Via RESS
4 November 2026

Mr. Ritchie Murray
Registrar
Ontario Energy Board
2300 Yonge St, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Mr. Murray,

RE: Kingston Hydro Corporation, Electricity Distribution License ED-2003-0057, 2027 IRM (EB-2026-0053), Follow-up Response for Staff Question #17

Below is Kingston Hydro's response to OEB Staff's follow-up question related to Staff Question #17, which was received on November 2, 2026. In addition to the written response provided below, Kingston Hydro has included a supporting Excel workbook as part of its submission.

This response pertains to Kingston Hydro's 2027 IRM distribution rate application (EB-2026-0053), filed on August 7, 2026, for electricity distribution rates effective January 1, 2027.

Kingston Hydro's response is being filed through the OEB's online RESS filing system.

Yours truly,

Sherry Gibson
Manager, Revenue and Regulatory Affairs

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Kingston Hydro Corporation
Answers to Additional OEB Questions
EB-2026-0053
November 4, 2026

Please note, Kingston Hydro Corporation (Kingston Hydro) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions and any other supporting documentation, 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*.

Follow up Question to Staff Question-17

Ref 1: Rate Generator Model, Tab 4, Billing Det. for Def-Var

Ref 2: EB-2022-0044 DVA Continuity, Tab 4, December 1, 2022

Preamble:

OEB staff has compiled the table below comparing the 1595 Recovery Portion (2023) in the 2027 Rate Generator Model and the proportion of allocation in the (EB-2022-0044) 2023 DVA Continuity Schedule, Tab 4, Column E (Total Metered kWh).

1595 Recovery portion (kWh)	Based on 2023 DVA Continuity Schedule	2027 RGM Tab 4
Residential	26%	29%
General Service less than 50kW	13%	13%
General Service 50kW to 4,999kW	37%	36%
Large Use	23%	22%
Unmetered Scattered	0%	0%
Street Lighting	0%	0%
Standby	0%	0%

Question(s):

Please provide the rationale for how Kingston Hydro arrived at the 1595 Recovery Portion values for 2023 based on the instructions in the RGM, Tab 1, (Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented). Please update the 2027 Rate Generator Model, if applicable.

Kingston Hydro Response - Follow up to Question-17

Kingston's account 1595 (2023) holds the residual of six 2023 rate riders, and each rider was implemented with its own OEB-approved class specific dollar allocation amount; Group 1, Non-WMP and LRAMVA recovered amounts from customers (debits), while CBR Class B, Global Adjustment and Group 2 refunded amounts to customers (credits). Within some riders, the direction also differs from class to class, and depending upon the rate classification, the billing determinant used to calculate a rate rider for a specific classification is not necessarily kWh.

With respect to OEB staff's comparison table, Kingston notes the following:

- The percentages in OEB staff's "2027 RGM Tab 4" column (29% / 13% / 36% / 22%) appear to be each class's share of 2027 total metered kWh, not the 1595 Recovery Proportion. They are calculated from the RRR 2.1.5 data percentage share of the actual billing volumes in kWh.

	2027 RGM Tab 4 Column E Total Metered kWh	% of Total
Residential	195,459,356.00	29%
General Service Less than 50 kW	85,820,353.00	13%
General Service 50 kW to 4,999 kW	247,448,057.00	36%
Large Use	150,218,567.00	22%
Unmetered Scattered Load	1,145,064.00	0%
Standby	-	0%
Street Lighting	2,036,333.00	0%
Total	**682,127,730.00**	

- The percentages in OEB staff's "Based on 2023 DVA Continuity Schedule" (26% / 13% / 37% / 23%) column, reflect the class's shares of forecasted kWh load for the 2023 Test year, from Tab 4, Column E of the 2023 continuity model. These kWh are billing determinants, and do not represent the recovery share for 1595 (2023). These are the volumes used to convert class amounts into per-kWh rates, not the basis on which amounts were assigned to classes for the riders.

	2023 Continuity Schedule Tab 4 Column E Total Metered kWh	% of Total
Residential	183,564,808.00	26%
General Service Less than 50 kW	90,182,772.00	13%

General Service 50 kW to 4,999 kW	257,453,186.00	37%
Large Use	159,398,710.00	23%
Unmetered Scattered Load	1,243,602.00	0%
Standby	-	0%
Street Lighting	2,023,697.00	0%
Total	**693,866,775.00**	

Total metered kWh shares would equal the recovery share only for a rider whose class amounts were allocated entirely on total metered kWh. None of the six 2023 riders in the residual meets that test. The total metered kWh shares in OEB staff's table (26% / 13% / 37% / 23%) do not match the approved recovery share of any of these riders. For example, the Non-WMP residual of $12,224 was recovered only from GS 50 to 4,999 kW customers. A kWh allocation would assign about 63% of it to other classes that never paid that rider.

Applying total metered kWh shares to the 1595 (2023) residual would give Residential and GS < 50 kW a combined credit of about $(21,867), instead of a combined debit of $29,143 under the recovery shares. That is a shift of about $51,011 between the two groups of classes.

- Both columns in OEB staff's table therefore compare kWh with kWh, from 2023 and from 2027, and neither reflects the recovery share rule instruction for 1595 recovery portion values.

Kingston Hydro's rationale for 1595 Recovery Portion (2023) values follows the 2027 IRM Rate Generator Model Tab 4 "Billing Det. For Def-Var" footnote 1 instruction directly. The "recovery share as established when rate riders were implemented" is each class's share of the amounts the approved 2023 rate riders were designed to recover or refund. Those amounts are class amounts in the approved EB-2022-0044 DVA continuity model, Tab 7 (Rate Rider Calculations), from which the 2023 rate riders on the approved tariff were calculated.

This same instruction found in the OEB's IRM and DVA models is the rule in the EDDVAR Report for Account 1595 sub-accounts that states that they "are to be allocated to rate classes in proportion to the recovery share as established when the rate riders were implemented".

Kingston Hydro applied the instruction in Tab 4 that allocates based on rider recovery shares, which is the same instruction in the EDDVAR Report by allocating each rider's residual in proportion to the recovery share established for each rider, then adding the results by class, and thereby establishing an effective single 1595 Recovery Proportion

(2023) for each class that Tab 4 provides for. Kingston Hydro has applied the rule to each rider in the 2023 vintage, using the approved rate class amounts for each rider from the EB-2022-0044 model, as percentages of the total of the rate rider class approved amounts. As such each rider's residual is allocated to classes that paid or received that rider. The 1595 Recovery Portion (2023) for each class reflects its effective percentage share of the total residual balance of ($56,070.22).

Kingston Hydro's 2027 IRM Rate Generator Model, Tab 4 Billing Determinants, Column O provides the 1595 Recovery Proportion. This recovery proportion is calculated and allocated based on the approved dollar value balance to calculate the recovery share from when the rate riders were implemented.

Attached is an Excel document detailing the approved dollar value, as shown in the Kingston Hydro_SettlementP_2023 DVA Continuity Schedule_2221201, Tab 7 Rate Rider Calculation Column E to calculate the percentage share included on the Kingston Hydro's 2027 IRM Rate Generator Model, Tab 4 Billing Determinants Column O.

Kingston Hydro has not included an updated 2027 Rate Generator Model relating to this response as the Column O proportions reflect the recovery shares established when the 2023 rate riders were implemented and Kingston Hydro believes that no update is required.