

**Kingston Hydro Corporation
EB-2026-0069
September 23, 2026**

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Staff Question-1

Ref: Rate Generator Model, Tab 3, Continuity Schedule

Preamble:

On September 14, 2026, the OEB published Q4 2026 prescribed accounting interest rates applicable to the carrying charges of deferral, variance and construction work in progress (CWIP) accounts of natural gas utilities, electricity distributors and other rate-regulated entities.

Question(s):

- a. Please update Tab 3 (Continuity Schedule) as necessary to reflect the Q4 2026 OEB-prescribed interest rate of 2.87%.

Staff Question-2

Ref 1: Rate Generator Model, Tab 3, Continuity Schedule, Cells BM37 and BN37

Ref 2: EB-2025-0026, Decision and Order, p. 10, December 11, 2025

Preamble:

OEB staff observes that the total OEB-approved Group 1 account balance for both principal and interest from the 2026 IRM proceeding in Reference 2 are not reflected in Account 1595 (2026) in the current application.

Question(s):

- a. Please complete cells BM37 and BN37 to reflect the total principal and interest balances disposed during Kingston Hydro's 2026 IRM proceeding.

Staff Question-3

Ref 1: Rate Generator Model, Tab 3, Continuity Schedule, Cell BU33

Ref 2: Chapter 3 Filing Requirements, Section 3.2.6.3, p. 14, July 14, 2026

Preamble:

Chapter 3 of the Filing Requirements states that disposition of residual balances in Account 1595 sub-accounts for each vintage year should only be requested once, on a final basis. OEB staff notes the disposition of Account 1595 (2022) balances was approved on a final basis in EB-2025-0026; however, disposition of this account is also being requested in this application, as noted in Reference 1.

Question(s):

- a. Please explain why disposition of Account 1595 (2022) is being requested in this application. If Kingston Hydro is not seeking disposition of this account, please update the Rate Generator Model to reflect no disposition being requested.

Staff Question-4

Ref: Rate Generator Model, Tab 3, Continuity Schedule, Cell BV25

Preamble:

OEB staff observes that the balance as of December 31, 2025 for Account 1580 – Variance WMS – Sub-account CBR Class B is zero. However, the RRR information shows a balance of \$413,945.

Question(s):

- a. Please confirm and reconcile the balance as of December 31, 2025 for Account 1580 – Variance WMS – Sub-account CBR Class B.

Staff Question-5

Ref: Rate Generator Model, Tab 4, Billing Det. for Def-Var, Cell J4

Preamble:

OEB staff observes that Kingston Hydro did not confirm the accuracy of the determinant billing data in the reference provided (Cell J4).

Question(s):

- a. Please confirm the accuracy of the information in Tab 4 - Billing Det. for Def-Var.

Staff Question-6

Ref: Manager's Summary, p. 10

Preamble:

Kingston Hydro states that no customers within its service territory elected to take service under the Electric Vehicle Charging (EVC) Rate in 2026 and there was no EV charging load to report for 2026.

Question(s):

- a. Please confirm whether Kingston Hydro expects any customers to qualify for the EVC Rate in 2027.

Staff Question-7

Ref: Commodity Accounts Analysis Workform, Accounts 1588, Note 7

Preamble:

Kingston Hydro states that the 1.2% variance between Account 1588 and Account 4705 is due to *"Principal adjustments 2025 include an amount for 2024 that was included in 2026. Excluding the amount related to 2024, the percentage goes from 1.2% to 0.9%."*

Question(s):

- a. Please explain further and identify the specific adjustments and amounts that were included in 2024, 2025, and 2026.
- b. Please update the Commodity Accounts Analysis Workform, if necessary.

Staff Question-8

Question(s):

- a. In the instance the OEB releases any updated rates/charges (e.g., 2027 Uniform Transmission Rates) before Kingston Hydro provides its responses to OEB staff's questions, please update the Rate Generator Model, as applicable. If any updates are made, please identify the rate and/or charge that have been updated.

Staff Question-9

Ref 1: Rate Generator Model, Tab 6, Class A Consumption Data

Ref 2: Commodity Accounts Analysis Workform, GA 2025, Note 2

Preamble:

OEB staff observes that total 2025 Class A consumption data in Reference 1 (sum of Table 3a and Table 3b) does not reconcile with Reference 2 and RRR. The table below summarizes the information:

Consumption	Reference 1 (sum of Tables 3a and 3b)	Reference 2 (Note 2 – Non-RPP Class A)	RRR
kWh	203,588,630	201,665,697	201,665,697
kW	421,576	-	417,853

Question(s):

- Please confirm whether Kingston Hydro included Class A transition customer consumption to the total Class A consumption volume.
- Please confirm the correct total Class A consumption for 2025 and update the Commodity Accounts Analysis Workform, if necessary.

Staff Question-10

Ref 1: OEB Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589 (Accounting Guidance), April 28, 2025

Ref 2: Updated Illustrative Commodity Model, April 28, 2025

Preamble:

The OEB issued final updates to the Accounting Guidance and the updated Illustrative Commodity Model related to the implementation of the Independent Electricity System Operator (IESO)'s Market Renewal Program (MRP), effective May 1, 2025. Page 11 of Reference 1 states that:

In Tab "Variances in ac 1588" of the updated Illustrative Commodity Model, two new tables are added to quantify the energy variances that are included in Account 1588 for records-keeping purposes. While the quantification tables are not required to be filed

with the OEB at this time, these tables assist the distributors in explaining the 1% threshold test in Account 1588.

Reference 2 introduced two new reconciliation tables under the “Variances in ac 1588” tab to quantify energy cost variances arising from the implementation of MRP. In Page 11 of Reference 1, the OEB stated that these tables are intended for record-keeping purposes and are not required to be filed with the OEB. However, these two reconciliation tables may assist the distributors in explaining the 1% threshold test in Account 1588 where applicable.

Question(s):

- a. Has Kingston Hydro utilized Table 42 and/or 43 of Ref. 2 to track or quantify the MRP-related energy variances recorded in Account 1588?
 - i. If so, please explain whether the variances recorded in Table 42 and Table 43 were material in 2025, respectively. Please provide the corresponding quantum of the variances if the variance(s) are material.
 - ii. If not, please explain why not.
- b. Please explain whether MRP-related activities recorded in Account 1588 contributed to Kingston Hydro’s Account 1588 balance exceeding the +/-1% threshold test in 2025.
 - i. If yes, please provide a detailed explanation and the applicable completed reconciliation Tables 42 and/or Table 43 from Reference 2 corresponding to the material variances identified in part a) i).

Staff Question-11

Ref: Rate Generator Model, Tab 16.1, LV Expense

Preamble:

OEB staff observes that charges for the RR Disposition Account 1595 and RR Group 1 Def/Var 2024 were only applied from January to June. The table below provides the details.

Month	RR Disposition Account 1595 Rate	RR Group 1 Def/Var 2024 Rate
January	-0.0241	0.4094
February	-0.0241	0.4094
March	-0.0241	0.4094

April	-0.0241	0.4094
May	-0.0241	0.4094
June	-0.0241	0.4094
July		
August		
September		
October		
November		
December		

Question(s):

- a. Please clarify why charges for the RR Disposition Account 1595 and RR Group 1 Def/Var 2024 are applied only from January to June.

Staff Question-12

Ref: Rate Generator Model, Tab 4, Billing Det. For Def-Var

Question(s):

- a. Please provide and confirm the basis of the allocation in the 1595 Recovery Proportion for 2022 and 2023 in Reference 1.