Third Quarter 2022

Earnings Teleconference
November 11, 2022

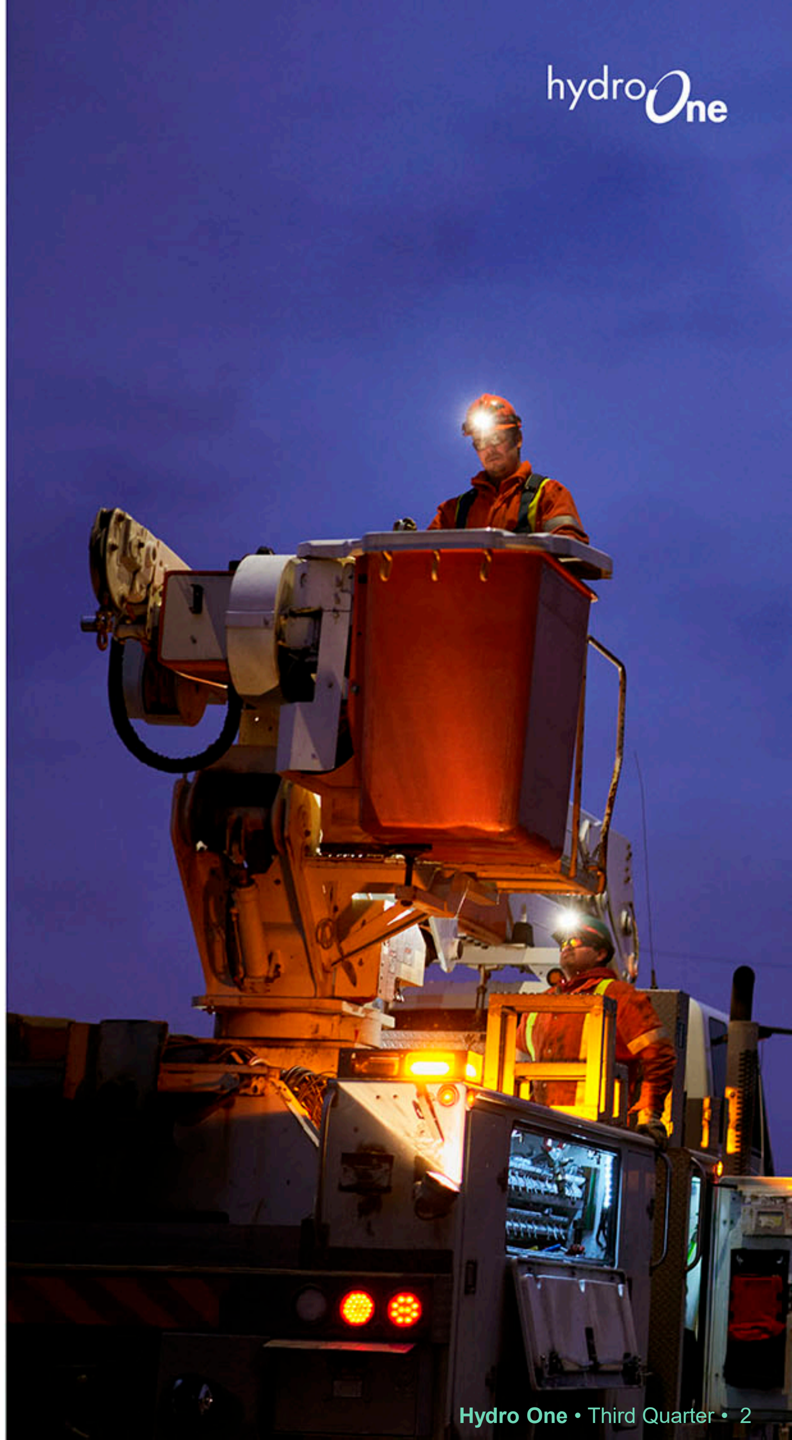
One of North America's largest electric utilities TSX:H

3Q22 Financial summary

(millions of dollars, except earnings per share (EPS))	Third Quarter 2022	Third Quarter 2021	Third Quarter % Change	Year to Date 2022	Year to Date 2021	Year to Date % Change
Revenues						
Transmission	562	507	10.8%	1,597	1,403	13.8%
Distribution	*1,458*	*1,395*	4.5%	*4,289*	*4,012*	6.9%
Distribution Revenues (Net of Purchased Power)[2]	495	462	7.1%	1,460	1,347	8.4%
Other	11	11	0.0%	32	31	3.2%
Consolidated	*2,031*	*1,913*	6.2%	*5,918*	*5,446*	8.7%
Consolidated (Net of Purchased Power)	1,068	980	9.0%	3,089	2,781	11.1%
OM&A Costs	296	262	13.0%	870	833	4.4%
Earnings before financing charges and income taxes (EBIT)						
Transmission	326	296	10.1%	910	754	20.7%
Distribution	215	200	7.5%	600	536	11.9%
Other	(9)	(5)	(80.0%)	(26)	(17)	(52.9%)
Consolidated	532	491	8.4%	1,484	1,273	16.6%
Net income[1]	307	300	2.3%	872	806	8.2%
Basic EPS	$0.51	$0.50	2.0%	$1.46	$1.35	8.1%
Capital investments	501	513	(2.3%)	1,562	1,593	(1.9%)
Assets placed in-service						
Transmission	229	287	(20.2%)	644	482	33.6%
Distribution	171	225	(24.0%)	527	481	9.6%
Other	1	2	(50.0%)	6	8	(25.0%)
Total assets placed in-service	401	514	(22.0%)	1,177	971	21.2%

Financial Statements reported under United States (US) generally accepted accounting principles (GAAP).

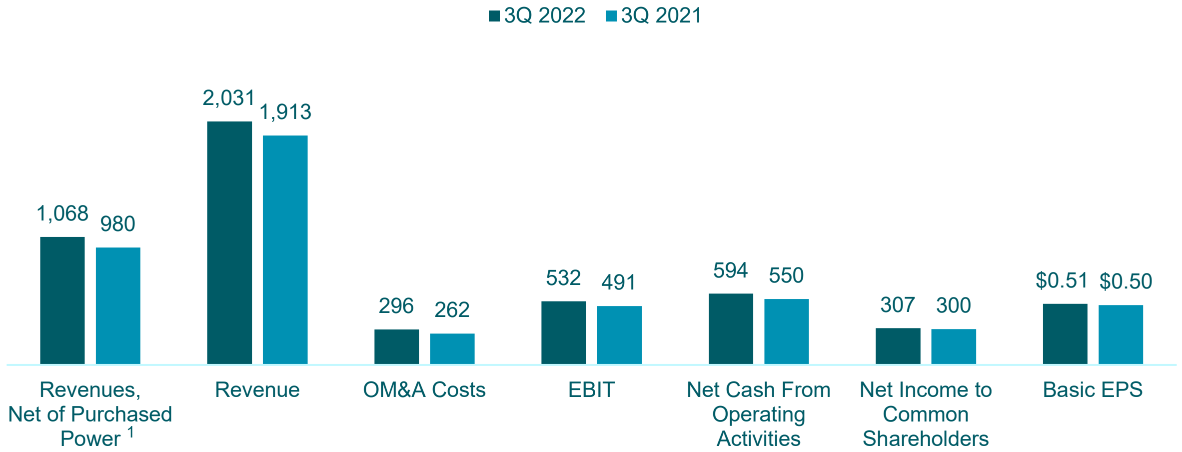
1. Net Income is attributable to common shareholders and is after non-controlling interest, and dividends to preferred shareholders.
2. Revenues, Net of Purchased Power is a non-GAAP financial measure. Non-GAAP financial measures do not have a standardized meaning under US GAAP, which is used to prepare the financial statements of Hydro One Limited (HOL, Hydro One or the Company) and accordingly, these measures might not be comparable to similar financial measures presented by other entities. Additional disclosure for this non-GAAP financial measure is incorporated by reference herein and can be found under the section titled "Non-GAAP Financial Measures" in the annual management's discussion and analysis of HOL for the year ended December 31, 2021 (Annual MD&A) and in the most recent interim management's discussion and analysis of HOL (Interim MD&A) available on SEDAR under the Company's profile at www.sedar.com.



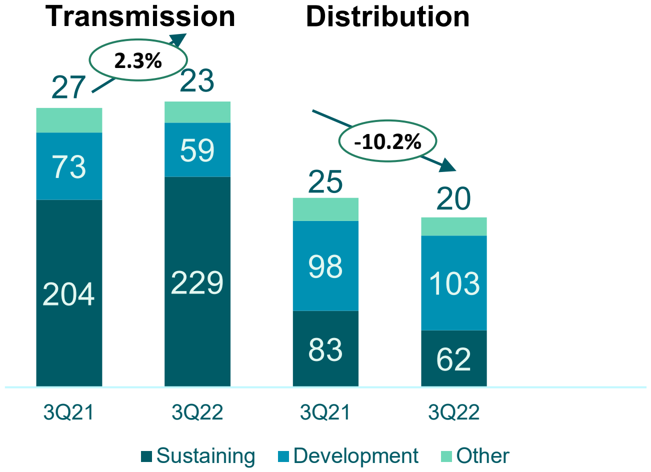
3Q22 Financial summary

The Company filed a settlement agreement on the Joint Rate Application (JRAP) that will enable investment in infrastructure to meet the needs of our customers, build a grid for the future, and support Ontario's economic growth

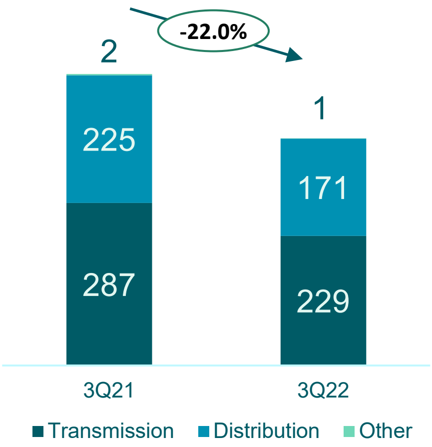
Financial Highlights ($M) – 3Q22 Year over Year Comparison



Regulated Capital Investments ($M)



Assets Placed in Service ($M)



1. Revenues, Net of Purchased Power is a non-GAAP financial measure.

Selected Financial Highlights:

The year-over-year increase of $55 million or 10.8% in quarterly transmission revenues was primarily due to the following:

- Higher revenues resulting from Ontario Energy Board (OEB)-approved 2022 rates; higher peak demand; lower regulatory adjustments mainly driven by an offsetting adjustment in 2021 related to asset removal costs; and the adjustment to transmission revenue requirement effective January 1, 2022 to cease sharing of DTA amounts going forward, pursuant to the DTA Implementation Decision.

The year-over-year increase of $33 million or 7.1% in quarterly distribution revenues, net of purchased power[1], was primarily due to the following:

- Higher revenues resulting from OEB-approved 2022 rates; higher external revenues related to the recovery of storm-related costs from third parties, which are offset by a corresponding increase to OM&A and therefore net income neutral; and the adjustment to distribution rates effective January 1, 2022 to cease sharing of DTA amounts going forward, pursuant to the DTA Implementation Decision.

The year-over-year increase of $11 million or 11.6% in transmission OM&A costs during the quarter was primarily due to:

- Higher work program expenditures, including station maintenance.

The year-over-year increase of $20 million or 13.1% in distribution OM&A costs during the quarter was primarily due to:

- Higher work program expenditures, including vegetation management and customer programs, partially offset by lower emergency restoration costs; higher corporate support costs.

Income tax expense for the third quarter of 2022 increased by $29 million compared to the same period in 2021. This resulted in a realized effective tax rate of approximately 24.4% in the third quarter of 2022, compared to approximately 19.0% in the third quarter of the prior year. The increase was primarily due to:

- Tax expense resulting from the DTA Implementation Decision; lower deductible timing differences compared to prior year; and higher pre-tax earnings adjusted for the DTA Implementation Decision.

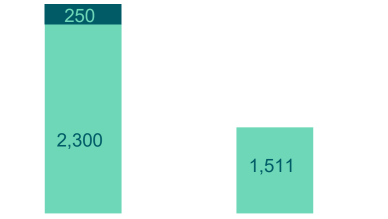
Hydro One made capital investments to maintain the safety, reliability and integrity of its transmission and distribution system assets and to provide for the ongoing growth and modernization required to meet the expanding and evolving needs of its customers and the electricity market.

- Transmission capital investments increased by $7 million or 2.3% in the quarter ended September 30, 2022 compared to the quarter ended September 30, 2021.
- Distribution capital investments decreased by $21 million or 10.2% in the quarter ended September 30, 2022 compared to the quarter ended September 30, 2021.

Strong balance sheet and liquidity (as at September 30, 2022)

Investment grade balance sheet with one of lowest debt costs in utility sector

Significant available liquidity ($M)



Strong investment grade debt ratings (long-term/short-term/outlook)

	Hydro One Ltd. (HOL)	Hydro One Inc. (HOI)
S&P	BBB+ / n/a / stable	A- / A-1 (low) / stable
DBRS	A / n/a / stable	A (high) / R-1 (low) / stable
Moody's	n/a	A3 / Prime-2 / stable

Shelf registrations

HOL Universal shelf[2] $2.0B
HOI Medium term note shelf[3] $4.0B

Debt maturity schedule ($M)[4]

Weighted-average coupon rate of long-term debt: 3.8%
Weighted-average term of long-term debt (years): 14.7
Debt to Capitalization[6]: 56.2%
FFO to Debt[7]: 15.5%

1. In January 2022, Hydro One successfully amended its Operating Credit Facilities to add Sustainability Linked Pricing to incorporate environmental, social and governance (ESG) targets.
2. In August 2022, HOL filed a universal short form base shelf prospectus (Universal Base Shelf Prospectus) with securities regulatory authorities in Canada, which allows it to offer, from time to time in one or more public offerings, up to $2.0 billion of debt, equity or other securities, or any combination thereof, and expires in September 2024. At September 30, 2022, $2.0 billion remained available for issuance under the Universal Base Shelf Prospectus.
3. In June 2022, HOI filed a short form base shelf prospectus in connection with its Medium Term Note (MTN) Program, which has a maximum authorized principal amount of notes issuable of $4.0 billion and expires in July 2024. On October 27, 2022, Hydro One Inc. issued long-term debt totaling $750 million, resulting in $3,250 million remaining available for issuance under the MTN Program prospectus.
4. Includes Hydro One Inc.'s $750 million Medium-Term Note issue, which closed on October 27, 2022 and matures January 27, 2028.
5. Includes long-term debt of Hydro One Sault Ste. Marie LP, a subsidiary of Hydro One Inc., in the principal amount of $133 million due in 2023.
6. Debt to capitalization is a non-GAAP ratio. Non-GAAP ratios do not have a standardized meaning under US GAAP used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities. Debt to capitalization ratio has been calculated as total debt (including total long-term debt and short-term borrowings, net of cash and cash equivalents) divided by total debt plus total shareholders' equity, but excluding any amounts related to noncontrolling interest. Management believes that the debt to capitalization ratio is helpful as a measure of the proportion of debt in the Company's capital structure. See the section titled "Non-GAAP Financial Measures" in the Annual MD&A and in the Interim MD&A for a discussion of this non-GAAP ratio and its component elements.
7. FFO to Debt is a non-GAAP ratio. Non-GAAP ratios do not have a standardized meaning under US GAAP used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities. FFO to Debt has been calculated as: FFO for the last twelve months ending September 30, 2022 divided by total debt (including total long-term debt, and short-term borrowings, net of cash and cash equivalents). Management believes this is a helpful ratio because Management believes that FFO is helpful as a supplemental measure of the Company's operating cash flows as it excludes timing-related fluctuations in non-cash operating working capital and cash flows not attributable to common shareholders. As such, management believes that FFO provides a consistent measure of the cash generating performance of the Company's assets. See the section titled "Non-GAAP Financial Measures" in the Annual MD&A and in the Interim MD&A for a discussion of these component elements.

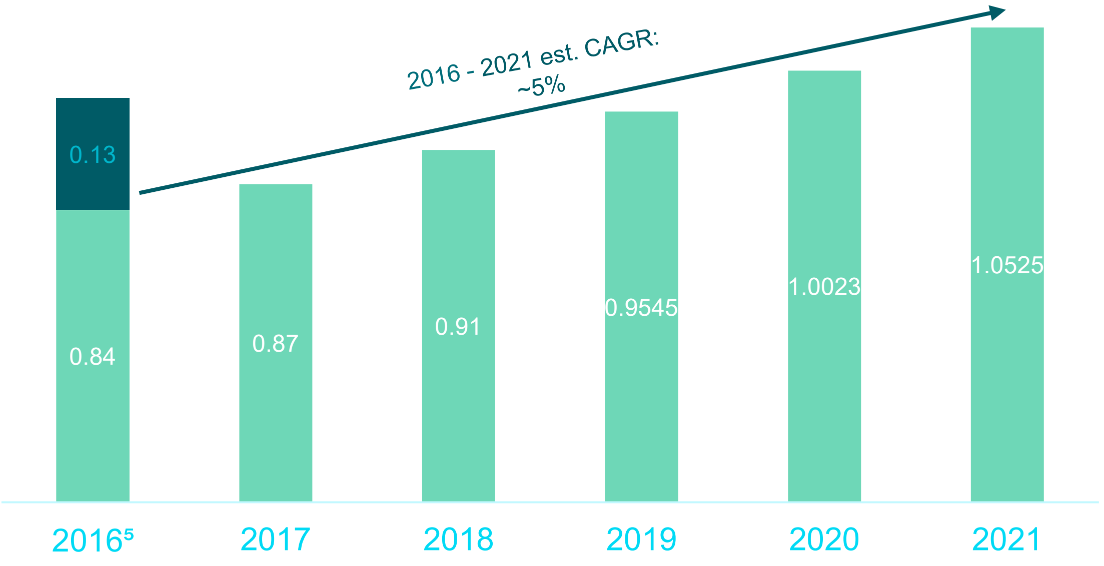
Common share dividends

Key Points

- Quarterly dividend declared at $0.2796 per common share ($1.1184 annualized)
- Targeted dividend payout ratio remains at 70% - 80% of net income
- Attractive and growing dividend supported by stable, regulated cash flows and planned rate base growth
- No equity issuance anticipated to fund planned capital investment program
- Non-dilutive dividend reinvestment plan (DRIP) was implemented post initial public offering (IPO) (shares purchased on open market, not issued from treasury)

Dividend Statistics	
Yield[1]	3.3%
Annualized Dividend[2,3]	$1.1184 / share

A Growing and Sustainable Dividend[4]



Expected Quarterly Dividend Dates[3]

Declaration date	Record date	Payment date
November 10, 2022	December 14, 2022	December 30, 2022

1. Based on closing share price of the common shares of Hydro One Limited on September 30, 2022. Yield is based on annualized dividend.
2. Unless indicated otherwise, all common share dividends are designated as "eligible" dividends for the purpose of the *Income Tax Act* (Canada).
3. All dividend declarations and related dates are subject to Board approval.
4. Denotes annual cash dividends paid.
5. The first common share dividend declared by Hydro One Limited following the November 5, 2015 initial public offering of its common stock included 13 cents for the post IPO fourth quarter period of November 5 through December 31, 2015.

Disclaimers

Forward Looking Information

This presentation contains “forward-looking information” within the meaning of applicable Canadian securities laws that is based on current expectations, estimates, forecasts and projections about Hydro One’s business and the industry in which Hydro One operates and includes beliefs of and assumptions made by management of Hydro One. Such information includes, but is not limited to: statements regarding Hydro One’s projected rate base and cash flows; statements and expectations regarding Hydro One’s maturing debt and standby credit facilities; expectations regarding future equity issuances; statements related to dividends, including expected dividend growth and Hydro One Limited’s targeted dividend payout ratio of 70-80%; and statements related to credit ratings.

Words such as “aim”, “could”, “would”, “expect”, “anticipate”, “intend”, “attempt”, “may”, “plan”, “will”, “believe”, “seek”, seek”, “estimate”, “goal”, “target” and variations of such words and similar expression are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. In particular, the forward-looking information contained in this presentation is based on a variety of factors and assumptions including, but not limited to: the scope of the COVID-19 pandemic and duration thereof as well as the effect and severity of corporate and other mitigation measures on Hydro One’s operations, supply chain or employees; no unforeseen changes in the legislative and operating framework for Ontario’s electricity market or for Hydro One specifically; favourable decisions from the OEB and other regulatory bodies concerning outstanding and future rate and other applications; no unexpected delays in obtaining required approvals; no unforeseen changes in rate orders or rate setting methodologies for Hydro One’s distribution and transmission businesses; the continued use and availability of US GAAP; no unfavourable changes in environmental regulation; a stable regulatory environment; no significant changes to Hydro One’s current credit ratings; no unforeseen impacts of new accounting pronouncements; no changes to expectations regarding electricity consumption; no unforeseen changes to economic and market conditions; recoverability of costs and expenses related to the COVID-19 pandemic, including the costs of customer defaults resulting from the pandemic; completion of operating and capital projects that have been deferred; and no significant event occurring outside the ordinary course of business. These assumptions are based on information currently available to Hydro One including information obtained by Hydro One from third-party sources. Actual results may differ materially from those predicted by such forward-looking information. While Hydro One does not know what impact any of these differences may have, Hydro One’s business, results of operations, financial condition and credit stability may be materially adversely affected if any such differences occur. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information are discussed in more detail in the sections entitled “Forward-Looking Information” and “Risk Factors” in Hydro One Limited’s most recent annual information form, the sections entitled “Risk Management and Risk Factors” and “Forward-Looking Statements and Information” in the Annual MD&A and the section entitled “Forward-Looking Statements and Information” and “Risk Management and Risk Factors” in the Interim MD&A. Hydro One does not intend, and it disclaims any obligation to update any forward-looking information, except as required by law.