

**HYDRO ONE NETWORKS INC.
 DISTRIBUTION**

Continuity Accumulated Depreciation
 Year Ending December 31
 Historical (2004, 2005, 2006), Bridge (2007) & Test (2008) Years
 Total - Gross Balances
 (\$ Millions)

Fixed Assets

<u>Line No.</u>	<u>Year</u>	<u>Opening Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Sales</u>	<u>Transfers In/Out</u>	<u>Other</u>	<u>Closing Balance</u>	<u>Average</u>
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<u>Historic</u>									
1	2004	1,912.0	153.0	(31.2)	(14.2)	26.5	-	2,046.1	1,979.1
2	2005	2,046.1	155.3	(18.2)	(8.9)	1.4	0.2	2,175.9	2,111.0
3	2006	2,175.9	159.2	(10.3)	(9.8)	13.8	-	2,328.7	2,252.3
<u>Bridge</u>									
4	2007	2,328.7	168.9	(210.1)	-	3.9		2,291.4	2,310.1
<u>Test</u>									
5	2008	2,291.4	196.9	(50.8)	-	0.3		2,437.9	2,364.6