

2011/2012 Transmission Rate Application

Preliminary Shared Services Costs

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What are Shared Services

- Hydro One Shared Services comprised of:
 - Corporate Functions & Services (e.g. HR, Finance & Law)
 - Asset Management Services
 - Information Technology and Cornerstone
 - Facilities & Real Estate
 - Transport, Work & Service Equipment
 - Cost of Sales
 - Other

Tx Shared Services Preliminary OM&A

	2008	2009	2010	2011	2012
Shared Services OM&A – Tx (\$M)	Actual	Actual	Forecast	Test	Test
Asset Management Costs	33	40	34	37	37
Facilities & Real Estate	19	24	29	30	31
Information Technology/Cornerstone	51	60	61	59	56
Common Corporate Functions & Services	44	47	52	53	60
Cost of Sales	21	14	16	15	9
Other OM&A (incl. capex recovery)	(108)	(112)	(143)	(141)	(138)
Total	59	73	48	54	55

Tx Shared Services Preliminary Capital

	2008	2009	2010	2011	2012
Shared Services Capital – Tx (\$M)	Actual	Actual	Forecast	Test	Test
Transport, Work & Service Equipment	18	14	37	22	17
Information Technology/Cornerstone	68	60	25	15	14
Facilities & Real Estate	4	6	27	26	14
Other Capital	1	5	-	-	-
Total	90	85	89	63	46

Questions?

DISCLOSURE NOTE:

FORWARD LOOKING STATEMENTS AND INFORMATION

We have included forward-looking statements in this report that are subject to risks, uncertainties and assumptions. Such information represents our current views based on information as at the date of this report. Any statement contained in this document that is not current or historical is a forward-looking statement. We have based these forward-looking statements on historical experience, current conditions and various assumptions believed to be reasonable in the circumstances. Actual results could differ materially from those projected in the forward-looking statements. Because of these risks, uncertainties and assumptions, undue reliance should not be placed on these forward-looking statements. Except to the extent required by applicable securities laws and regulations, we undertake no obligation to update or revise any of these forward-looking statements, whether to reflect new information, future events or otherwise.