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**Frank D'Andrea**

Vice President  
Regulatory Affairs

BY COURIER

June 26, 2018

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON, M4P 1E4

Dear Ms. Walli,

**EB-2017-0049 Hydro One Networks Inc. 2018-2022 Distribution Custom IR Application –  
Exhibit K10.3**

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Please find enclosed Exhibit K10.3 which updates Table 31 of section 2.1 of the DSP, as filed today during the Oral Hearing.

This filing has been submitted electronically using the Board's Regulatory Electronic Submission System and two (2) hard copies will be sent via courier.

Sincerely,

ORIGINAL SIGNED BY FRANK D'ANDREA

Frank D'Andrea

Enc.

**ORAL HEARING – K 10.3**

**Reference**

B1-01-01 Section 2.1

Oral Hearing Transcript Volume 9

As requested on the ninth day of the oral hearing of this proceeding,<sup>1</sup> Table 31 of section 2.1 of the DSP (Exhibit B, Tab 1, Schedule 1) has been updated below.

**Update to Table 31: IHS Global Insight's June 2018 Forecast**

%	Historical Years					Bridge Year	Test Years				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Distribution Cost Escalation for Construction</b>	2.9	3.5	2.9	2.5	-0.6	3.7	3.2	3.0	3.1	3.0	2.8
<b>Distribution Cost Escalation for Operations &amp; Maintenance</b>	2.3	0.8	0.7	-0.8	-0.8	1.3	2.4	1.9	1.8	1.6	1.4

<sup>1</sup> EB-2017-0049 Oral Hearing Transcript Vol. 9 (June 25, 2018), page 112.