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December 9, 2016

VIA RESS AND COURIER

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**RE: EB-2016-0160 Hydro One Networks Inc. ("Hydro One") Transmission Rates
Application – Response to Undertaking J8.3**

Hydro One's response to Undertaking J8.3 is enclosed.

Yours truly,

McCarthy Tétrault LLP

Per:



For: Gordon M. Nettleton

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UNDERTAKING – J8.3

Undertaking

To advise for each of the test years how the \$38.4 million breaks down between municipality payments and first nations payments.

Response

The amount of transmission lines tax expense is broken down in the following manner for both test years 2017 and 2018.

| Transmission Lines Property Taxes in \$M | 2017 | 2018 |
|--|------|------|
| Municipalities | 36.2 | 36.2 |
| First Nations (PIL Taxes) | 2.2 | 2.2 |
| Total Transmission Lines Property Taxes | 38.4 | 38.4 |