB staff have been unable to reach an agreement on a draft issues list.

On August 12, 2022, OEB staff filed a proposed issues list which was agreed to by all parties. Further, parties have requested that the OEB waive the requirement under rule 26.02(e)(ii) of the *Rules of Practice and Procedure* that the interrogatories correspond to the issues list. Alternatively, parties are requesting to file interrogatories according to the exhibit numbers in the application and believe this approach is more efficient.

OEB staff also advised that parties may wish to propose additional matters for inclusion on the Issues List after the responses to interrogatories are received.

#### **Findings**

The OEB has reviewed the proposed issues list and approves it with one minor amendment to the last sentence, as indicated in the underlined text in Schedule A of this Decision. In addition, the OEB has considered the parties' request to file interrogatories according to exhibit number and approves this request.

The issues list may be updated as necessary to further define the scope of the proceeding.

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The final approved Issues List is attached to this Decision as Schedule A.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2022-0044** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact [registrar@oeb.ca](mailto:registrar@oeb.ca) for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Vince Mazzone at [Vince.Mazzone@oeb.ca](mailto:Vince.Mazzone@oeb.ca) and OEB Counsel, Ljuba Djurdjevic at [Ljuba.Djurdjevic@oeb.ca](mailto:Ljuba.Djurdjevic@oeb.ca)

Email: [registrar@oeb.ca](mailto:registrar@oeb.ca)

Tel: 1-877-632-2727 (Toll free)

**DATED** at Toronto, **August 16, 2022**

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar

**SCHEDULE A**  
**APPROVED ISSUES LIST**  
**KINGSTON HYDRO CORPORATION**  
**EB-2022-0044**  
**AUGUST 16, 2022**

**APPROVED ISSUES LIST**  
**EB-2022-0044**  
**Kingston Hydro Corporation (Kingston Hydro)**

**1.0 PLANNING**

**1.1 Capital**

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences
- productivity
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- trade-offs with OM&A spending
- government-mandated obligations
- the objectives of Kingston Hydro and its customers
- the distribution system plan
- the business plan

**1.2 OM&A**

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences
- productivity
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- trade-offs with capital spending
- government-mandated obligations
- the objectives of Kingston Hydro and its customers
- the distribution system plan
- the business plan

**2.0 REVENUE REQUIREMENT**

**2.1** Are all elements of the revenue requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

- 2.2** Has the revenue requirement been accurately determined based on these elements?

### **3.0 LOAD FORECAST, COST ALLOCATION AND RATE DESIGN**

- 3.1** Are the proposed load and customer forecast including the application of Conservation and Demand Management savings, loss factors, and resulting billing determinants appropriate, and to the extent applicable, are they an appropriate reflection of the energy and demand requirements of Kingston Hydro's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are Kingston Hydro's proposals, including the proposed fixed/variable splits, for rate design appropriate?
- 3.4** Are the proposed Retail Transmission Service Rates and Low Voltage Service Rates appropriate?
- 3.5** Are the Specific Service Charges, Retail Service Charges, and Pole Attachment Charge appropriate?
- 3.6** Are rate mitigation proposals required for any rate classes and, if so, is the proposal acceptable?

### **4.0 ACCOUNTING**

- 4.1** Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?
- 4.2** Are Kingston Hydro's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?

### **5.0 OTHER**

- 5.1** Is the proposed effective date (i.e., January 1, 2023) for 2023 rates appropriate?

**5.2** Has Kingston Hydro appropriately responded to the OEB Directives from its previous Custom IR (EB-2015-0083) application?

The OEB may update the issues list as necessary to further define the scope of the proceeding.