HYDRO ONE NETWORKS INC.
DISTRIBUTION
Calculation of Capital Cost allowance (CCA)
Historic Year
2008 Networks Tax Return CCA Allocation to TX and DX
Year Ending December 31
($ Millions)

2008 Distribution Schedule 8 :

2008 DX

CCA Class	Opening UCC	Net Additions	UCC pre-1/2 yr	50% net additions	UCC for CCA	CCA Rate	CCA	Closing UCC
1	2,034.8	0.2	2,035.0	0.1	2,035.2	4%	81.2	1,953.7
2	396.4	-	396.4	-	396.4	6%	23.8	372.6
3	14.9	-	14.9	-	14.9	5%	0.7	14.1
6	8.3	0.8	9.1	0.4	8.7	10%	0.9	8.3
8	45.7	15.5	61.2	7.7	53.4	20%	10.7	50.5
9	1.3	3.5	4.8	1.8	3.1	25%	0.8	4.1
10	64.9	30.4	95.4	15.2	80.1	30%	24.0	71.3
12	3.7	60.4	64.1	30.2	33.9	100%	33.9	30.2
13	1.5	-	1.5	-	1.5	10	0.2	1.3
17	2.7	0.1	2.8	0.1	2.8	8%	0.2	2.6
42	0.3	-	0.3	-	0.3	12%	0.0	0.3
45	8.0	-	8.0	-	8.0	45%	3.6	4.4
47	619.4	326.7	946.1	163.4	782.8	8%	62.6	883.5
50	5.6	10.3	15.9	5.2	10.8	55%	5.9	10.0
Dx CCA	**3,207.5**	**447.9**	**3,655.5**	**223.9**	**3,431.8**		**248.6**	**3,406.9**
Dx CEC Continuity	**39.6**		**39.6**		**39.6**	7%	**2.8**	**36.8**
					Less goodwill portion		**(2.1)**	
					Total ECE for RR		**0.7**	

2008 Transmission Schedule 8 :

2008 TX

CCA Class	Opening UCC	Net Additions	UCC pre-1/2 yr	50% net additions	UCC for CCA	CCA Rate (	CCA	Closing UCC
1	2,821.8	(8.3)	2,813.5	-	2,813.5	4%	112.8	2,701.0
2	878.8	(0.0)	878.8	(0.0)	878.8	6%	52.7	826.0
3	274.1	0.0	274.1	0.0	274.1	5%	13.7	260.4
6	23.3	1.8	25.1	0.9	24.2	10%	2.4	22.7
7	0.1	(0.0)	0.1	(0.0)	0.1	15%	0.0	0.1
8	20.5	5.8	26.3	2.9	23.4	20%	4.7	21.6
9	1.7	2.5	4.2	1.2	2.9	25%	0.7	3.4
10	90.4	20.4	110.8	10.2	100.6	30%	30.2	80.7
12	2.4	65.5	67.8	32.7	35.1	100%	35.1	32.7
13	-	(0.0)	(0.0)	(0.0)	(0.0)	6.0	(0.1)	0.1
17	13.7	0.3	14.1	0.2	13.9	8%	1.1	12.9
35	0.4	0.1	0.4	0.0	0.4	7%	0.0	0.4
42	65.3	6.2	71.5	3.1	68.4	12%	8.2	63.3
45	12.5	0.1	12.6	0.0	12.6	45%	5.7	6.9
46	11.9	0.3	12.2	0.2	12.1	30%	3.6	8.6
47	617.8	208.2	825.9	104.1	721.8	8%	57.7	768.2
50	26.5	19.9	46.3	9.9	36.4	55%	20.0	26.3
TX UCC	**4,861.0**	**322.7**	**5,183.7**	**165.5**	**5,018.2**		**348.7**	**4,835.3**