

HYDRO ONE NETWORKS INC.
DISTRIBUTION
Cost of Long-Term Debt
Historical Year (2006)
Year ending December 31

Line No.	Offering Date (a)	Coupon Rate (b)	Maturity Date (c)	Principal Amount Offered (\$Millions) (d)	Premium Discount and Expenses (\$Millions) (e)	Net Capital Employed		Effective Cost Rate (h)	Total Amount Outstanding		Avg. Monthly Averages (\$Millions) (k)	Carrying Cost (\$Millions) (l)	Projected Average Embedded Cost Rates (m)
						Total Amount (\$Millions) (f)	Per \$100 Principal Amount (Dollars) (g)		at 12/31/05 (\$Millions) (i)	at 12/31/06 (\$Millions) (j)			
6	1-Apr-99	7.200%	30-Jan-06	30.4	-	30.4	100.0	7.20%	30.4	-	2.3	0.2	
7	1-Apr-99	14.250%	21-Apr-06	65.7	-	65.7	100.0	14.25%	65.7	-	20.2	2.9	
8	1-Apr-99	7.200%	1-Jun-06	46.9	-	46.9	100.0	7.20%	46.9	-	21.7	1.6	
9	1-Apr-99	9.640%	10-Nov-06	36.2	-	36.2	100.0	9.64%	36.2	-	30.6	2.9	
10	1-Apr-99	9.130%	1-May-07	12.0	-	12.0	100.0	9.13%	12.0	12.0	12.0	1.1	
11	1-Apr-99	9.130%	4-May-07	15.2	-	15.2	100.0	9.13%	15.2	15.2	15.2	1.4	
12	1-Apr-99	9.130%	5-May-07	15.2	-	15.2	100.0	9.13%	15.2	15.2	15.2	1.4	
13	1-Apr-99	9.130%	6-May-07	15.2	-	15.2	100.0	9.13%	15.2	15.2	15.2	1.4	
14	1-Apr-99	9.130%	7-May-07	15.2	-	15.2	100.0	9.13%	15.2	15.2	15.2	1.4	
15	1-Apr-99	9.720%	10-Aug-07	18.4	-	18.4	100.0	9.72%	18.4	18.4	18.4	1.8	
18	3-Jun-00	7.150%	3-Jun-10	121.6	1.6	120.0	98.7	7.34%	121.6	121.6	121.6	8.9	
19	3-Jun-00	7.350%	3-Jun-30	121.6	2.0	119.6	98.3	7.49%	121.6	121.6	121.6	9.1	
20	22-Jun-01	6.400%	1-Dec-11	76.0	(0.3)	76.3	100.4	6.34%	76.0	76.0	76.0	4.8	
21	22-Jun-01	6.930%	1-Jun-32	47.7	0.6	47.2	98.8	7.02%	47.7	47.7	47.7	3.4	
22	17-Sep-02	5.770%	15-Nov-12	213.0	1.0	212.0	99.5	5.83%	213.0	213.0	213.0	12.4	
23	17-Sep-02	6.930%	1-Jun-32	142.0	(5.3)	147.3	103.8	6.64%	142.0	142.0	142.0	9.4	
24	31-Jan-03	5.770%	15-Nov-12	111.0	(0.5)	111.5	100.5	5.70%	111.0	111.0	111.0	6.3	
25	31-Jan-03	6.350%	31-Jan-34	74.0	0.6	73.4	99.2	6.41%	74.0	74.0	74.0	4.7	
26	22-Apr-03	6.590%	22-Apr-43	105.0	0.7	104.3	99.3	6.64%	105.0	105.0	105.0	7.0	
27	23-Jun-03	4.000%	23-Jun-08	210.0	6.1	203.9	97.1	4.66%	210.0	210.0	210.0	9.8	
28	24-Feb-04	3.950%	24-Feb-09	87.5	0.4	87.1	99.6	4.05%	87.5	87.5	87.5	3.5	
29	25-Jun-04	6.350%	31-Jan-34	48.0	(0.1)	48.1	100.2	6.33%	48.0	48.0	48.0	3.0	
30	20-Aug-04	6.590%	22-Apr-43	26.0	(2.1)	28.1	107.9	6.06%	26.0	26.0	26.0	1.6	
31	24-Aug-04	6.350%	31-Jan-34	26.0	(0.9)	26.9	103.5	6.09%	26.0	26.0	26.0	1.6	
32	15-Nov-04	4.030%	15-May-07	14.0	0.1	13.9	99.1	2.91%	14.0	14.0	14.0	0.4	
33	9-May-05	4.830%	15-Jun-07	48.0	-	48.0	100.0	4.83%	48.0	48.0	48.0	2.3	
34	9-May-05	4.830%	15-Jun-07	42.0	-	42.0	100.0	4.83%	42.0	42.0	42.0	2.0	
35	14-Dec-05	4.560%	15-Jun-07	56.0	-	56.0	100.0	4.56%	56.0	56.0	56.0	2.6	
36	19-May-05	5.360%	20-May-36	98.1	3.5	94.6	96.4	5.60%	98.1	98.1	98.1	5.5	
37	19-May-05	3.950%	24-Feb-09	45.0	(0.4)	45.4	100.9	3.69%	45.0	45.0	45.0	1.7	
38	3-Mar-06	4.640%	3-Mar-16	90.0	0.4	89.6	99.5	4.70%	-	90.0	69.2	3.3	
39	24-Apr-06	5.360%	20-May-36	62.5	0.8	61.7	98.7	5.45%	-	62.5	43.3	2.4	
40	22-Aug-06	4.640%	3-Mar-16	90.0	1.1	88.9	98.8	4.80%	-	90.0	25.5	1.2	
41	19-Oct-06	5.000%	19-Oct-46	45.0	0.3	44.7	99.3	5.04%	-	45.0	5.6	0.3	
42	Subtotal								1,982.9	2,091.2	2,022.2	123.2	
43	Treasury OM&A costs											0.8	
44	Other financing-related fees											0.7	
45	Total								<u>1,982.9</u>	<u>2,091.2</u>	<u>2,022.2</u>	<u>124.7</u>	<u>6.17%</u>

Filed: July 13, 2009

EB-2009-0096

Exhibit B2

Tab 1

Schedule 2

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HYDRO ONE NETWORKS INC.
DISTRIBUTION
Cost of Long-Term Debt Capital
Historical Year (2007)
Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates	
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/06 (\$Millions)	at 12/31/07 (\$Millions)				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)		
1	1-Apr-99	9.130%	1-May-07	12.0	0.0	12.0	100.00	9.13%	12.0	0.0	4.6	0.4		
2	1-Apr-99	9.130%	4-May-07	15.2	0.0	15.2	100.00	9.13%	15.2	0.0	5.8	0.5		
3	1-Apr-99	9.130%	5-May-07	15.2	0.0	15.2	100.00	9.13%	15.2	0.0	5.8	0.5		
4	1-Apr-99	9.130%	6-May-07	15.2	0.0	15.2	100.00	9.13%	15.2	0.0	5.8	0.5		
5	1-Apr-99	9.130%	7-May-07	15.2	0.0	15.2	100.00	9.13%	15.2	0.0	5.8	0.5		
6	1-Apr-99	9.720%	10-Aug-07	18.4	0.0	18.4	100.00	9.72%	18.4	0.0	11.3	1.1		
7	9-May-05	4.830%	29-Jun-07	48.0	0.0	48.0	100.00	4.83%	48.0	0.0	22.2	1.1		
8	9-May-05	4.830%	29-Jun-07	42.0	0.0	42.0	100.00	4.83%	42.0	0.0	19.4	0.9		
9	14-Dec-05	4.560%	29-Jun-07	56.0	0.0	56.0	100.00	4.56%	56.0	0.0	25.8	1.2		
10	3-Jun-00	7.150%	3-Jun-10	121.6	1.6	120.0	98.70	7.34%	121.6	121.6	121.6	8.9		
11	3-Jun-00	7.350%	3-Jun-30	121.6	1.9	119.7	98.43	7.48%	121.6	121.6	121.6	9.1		
12	22-Jun-01	6.400%	1-Dec-11	76.0	(0.2)	76.2	100.28	6.36%	76.0	76.0	76.0	4.8		
13	22-Jun-01	6.930%	1-Jun-32	47.7	0.5	47.3	99.05	7.01%	47.7	47.7	47.7	3.3		
14	17-Sep-02	5.770%	15-Nov-12	213.0	1.0	212.0	99.55	5.83%	213.0	213.0	213.0	12.4		
15	17-Sep-02	6.930%	1-Jun-32	142.0	(5.1)	147.1	103.60	6.65%	142.0	142.0	142.0	9.4		
16	31-Jan-03	5.770%	15-Nov-12	111.0	(0.5)	111.5	100.48	5.70%	111.0	111.0	111.0	6.3		
17	31-Jan-03	6.350%	31-Jan-34	74.0	0.6	73.4	99.21	6.41%	74.0	74.0	74.0	4.7		
18	22-Apr-03	6.590%	22-Apr-43	105.0	0.8	104.2	99.26	6.64%	105.0	105.0	105.0	7.0		
19	23-Jun-03	4.000%	23-Jun-08	210.0	6.1	203.9	97.08	4.66%	210.0	210.0	210.0	9.8		
20	24-Feb-04	3.950%	24-Feb-09	87.5	0.4	87.1	99.55	4.05%	87.5	87.5	87.5	3.5		
21	25-Jun-04	6.350%	31-Jan-34	48.0	(0.1)	48.1	100.22	6.33%	48.0	48.0	48.0	3.0		
22	20-Aug-04	6.590%	22-Apr-43	26.0	(2.1)	28.1	107.89	6.06%	26.0	26.0	26.0	1.6		
23	24-Aug-04	6.350%	31-Jan-34	26.0	(0.9)	26.9	103.48	6.09%	26.0	26.0	26.0	1.6		
24	15-Nov-04	4.173%	15-May-07	14.0	0.1	13.9	99.08	4.57%	14.0	0.0	5.4	0.2		
25	19-May-05	5.360%	20-May-36	98.1	3.5	94.6	96.44	5.60%	98.1	98.1	98.1	5.5		
26	19-May-05	3.950%	24-Feb-09	45.0	(0.4)	45.4	100.90	3.69%	45.0	45.0	45.0	1.7		
27	3-Mar-06	4.640%	3-Mar-16	90.0	0.4	89.6	99.51	4.70%	90.0	90.0	90.0	4.2		
28	24-Apr-06	5.360%	20-May-36	62.5	0.8	61.7	98.68	5.45%	62.5	62.5	62.5	3.4		
29	22-Aug-06	4.640%	3-Mar-16	90.0	1.1	88.9	98.77	4.80%	90.0	90.0	90.0	4.3		
30	19-Oct-06	5.000%	19-Oct-46	45.0	0.3	44.7	99.29	5.04%	45.0	45.0	45.0	2.3		
31	13-Mar-07	4.890%	13-Mar-37	160.0	0.8	159.2	99.48	4.92%	0.0	160.0	123.1	6.1		
32	15-May-07	4.100%	15-Nov-07	14.0	0.0	14.0	100.00	4.10%	0.0	0.0	8.6	0.4		
33	18-Oct-07	5.180%	18-Oct-17	75.0	0.3	74.7	99.55	5.24%	0.0	75.0	17.3	0.9		
34	Subtotal									2091.2	2075.0	2101.1	121.4	
35	Treasury OM&A costs												0.7	
36	Other financing-related fees												0.7	
37	Total									2091.2	2075.0	2101.1	122.9	5.85%

HYDRO ONE NETWORKS INC.
DISTRIBUTION
Cost of Long-Term Debt Capital
Historical Year (2008)
Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates (m)
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/07 (\$Millions)	at 12/31/08 (\$Millions)			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	3-Jun-00	7.150%	3-Jun-10	121.6	1.6	120.0	98.70	7.34%	121.6	121.6	121.6	8.9	
2	3-Jun-00	7.350%	3-Jun-30	121.6	1.9	119.7	98.43	7.48%	121.6	121.6	121.6	9.1	
3	22-Jun-01	6.400%	1-Dec-11	76.0	(0.2)	76.2	100.28	6.36%	76.0	76.0	76.0	4.8	
4	22-Jun-01	6.930%	1-Jun-32	47.7	0.5	47.3	99.05	7.01%	47.7	47.7	47.7	3.3	
5	17-Sep-02	5.770%	15-Nov-12	213.0	1.0	212.0	99.55	5.83%	213.0	213.0	213.0	12.4	
6	17-Sep-02	6.930%	1-Jun-32	142.0	(5.1)	147.1	103.60	6.65%	142.0	142.0	142.0	9.4	
7	31-Jan-03	5.770%	15-Nov-12	111.0	(0.5)	111.5	100.48	5.70%	111.0	111.0	111.0	6.3	
8	31-Jan-03	6.350%	31-Jan-34	74.0	0.6	73.4	99.21	6.41%	74.0	74.0	74.0	4.7	
9	22-Apr-03	6.590%	22-Apr-43	105.0	0.8	104.2	99.26	6.64%	105.0	105.0	105.0	7.0	
10	23-Jun-03	4.000%	23-Jun-08	210.0	6.1	203.9	97.08	4.66%	210.0	0.0	96.9	4.5	
11	24-Feb-04	3.950%	24-Feb-09	87.5	0.4	87.1	99.55	4.05%	87.5	87.5	87.5	3.5	
12	25-Jun-04	6.350%	31-Jan-34	48.0	(0.1)	48.1	100.22	6.33%	48.0	48.0	48.0	3.0	
13	20-Aug-04	6.590%	22-Apr-43	26.0	(2.1)	28.1	107.89	6.06%	26.0	26.0	26.0	1.6	
14	24-Aug-04	6.350%	31-Jan-34	26.0	(0.9)	26.9	103.48	6.09%	26.0	26.0	26.0	1.6	
15	19-May-05	5.360%	20-May-36	98.1	3.5	94.6	96.44	5.60%	98.1	98.1	98.1	5.5	
16	19-May-05	3.950%	24-Feb-09	45.0	(0.4)	45.4	100.90	3.69%	45.0	45.0	45.0	1.7	
17	3-Mar-06	4.640%	3-Mar-16	90.0	0.4	89.6	99.51	4.70%	90.0	90.0	90.0	4.2	
18	24-Apr-06	5.360%	20-May-36	62.5	0.8	61.7	98.68	5.45%	62.5	62.5	62.5	3.4	
19	22-Aug-06	4.640%	3-Mar-16	90.0	1.1	88.9	98.77	4.80%	90.0	90.0	90.0	4.3	
20	19-Oct-06	5.000%	19-Oct-46	45.0	0.3	44.7	99.29	5.04%	45.0	45.0	45.0	2.3	
21	13-Mar-07	4.890%	13-Mar-37	160.0	0.8	159.2	99.48	4.92%	160.0	160.0	160.0	7.9	
22	18-Oct-07	5.180%	18-Oct-17	75.0	0.3	74.7	99.55	5.24%	75.0	75.0	75.0	3.9	
23	3-Mar-08	5.180%	18-Oct-17	120.0	(2.1)	122.1	101.73	4.95%	0.0	120.0	92.3	4.6	
24	10-Nov-08	5.000%	12-Nov-13	160.0	0.8	159.2	99.53	5.11%	0.0	160.0	24.6	1.3	
25	19-Nov-08	3.890%	19-Nov-10	40.0	0.1	39.9	99.79	4.00%	0.0	40.0	6.2	0.2	
26		Subtotal							2075.0	2185.0	2085.0	119.6	
27		Treasury OM&A costs										0.8	
28		Other financing-related fees										0.7	
29		Total							<u>2075.0</u>	<u>2185.0</u>	<u>2085.0</u>	<u>121.1</u>	<u>5.81%</u>

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EB-2009-0096

Exhibit B2

Tab 1

Schedule 2

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HYDRO ONE NETWORKS INC.
DISTRIBUTION
Cost of Long-Term Debt Capital
Bridge Year (2009)
Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/08 (\$Millions)	at 12/31/09 (\$Millions)			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	3-Jun-00	7.150%	3-Jun-10	121.6	1.6	120.0	98.70	7.34%	121.6	121.6	121.6	8.9	
2	3-Jun-00	7.350%	3-Jun-30	121.6	2.0	119.6	98.37	7.49%	121.6	121.6	121.6	9.1	
3	22-Jun-01	6.400%	1-Dec-11	76.0	(0.2)	76.2	100.28	6.36%	76.0	76.0	76.0	4.8	
4	22-Jun-01	6.930%	1-Jun-32	47.7	0.5	47.3	99.05	7.01%	47.7	47.7	47.7	3.3	
5	17-Sep-02	5.770%	15-Nov-12	213.0	1.0	212.0	99.55	5.83%	213.0	213.0	213.0	12.4	
6	17-Sep-02	6.930%	1-Jun-32	142.0	(5.3)	147.3	103.71	6.64%	142.0	142.0	142.0	9.4	
7	31-Jan-03	5.770%	15-Nov-12	111.0	(0.5)	111.5	100.48	5.70%	111.0	111.0	111.0	6.3	
8	31-Jan-03	6.350%	31-Jan-34	74.0	0.6	73.4	99.21	6.41%	74.0	74.0	74.0	4.7	
9	22-Apr-03	6.590%	22-Apr-43	105.0	0.8	104.2	99.26	6.64%	105.0	105.0	105.0	7.0	
10	24-Feb-04	3.950%	24-Feb-09	87.5	0.4	87.1	99.55	4.05%	87.5	0.0	13.5	0.5	
11	25-Jun-04	6.350%	31-Jan-34	48.0	(0.1)	48.1	100.22	6.33%	48.0	48.0	48.0	3.0	
12	20-Aug-04	6.590%	22-Apr-43	26.0	(2.1)	28.1	107.89	6.06%	26.0	26.0	26.0	1.6	
13	24-Aug-04	6.350%	31-Jan-34	26.0	(0.9)	26.9	103.48	6.09%	26.0	26.0	26.0	1.6	
14	19-May-05	5.360%	20-May-36	98.1	3.5	94.6	96.44	5.60%	98.1	98.1	98.1	5.5	
15	19-May-05	3.950%	24-Feb-09	45.0	(0.4)	45.4	100.90	3.69%	45.0	0.0	6.9	0.3	
16	3-Mar-06	4.640%	3-Mar-16	90.0	0.4	89.6	99.52	4.70%	90.0	90.0	90.0	4.2	
17	24-Apr-06	5.360%	20-May-36	62.5	0.8	61.7	98.68	5.45%	62.5	62.5	62.5	3.4	
18	22-Aug-06	4.640%	3-Mar-16	90.0	1.1	88.9	98.75	4.80%	90.0	90.0	90.0	4.3	
19	19-Oct-06	5.000%	19-Oct-46	45.0	0.3	44.7	99.29	5.04%	45.0	45.0	45.0	2.3	
20	13-Mar-07	4.890%	13-Mar-37	160.0	0.8	159.2	99.48	4.92%	160.0	160.0	160.0	7.9	
21	18-Oct-07	5.180%	18-Oct-17	75.0	0.3	74.7	99.63	5.23%	75.0	75.0	75.0	3.9	
23	3-Mar-08	5.180%	18-Oct-17	120.0	(2.1)	122.1	101.73	4.95%	120.0	120.0	120.0	5.9	
24	10-Nov-08	5.000%	12-Nov-13	160.0	0.8	159.2	99.53	5.11%	160.0	160.0	160.0	8.2	
25	19-Nov-08	3.890%	19-Nov-10	40.0	0.1	39.9	99.78	4.01%	40.0	40.0	40.0	1.6	
26	13-Jan-09	3.890%	19-Nov-10	35.0	(0.2)	35.2	100.67	3.51%	0.0	35.0	32.3	1.1	
27	14-Jan-09	5.000%	12-Nov-13	70.0	(2.0)	72.0	102.87	4.33%	0.0	70.0	64.6	2.8	
28	3-Mar-09	6.030%	3-Mar-39	105.0	0.6	104.4	99.43	6.07%	0.0	105.0	80.8	4.9	
29	15-Jun-09	4.770%	15-Jun-19	51.3	0.3	51.0	99.50	4.83%	0.0	51.3	27.6	1.3	
30	15-Sep-09	4.770%	15-Sep-19	51.3	0.3	51.0	99.50	4.83%	0.0	51.3	15.8	0.8	
31	Subtotal								2185.0	2365.0	2294.0	131.3	
32	Treasury OM&A costs											1.2	
33	Other financing-related fees											0.6	
34	Total								<u>2185.0</u>	<u>2365.0</u>	<u>2294.0</u>	<u>133.1</u>	<u>5.80%</u>

HYDRO ONE NETWORKS INC.
DISTRIBUTION
Cost of Long-Term Debt Capital
Test Year (2010)
Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/09 (\$Millions)	at 12/31/10 (\$Millions)			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	3-Jun-00	7.150%	3-Jun-10	121.6	1.6	120.0	98.70	7.34%	121.6	0.0	56.1	4.1	
2	3-Jun-00	7.350%	3-Jun-30	121.6	2.0	119.6	98.37	7.49%	121.6	121.6	121.6	9.1	
3	22-Jun-01	6.400%	1-Dec-11	76.0	(0.2)	76.2	100.28	6.36%	76.0	76.0	76.0	4.8	
4	22-Jun-01	6.930%	1-Jun-32	47.7	0.5	47.3	99.05	7.01%	47.7	47.7	47.7	3.3	
5	17-Sep-02	5.770%	15-Nov-12	213.0	1.0	212.0	99.55	5.83%	213.0	213.0	213.0	12.4	
6	17-Sep-02	6.930%	1-Jun-32	142.0	(5.3)	147.3	103.71	6.64%	142.0	142.0	142.0	9.4	
7	31-Jan-03	5.770%	15-Nov-12	111.0	(0.5)	111.5	100.48	5.70%	111.0	111.0	111.0	6.3	
8	31-Jan-03	6.350%	31-Jan-34	74.0	0.6	73.4	99.21	6.41%	74.0	74.0	74.0	4.7	
9	22-Apr-03	6.590%	22-Apr-43	105.0	0.8	104.2	99.26	6.64%	105.0	105.0	105.0	7.0	
10	25-Jun-04	6.350%	31-Jan-34	48.0	(0.1)	48.1	100.22	6.33%	48.0	48.0	48.0	3.0	
11	20-Aug-04	6.590%	22-Apr-43	26.0	(2.1)	28.1	107.89	6.06%	26.0	26.0	26.0	1.6	
12	24-Aug-04	6.350%	31-Jan-34	26.0	(0.9)	26.9	103.48	6.09%	26.0	26.0	26.0	1.6	
13	19-May-05	5.360%	20-May-36	98.1	3.5	94.6	96.44	5.60%	98.1	98.1	98.1	5.5	
14	3-Mar-06	4.640%	3-Mar-16	90.0	0.4	89.6	99.52	4.70%	90.0	90.0	90.0	4.2	
15	24-Apr-06	5.360%	20-May-36	62.5	0.8	61.7	98.68	5.45%	62.5	62.5	62.5	3.4	
16	22-Aug-06	4.640%	3-Mar-16	90.0	1.1	88.9	98.75	4.80%	90.0	90.0	90.0	4.3	
17	19-Oct-06	5.000%	19-Oct-46	45.0	0.3	44.7	99.29	5.04%	45.0	45.0	45.0	2.3	
18	13-Mar-07	4.890%	13-Mar-37	160.0	0.9	159.1	99.45	4.93%	160.0	160.0	160.0	7.9	
19	18-Oct-07	5.180%	18-Oct-17	75.0	0.3	74.7	99.63	5.23%	75.0	75.0	75.0	3.9	
20	3-Mar-08	5.180%	18-Oct-17	120.0	(2.1)	122.1	101.73	4.95%	120.0	120.0	120.0	5.9	
21	10-Nov-08	5.000%	12-Nov-13	160.0	0.8	159.2	99.53	5.11%	160.0	160.0	160.0	8.2	
22	19-Nov-08	3.890%	19-Nov-10	40.0	0.1	39.9	99.78	4.01%	40.0	0.0	33.8	1.4	
23	13-Jan-09	3.890%	19-Nov-10	35.0	(0.2)	35.2	100.67	3.51%	35.0	0.0	29.6	1.0	
24	14-Jan-09	5.000%	12-Nov-13	70.0	(2.0)	72.0	102.87	4.33%	70.0	70.0	70.0	3.0	
25	3-Mar-09	6.030%	3-Mar-39	105.0	0.6	104.4	99.43	6.07%	105.0	105.0	105.0	6.4	
26	15-Jun-09	4.770%	15-Jun-19	51.3	0.3	51.0	99.50	4.83%	51.3	51.3	51.3	2.5	
27	15-Sep-09	4.770%	15-Sep-19	51.3	0.3	51.0	99.50	4.83%	51.3	51.3	51.3	2.5	
28	15-Mar-10	6.160%	15-Mar-40	163.2	0.8	162.4	99.50	6.20%	0.0	163.2	125.6	7.8	
29	15-Jun-10	5.070%	15-Jun-20	163.2	0.8	162.4	99.50	5.13%	0.0	163.2	87.9	4.5	
30	15-Sep-10	3.780%	15-Sep-15	163.2	0.8	162.4	99.50	3.89%	0.0	163.2	50.2	2.0	
31	Subtotal								2365.0	2658.1	2551.7	144.1	
32	Treasury OM&A costs											1.1	
33	Other financing-related fees											0.6	
34	Total								<u>2365.0</u>	<u>2658.1</u>	<u>2551.7</u>	<u>145.9</u>	<u>5.7169%</u>

HYDRO ONE NETWORKS INC.
 DISTRIBUTION
 Cost of Long-Term Debt Capital
 Test Year (2011)
 Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates (m)
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/10 (\$Millions)	at 12/31/11 (\$Millions)			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	3-Jun-00	7.350%	3-Jun-30	121.6	2.0	119.6	98.37	7.49%	121.6	121.6	121.6	9.1	
2	22-Jun-01	6.400%	1-Dec-11	76.0	(0.2)	76.2	100.28	6.36%	76.0	0.0	70.2	4.5	
3	22-Jun-01	6.930%	1-Jun-32	47.7	0.5	47.3	99.05	7.01%	47.7	47.7	47.7	3.3	
4	17-Sep-02	5.770%	15-Nov-12	213.0	1.0	212.0	99.55	5.83%	213.0	213.0	213.0	12.4	
5	17-Sep-02	6.930%	1-Jun-32	142.0	(5.3)	147.3	103.71	6.64%	142.0	142.0	142.0	9.4	
6	31-Jan-03	5.770%	15-Nov-12	111.0	(0.5)	111.5	100.48	5.70%	111.0	111.0	111.0	6.3	
7	31-Jan-03	6.350%	31-Jan-34	74.0	0.6	73.4	99.21	6.41%	74.0	74.0	74.0	4.7	
8	22-Apr-03	6.590%	22-Apr-43	105.0	0.8	104.2	99.26	6.64%	105.0	105.0	105.0	7.0	
9	25-Jun-04	6.350%	31-Jan-34	48.0	(0.1)	48.1	100.22	6.33%	48.0	48.0	48.0	3.0	
10	20-Aug-04	6.590%	22-Apr-43	26.0	(2.1)	28.1	107.89	6.06%	26.0	26.0	26.0	1.6	
11	24-Aug-04	6.350%	31-Jan-34	26.0	(0.9)	26.9	103.48	6.09%	26.0	26.0	26.0	1.6	
12	19-May-05	5.360%	20-May-36	98.1	3.5	94.6	96.44	5.60%	98.1	98.1	98.1	5.5	
13	3-Mar-06	4.640%	3-Mar-16	90.0	0.4	89.6	99.52	4.70%	90.0	90.0	90.0	4.2	
14	24-Apr-06	5.360%	20-May-36	62.5	0.8	61.7	98.68	5.45%	62.5	62.5	62.5	3.4	
15	22-Aug-06	4.640%	3-Mar-16	90.0	1.1	88.9	98.75	4.80%	90.0	90.0	90.0	4.3	
16	19-Oct-06	5.000%	19-Oct-46	45.0	0.3	44.7	99.29	5.04%	45.0	45.0	45.0	2.3	
17	13-Mar-07	4.890%	13-Mar-37	160.0	0.9	159.1	99.45	4.93%	160.0	160.0	160.0	7.9	
18	18-Oct-07	5.180%	18-Oct-17	75.0	0.3	74.7	99.63	5.23%	75.0	75.0	75.0	3.9	
19	3-Mar-08	5.180%	18-Oct-17	120.0	(2.1)	122.1	101.73	4.95%	120.0	120.0	120.0	5.9	
20	10-Nov-08	5.000%	12-Nov-13	160.0	0.8	159.2	99.53	5.11%	160.0	160.0	160.0	8.2	
21	14-Jan-09	5.000%	12-Nov-13	70.0	(2.0)	72.0	102.87	4.33%	70.0	70.0	70.0	3.0	
22	3-Mar-09	6.030%	3-Mar-39	105.0	0.6	104.4	99.43	6.07%	105.0	105.0	105.0	6.4	
23	15-Jun-09	4.770%	15-Jun-19	51.3	0.3	51.0	99.50	4.83%	51.3	51.3	51.3	2.5	
24	15-Sep-09	4.770%	15-Sep-19	51.3	0.3	51.0	99.50	4.83%	51.3	51.3	51.3	2.5	
25	15-Mar-10	6.160%	15-Mar-40	163.2	0.8	162.4	99.50	6.20%	163.2	163.2	163.2	10.1	
26	15-Jun-10	5.070%	15-Jun-20	163.2	0.8	162.4	99.50	5.13%	163.2	163.2	163.2	8.4	
27	15-Sep-10	3.780%	15-Sep-15	163.2	0.8	162.4	99.50	3.89%	163.2	163.2	163.2	6.4	
28	15-Mar-11	7.460%	15-Mar-41	127.2	0.6	126.5	99.50	7.50%	0.0	127.2	97.8	7.3	
29	15-Jun-11	6.370%	15-Jun-21	127.2	0.6	126.5	99.50	6.44%	0.0	127.2	68.5	4.4	
30	15-Sep-11	5.080%	15-Sep-16	127.2	0.6	126.5	99.50	5.19%	0.0	127.2	39.1	2.0	
31	Subtotal								2658.1	2963.6	2857.7	161.6	
32	Treasury OM&A costs											1.1	
33	Other financing-related fees											0.6	
34	Total								<u>2658.1</u>	<u>2963.6</u>	<u>2857.7</u>	<u>163.3</u>	<u>5.7154%</u>