



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

Ontario

DECISION AND RATE ORDER

EB-2025-0026

KINGSTON HYDRO CORPORATION

Application for rates and other charges to be effective January
1, 2026

BY DELEGATION, BEFORE: Donald Lau
Manager
Electricity Distribution II

Month XX, 20XX

1. OVERVIEW

The Ontario Energy Board (OEB) is approving changes to the rates that Kingston Hydro Corporation (Kingston Hydro) charges to distribute electricity to its customers, effective January 1, 2026.

As a result of this Decision and Rate Order, there will be a monthly total bill increase of \$2.33 for a residential customer with a monthly consumption of 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

2. CONTEXT AND PROCESS

Kingston Hydro filed its application on August 14, 2025 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with [Chapter 3 \(Incentive Rate-Setting Applications\)](#) of the OEB's *Filing Requirements for Electricity Distribution Rate Applications* (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) used by the OEB.¹ It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing adjustment years.

The OEB follows a standardized and streamlined process for processing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. The distributor then reviews, completes, and includes the models with its application, and may update the models during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

Kingston Hydro serves approximately 28,400 mostly residential and commercial electricity customers in the City of Kingston.

The application was supported by pre-filed written evidence and a completed Rate Generator Model and, as required during the proceeding, Kingston Hydro updated and clarified the evidence.

¹ Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

3. DECISION OUTLINE

Each of the following issues is addressed in this Decision and Rate Order, together with the OEB's findings.

- Annual Adjustment Mechanism
- Retail Transmission Service Rates
- Low Voltage Service Rates
- Group 1 Deferral and Variance Accounts

Instructions for implementing Kingston Hydro's new rates and charges are set out in the final section of this Decision and Rate Order.

This Decision and Rate Order does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges² and loss factors, which are out of the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

² Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the OEB's Decision and Order in EB-2025-0199, June 19, 2025, established the adjustment for energy retailer service charges, effective January 1, 2026; and the OEB's Decision and Order in EB-2025-0200, issued June 19, 2025, established the 2026 Wireline Pole Attachment Charge, effective January 1, 2026.

4. ANNUAL ADJUSTMENT MECHANISM

Kingston Hydro has applied to change its rates, effective January 1, 2026. The proposed rate change is based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.³

The components of the Price Cap adjustment formula applicable to Kingston Hydro are set out in the table below. Inserting these components into the formula results in a 3.55% increase to Kingston Hydro's rates: **3.55% = 3.70% - (0.00% + 0.15%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁴		3.70%
Less: X-factor	Productivity factor ⁵	0.00%
	Stretch factor (0.00% to 0.60%) ⁶	0.15%

An inflation factor of 3.70% applies to all IRM applications for the 2026 rate year. The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2026 rate year. The stretch factor component of the X-factor is one of five stretch factor groupings established by the OEB, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario.

³ The adjustment does not apply to the following components of delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges (other than the Wireline Pole Attachment charge), and microFIT charge.

⁴ OEB Letter, 2026 Inflation Parameters, issued June 11, 2025

⁵ Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, December 4, 2013

⁶ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2024 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 18, 2025

Findings

Kingston Hydro's request for a 3.55% rate increase is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Kingston Hydro's new rates shall be effective January 1, 2026.

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5. RETAIL TRANSMISSION SERVICE RATES

In Ontario, some distributors are connected directly to a licensed transmitter, while others may be embedded, or partially-embedded, within the distribution system of another licensed distributor. Kingston Hydro is partially embedded within Hydro One Network Inc.'s (Hydro One) distribution system.

On October 9, 2025, the OEB announced preliminary Uniform Transmission Rates (UTRs) effective January 1, 2026. The OEB noted in the same letter that such distributors should also update their 2026 rate applications with Hydro One's proposed host Retail Transmission Service Rates (RTSRs) with Hydro One's proposed host-RTSRs, which were filed as part of Hydro One's 2026 Custom IR update application.

To recover its cost of transmission services, Kingston Hydro requests approval to adjust the RTSRs that it charges its customers in accordance with the preliminary UTRs and proposed host distributor RTSRs for Hydro One.

On March 31, 2025, the OEB issued a report on the design of a new Electric Vehicle Charging Rate (EVC Rate), *Electric Vehicle Charging Rate Overview – Final Report*. The EVC Rate reduces the RTSRs that participating electric vehicle charging stations pay. The report requires electricity distributors to begin offering the EVC Rate to eligible customers in 2026, once their OEB-approved 2026 distribution rates become effective

Findings

Kingston Hydro's proposed adjustment to its RTSRs is approved.

The RTSRs have been adjusted based on the preliminary UTRs and proposed host-RTSRs for Hydro One.⁷

If final UTRs and/or final host-RTSRs differ from the preliminary UTRs and/or proposed/current host-RTSRs, the resulting differences will be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge). In accordance with the OEB's March 31, 2025 report, Kingston Hydro will provide eligible electric vehicle charging station customers with the option to elect to be charged the RTSRs on the basis of the EVC Rate.

⁷ EB-2025-0232, OEB Letter "2026 Preliminary Uniform Transmission Rates and Hydro One Sub-Transmission Rates", issued October 9, 2025

6. LOW VOLTAGE SERVICE RATES

Kingston Hydro is partially embedded within Hydro One's distribution system.

Low voltage transactions, which are not part of the wholesale electricity market, are charged to a distributor by its host distributor(s). To recover the cost of its low voltage transactions, Kingston Hydro requests approval to adjust its Low Voltage Service Rates that it charges its customers as part of this IRM application. The adjusted Low Voltage Service Rates are based on the current OEB-approved host distributor's sub-transmission rates and the most recent demand data for low voltage transactions.

Findings

Kingston Hydro's proposed adjustments to its Low Voltage Service Rates are approved. These rates have been updated based on the current OEB-approved host distributor's sub-transmission rates. In the event that the OEB updates the approved host distributor sub-transmission rates during Kingston Hydro's 2026 rate year, any resulting differences are to be captured in Account 1550 (LV Variance Account).

7. GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts (DVAs) to determine whether those balances should be disposed of. OEB policy states that Group 1 account balances should be disposed of if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor can justify why balances should not be disposed of.⁸ If the net balance does not exceed the threshold, a distributor may still request disposition.⁹

The 2024 year-end net balance for Kingston Hydro's Group 1 accounts eligible for disposition, including interest projected to December 31, 2025, is a debit of \$850,066 and pertains to variances accumulated during the 2024 calendar year. This amount represents a total claim of \$0.0013 per kWh, which exceeds the pre-set disposition threshold of \$0.001 per kWh.

Kingston Hydro has requested disposition of this amount over a one-year period.

Included in the Group 1 accounts are certain variances related to costs that are paid for by a distributor's customers. Customers pay different costs, depending on their classification. "Class A" customers, who participate in the Industrial Conservation Initiative, pay for Global Adjustment (GA) charges based on their contribution to the five highest Ontario demand peaks over a one-year period. "Class B" customers pay for GA charges based on their monthly consumption, either as a standalone charge or embedded in the Regulated Price Plan (RPP).¹⁰ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.¹¹ The balance in the GA variance account is attributable to non-RPP Class B customers and is disposed of through a separate rate rider. The balance in the CBR Class B variance account is attributable to all Class B customers.

Kingston Hydro had one or more Class A customers during the period in which variances accumulated so it has applied to have the balance of the CBR Class B variance account disposed of through a separate rate rider for Class B customers to ensure proper allocation between Class A and Class B customers.

⁸ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative" (EDDVAR), EB-2008-0046, July 31, 2009

⁹ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0046)", issued July 25, 2014

¹⁰ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

¹¹ All Class B customers (RPP and non-RPP) pay the CBR as a separate charge based on their monthly consumption. For additional details on the CBR for Class A customers, refer to the IESO's [website](#).

During the period in which variances accumulated, Kingston Hydro had one or more customers transition between Class A and Class B. Under the general principle of cost causality, customer groups that cause variances that are recorded in Group 1 accounts should be responsible for paying the debits (or receiving credits) for their disposal. Kingston Hydro has proposed to allocate a portion of the GA and CBR Class B balances to its transition customers, based on their customer-specific consumption levels.¹² The amounts allocated to each transition customer are proposed to be recovered/refunded by way of 12 equal monthly installments charges/payments.

Findings

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.

The OEB approves the disposition of a debit balance of \$850,066 as of December 31, 2024, including interest projected to December 31, 2025, for Group 1 accounts on a final basis.

Table 7.1 identifies the principal and interest amounts, which the OEB approves for disposition.

Table 7.1: Group 1 Deferral and Variance Account Balances

Account Name and Number		Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	(87,356)	(6,908)	(94,264)
Smart Metering Entity Charge Variance Account	1551	(22,754)	(1,340)	(24,094)
RSVA - Wholesale Market Service Charge	1580	(245,880)	(11,224)	(257,104)
Variance WMS - Sub-account CBR Class B	1580	194,315	7,493	201,808
RSVA - Retail Transmission Network Charge	1584	223,943	8,125	232,068
RSVA - Retail Transmission Connection Charge	1586	68,011	3,882	71,893
RSVA – Power	1588	(53,861)	(5,814)	(59,675)

¹² 2026 IRM Rate Generator Model, Tab 6.1a “GA Allocation” and Tab 6.2a “CBR B_Allocation”

RSVA - Global Adjustment	1589	745,211	37,235	782,447
Disposition and Recovery/(Refund) of Regulatory Balances (2022)	1595	(4,380)	1,367	(3,013)
Total for Group 1 Accounts		817,249	32,817	850,066

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting Procedures Handbook for Electricity Distributors*.¹³ The date of the transfer must be the same as the effective date for the associated rates, which is generally the start of the rate year.

The OEB approves these balances to be disposed of through final rate riders, charges, or payments, as calculated in the Rate Generator Model. The final rate riders, charges, and payments, as applicable, will be in effect over a one-year period from January 1, 2026 to December 31, 2026

¹³ Article 220, Account Descriptions, *Accounting Procedures Handbook for Electricity Distributors*, effective January 1, 2012

8. IMPLEMENTATION

This Decision and Rate Order is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Rate Generator Model also incorporates the following regulatory rates and charges set out in Table 8.1.

Table 8.1: Regulatory Rates and Charges

Rates	per kWh (\$)
Rural or Remote Electricity Rate Protection (RRRP)	0.0015
Wholesale Market Service (WMS) billed to Class A and B Customers	0.0041
Capacity Based Recovery (CBR) billed to Class B Customers	0.0004
Charges	(\$)
Smart Metering Entity Charge	0.42
microFIT Charge	5.00
Standard Supply Service - Administrative Charge (if applicable)	0.25

Each of the rates is a component of the “Regulatory Charge” on a customer’s bill and established separately by the OEB. The RRRP and WMS rates were set by the OEB on December 10, 2024.¹⁴

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on September 8, 2022.¹⁵

The Standard Supply Service Charge is a monthly fee set by the OEB that covers the administrative costs of your local electricity utility when you buy power directly from them under the RPP instead of a third-party energy retailer. This fixed charge is uniform across all utilities in the province and is in addition to the Wholesale Market Service charge.

¹⁴ EB-2024-0282, Decision and Order, December 10, 2024

¹⁵ EB-2022-0137, Decision and Order, September 8, 2022

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,¹⁶ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On November 27, 2025, 2025, the OEB issued a letter advising electricity distributors that the microFIT charge shall be \$5.00 for the duration of the 2026 rate year (January 1 to December 31, 2026).¹⁷

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¹⁶ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

¹⁷ OEB Letter, “Review of Fixed Monthly Charge for microFIT Generator Service Classification”, issued November 27, 2025

9. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective January 1, 2026 for electricity consumed or estimated to have been consumed on and after such date. Kingston Hydro Corporation shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. In accordance with the OEB's March 31, 2025 report, *Electric Vehicle Charging Rate Overview – Final Report*, Kingston Hydro will, as of January 1, 2026, provide eligible customers with the option to elect to be charged Retail Transmission Service Rates on the basis of the Electric Vehicle Charging Rate, subject to the standard terms and conditions set out in Appendix A of the report

DATED at Toronto, Month, Date, Year

ONTARIO ENERGY BOARD

Ritchie Murray
Acting Registrar

SCHEDULE A

DECISION AND RATE ORDER

KINGSTON HYDRO CORPORATION

TARIFF OF RATES AND CHARGES

EB-2025-0026

Month XX, 20XX

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2026

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

EB-2025-0026

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	\$	32.16
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Disposition of Global Adjustment Account (2026) - effective until December 31, 2026 Applicable only for Non-RPP Customers	\$/kWh	0.0045
Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026	\$/kWh	(0.0003)
Rate Rider for Disposition of Capacity Based Recovery Account (2026) - effective until December 31, 2026 Applicable only for Class B Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0116
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0090

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2026
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EB-2025-0026

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	\$	18.26
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0200
Low Voltage Service Rate	\$/kWh	0.0018
Rate Rider for Disposition of Global Adjustment Account (2026) - effective until December 31, 2026 Applicable only for Non-RPP Customers	\$/kWh	0.0045
Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026	\$/kWh	(0.0002)
Rate Rider for Disposition of Capacity Based Recovery Account (2026) - effective until December 31, 2026 Applicable only for Class B Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0104
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0082

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
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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	\$	138.19
Distribution Volumetric Rate	\$/kW	4.2156
Low Voltage Service Rate	\$/kW	0.7416
Rate Rider for Disposition of Global Adjustment Account (2026) - effective until December 31, 2026 Applicable only for Non-RPP Customers	\$/kWh	0.0045

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Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.1905)
Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026	\$/kW	0.1231
Rate Rider for Disposition of Capacity Based Recovery Account (2026) - effective until December 31, 2026 Applicable only for Class B Customers	\$/kW	0.1647
Retail Transmission Rate - Network Service Rate	\$/kW	4.5677
Retail Transmission Rate - Network Service Rate - EV CHARGING	\$/kW	0.7765
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	3.5495
Retail Transmission Rate - Line and Transformation Connection Service Rate - EV CHARGING	\$/kW	0.6034

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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Kingston Hydro Corporation
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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	\$	6,075.99
Distribution Volumetric Rate	\$/kW	1.8789
Low Voltage Service Rate	\$/kW	0.9150
Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026	\$/kW	(0.0900)
Retail Transmission Rate - Network Service Rate	\$/kW	5.5035
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	4.2768

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MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

DRAFT

Kingston Hydro Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2026
This schedule supersedes and replaces all previously
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EB-2025-0026

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)	\$	8.00
Distribution Volumetric Rate	\$/kWh	0.0158
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Disposition of Global Adjustment Account (2026) - effective until December 31, 2026 Applicable only for Non-RPP Customers	\$/kWh	0.0045
Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026	\$/kWh	(0.0002)
Rate Rider for Disposition of Capacity Based Recovery Account (2026) - effective until December 31, 2026 Applicable only for Class B Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0116
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0090

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Kingston Hydro Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2026

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EB-2025-0026

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.

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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

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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.

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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)	\$	1.80
Distribution Volumetric Rate	\$/kW	20.5995
Low Voltage Service Rate	\$/kW	0.5485
Rate Rider for Disposition of Global Adjustment Account (2026) - effective until December 31, 2026 Applicable only for Non-RPP Customers	\$/kWh	0.0045
Rate Rider for Disposition of Deferral/Variance Accounts (2026) - effective until December 31, 2026	\$/kW	(0.0596)
Rate Rider for Disposition of Capacity Based Recovery Account (2026) - effective until December 31, 2026 Applicable only for Class B Customers	\$/kW	0.1555
Retail Transmission Rate - Network Service Rate	\$/kW	3.2994
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.5637

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.00
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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)

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SPECIFIC SERVICE CHARGES

APPLICATION

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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.

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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)	\$	40.59
Layout fees	\$	200.00

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RETAIL SERVICE CHARGES (if applicable)

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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	\$	125.72
Monthly fixed charge, per retailer	\$	50.29
Monthly variable charge, per customer, per retailer	\$/cust.	1.24
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.74
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.74)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.63
Processing fee, per request, applied to the requesting party	\$	1.24
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)	\$	5.03
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)	\$	2.51

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