

A photograph of several high-voltage power transmission towers and their associated power lines stretching across a landscape. The scene is captured at sunset or sunrise, with a vibrant sky transitioning from deep blue at the top to bright orange and red near the horizon. A flock of birds is seen flying in a V-formation in the upper left portion of the sky. The foreground is dark, showing the silhouettes of trees and the ground.

INVESTOR OVERVIEW

Post First Quarter 2018



AGENDA

- Business Update
- Company Overview
- Regulatory Framework
- Appendix



BUSINESS UPDATE

WELCOME BACK

Organization Priorities

- Quarterly dividend increased 5% to \$0.23 per share, payable June 29, 2018
- New methodology and proactive approach to storm restoration efforts results in all-time Company record for speed of service restoration after nearly 500,000 customers lost power in mid-April ice storm
- Hydro One is progressing well throughout the Avista transaction with key achievements:
 - Approval received from the Federal Energy Regulatory Commission (FERC).
 - A settlement agreement was filed with state utility commissions in Washington, Idaho, and Alaska
 - An in-principle settlement agreement with all parties reached in Oregon, which will be filed with regulator later this month.
 - The US Antitrust Clearance and the US Federal Communication Commission (FCC)'s consent for the proposed merger were received
 - Anticipating a H2 2018 close of the Avista transaction
- Capital expenditure program delivering consistent and steady +5% growth to Rate Base
- Productivity initiatives are aligning customer and shareholder values
- Expecting recovery of \$2.6 billion Deferred Tax Asset and have filed a Motion to Review and Vary the Decision with the OEB
- Key additions to executive leadership team Paul Dobson and Patrick Meneley will help Hydro One transform into a new era of growth

The image shows the side of a white van with the Hydro One logo. The logo consists of the word "hydro" in a lowercase, sans-serif font, followed by a stylized red icon of a hand with three fingers pointing up, and the word "one" in a bold, lowercase, sans-serif font below it. The background is a dark, semi-transparent overlay of a construction site with trees and workers.

COMPANY OVERVIEW

THE VALUE OF HYDRO ONE

ABOUT THE COMPANY

Transmission & Distribution



30,000 circuit KM's of transmission lines across 98% of Ontario



Largest Local Distribution Company in Ontario with 1.3 million end customers



Expected combined 2018 Transmission & Distribution Rate Base of \$19.7B¹

Market Capitalization of ~\$12.5² billion

Regulated and Privatized Operations

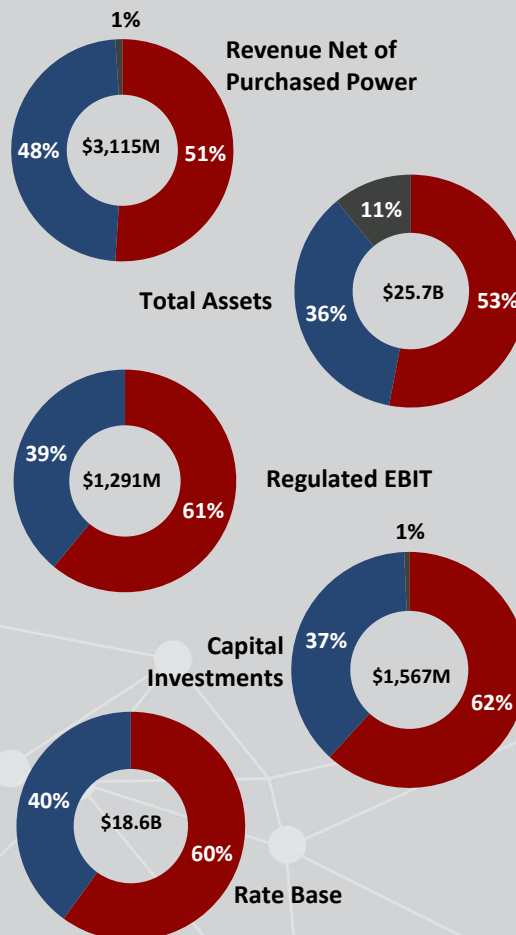
99% of revenue from regulated operations



Privatization initiative by Province of Ontario to divest majority stake in Hydro One complete with post November 2015 IPO (15%), April 2016 secondary (15%), and May 2017 secondary (20%) offerings

HOW WE DID IN 2017

■ Transmission ■ Distribution ■ Other



WHY INVEST

Stable Operations



Stable and growing cash flows with 99% of overall business fully rate-regulated

No generation or material exposure to commodity prices

Financial Performance



Predictable self-funding organic growth profile with +5% expected five year rate base CAGR

Attractive 70% - 80% target dividend payout ratio

Recently increased annualized dividend of \$0.92 per share



Strong balance sheet with investment grade "A" credit ratings

EXECUTIVE LEADERSHIP TEAM

A leadership team with demonstrated experience transforming organizations and growing shareholder value.



Paul Dobson

Acting President and CEO and Chief Financial Officer



Greg Kiraly

Chief Operating Officer



Judy McKellar

EVP, Chief Human Resources Officer



Patrick Meneley

EVP, Chief Corporate Development Officer



Ferio Pugliese

EVP, Customer Care & Corporate Affairs

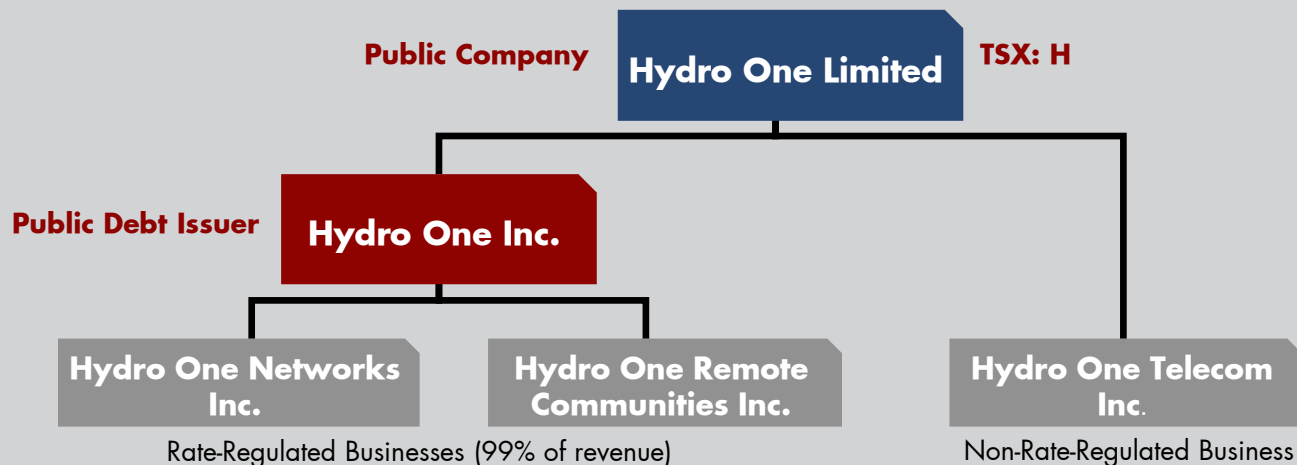


Jamie Scarlett

Chief Legal Officer

A LOOK AT THE ORGANIZATION

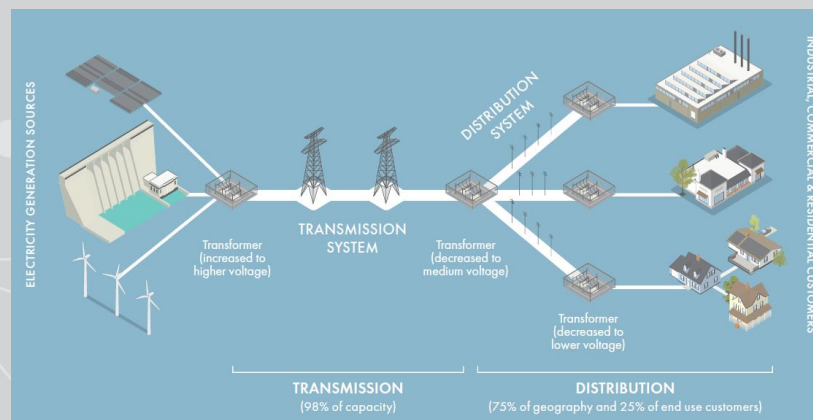
Corporate Structure



Our Role in the Electricity Grid

Our transmission and distribution system safely and reliably serves communities throughout Ontario. Our customers are suburban, rural and remote homes and businesses across our province.

We proudly own and operate ~\$26 billion in assets and have annual revenues of approximately \$6 billion.



PURPOSE, VALUES & STRATEGY

TURN ON THE **POWER**
OF **POSSIBILITY**

VALUES

SAFETY
COMES FIRST

STAND
FOR PEOPLE

EMPOWERED
TO ACT

OPTIMISM
CHARGES US

WIN
AS ONE

Customer
Focus



Pillars

Optimization
& Innovation



Diversification

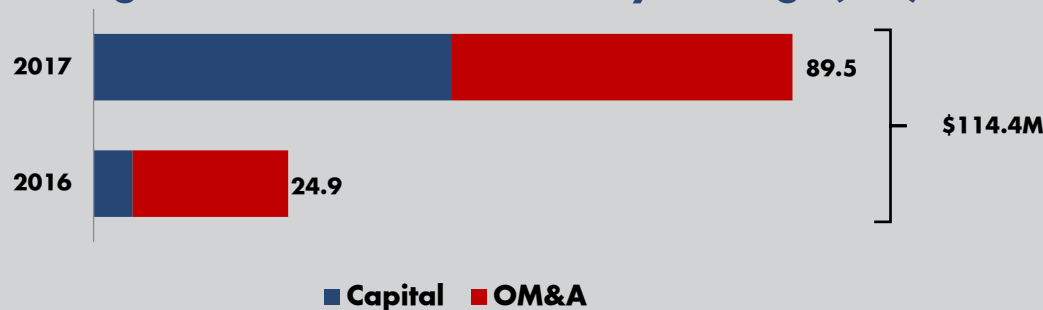


Growth



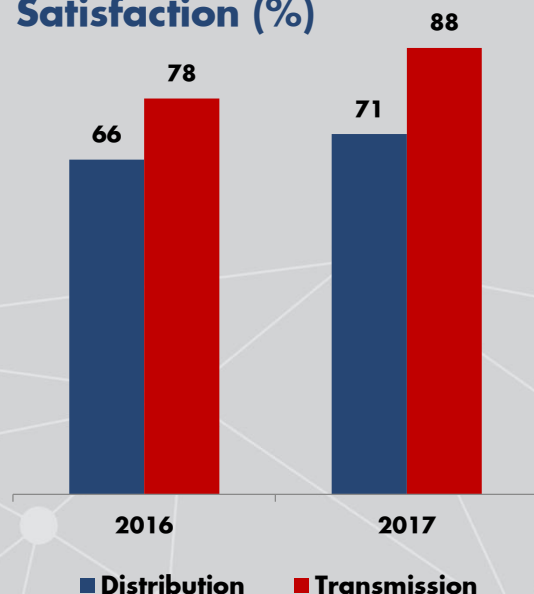
ACHIEVEMENTS AND EFFICIENCIES

Paving New Paths in Productivity Savings (\$M)

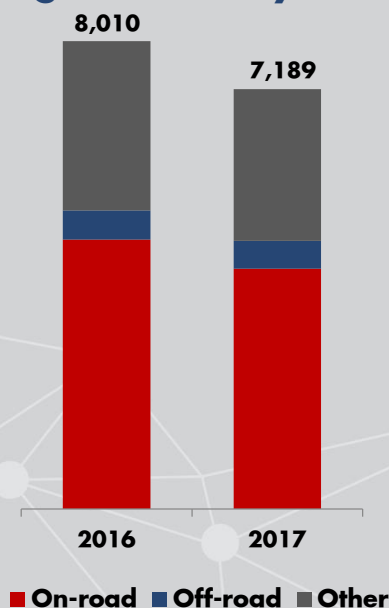


- Generated productivity savings totaling \$89.5 million in 2017 (\$43.6 million in OM&A and \$45.9 million in capital)
- Move to Mobile transformed work processes and implemented technology that automated the scheduling & dispatching functions
- Strategic sourcing initiatives led to price reduction for materials and services as a result of consolidating spend across Hydro One and increasing competition among vendors
- Hydro One leveraged telematics data to identify underutilized fleet equipment causing a reduction of fleet size by 10%
- Optimal Cycle Protocol (OCP) is a state-of-the-art vegetation management program that was implemented in October 2017. OCP will shorten tree clearing and trimming cycle to 3 years from 8-10 years

Improving Customer Satisfaction (%)



Reducing the Fleet by 10%



THE REGULATED BUSINESS

Transmission & Distribution

Transmission



One of North America's largest electric transmission providers

- Hydro One owns and operating 98% of Ontario's transmission capacity
- Transmission produces reliable cash flow with low volatility under Ontario Energy Board (OEB) cost of service regulation and will transition to incentive rate making under OEB
- Growing rate base with planned annual capital investments of ~\$1,000 - \$1,500 million through 2022 with focus on refurbishing aging assets
- Continued shift to renewable and distributed generation sources helping drive expansion of transmission network
- 2018 allowed ROE of 9.00% with 40% / 60% deemed equity / debt capital structure

LDC Customers	43
Large Directly Connected Industrial Customers	88
Transmission Lines (Circuit KM)	30,000
Transmission Stations In Service	308
Cross Border Interconnections	25

Distribution



The largest electric LDC in Ontario with further expansion opportunities

- Distribution is a stable, rate-regulated business operating under OEB cost of service framework with transition to performance-based model in 2018
- Growing rate base with planned annual capex of ~\$650 - \$800 million through 2022
- 2018 expected ROE of 9.00.% with 40% / 60% deemed equity/debt capital structure
- Recent OEB decision in place transitioning residential distribution rates to fully fixed
- Drivers of growth include rate base expansion, productivity improvements and continued consolidation of other LDC's
- Recent Haldimand, Woodstock, Norfolk LDC acquisitions grew customer base by ~5%

LDC's Consolidated Since 2000	90
Distribution Lines (Circuit KM)	123,000
Distribution Poles	1.6M
Distribution End Customers	+1.3M
Distribution and Regulating Stations	1,000

HYDRO ONE TELECOM

Integral role in servicing grid assets



Fiber optic lines (route KMs) 6,400

Network Points of Presence 81

Customer Site Connections 1,900

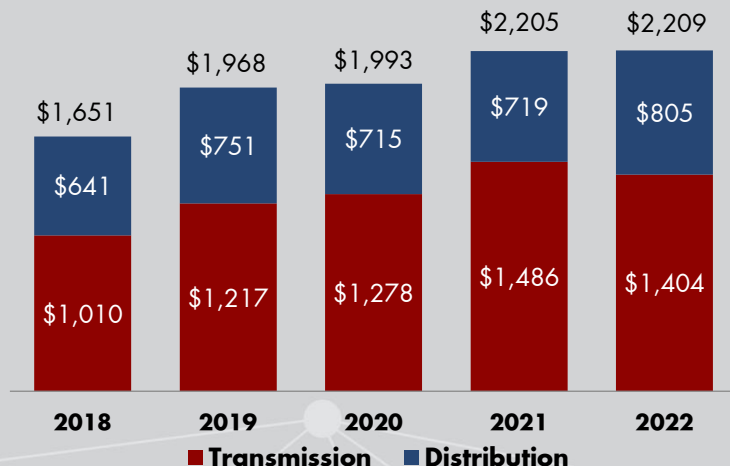
Data Centres Connected 30

- Leverages Hydro One's network fiber assets used to monitor and manage power grid circuitry
- Diverse, secure, low latency broadband connectivity across Ontario utilizing infrastructure constructed principally along electric transmission network
- Provincial fiber routes extend to Montreal and also include connection points in Buffalo and Detroit
- Provides fiber-optic broadband network services including leased circuits, dark fiber, Ethernet transport, Internet transit, data center connectivity and tower access
- Customers include data centers, cloud service providers, enterprises, ISPs, other Telco's and public sector entities
- Currently expanding number of data center connections and launching managed security, cloud backup and data recovery solutions

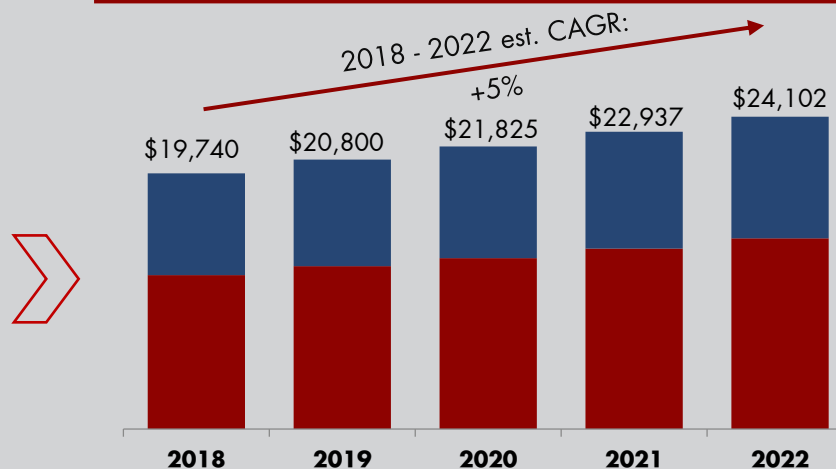
\$10B OF CAPITAL INVESTMENT DRIVING RATE BASE GROWTH

Consistent and predictable organic growth profile underpinned by required replacement of aging infrastructure

Projected Capital Investments* (\$M)



Projected Rate Base Growth*



* Company estimates subject to change and include amounts from March 2017 filed distribution rate application which is subject to OEB approval

Comments

- Organic growth underpinned by continued rate base expansion to renew and modernize grid
- Material amounts of deteriorated, end-of-service life infrastructure must be upgraded or replaced
- Little concentration risk as most projects within capex envelope are small to medium relative to total
- Investments not undertaken without reasonable assurance of regulatory recovery
- Equity issuance not anticipated for planned capital investment program which is self-funded

INFRASTRUCTURE INVESTMENTS

Clarington Transmission Station



Estimated Total Project Cost: \$252 million

Capital Cost To Date: \$228 million

Anticipated In-Service Date: 2018

Comprised of two 750MVA, 500/230 kV transformers and associated termination facilities to connect Hydro One's bulk transmission network to Eastern Ontario upon retirement of the Pickering Nuclear Generation Station

Richview Transmission Station



Estimated Total Project Cost: \$103 million

Capital Cost To Date: \$88 million

Anticipated In-Service Date: 2019

Replacement of 50 year old end-of-life equipment at Richview Transformer Station to ensure the secure and reliable power supply to the City of Toronto and surrounding communities

PENDING AVISTA ACQUISITION

Growing regulated business with a geographically diverse customer base, supported by one of the lowest electricity rates in the US

Avista Business Overview

(C\$ in mm)³



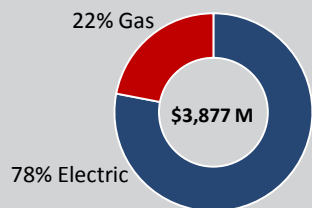
	2016A
Revenue	\$1,824
EBITDA	\$570
Net Income	\$174

Service Area

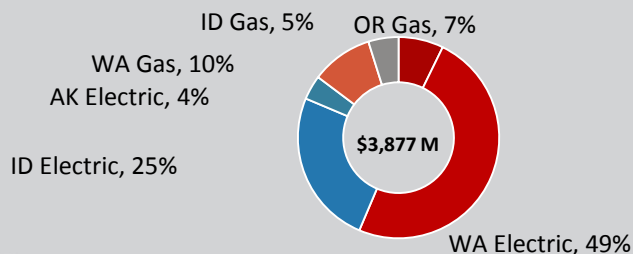
Service territories across WA, OR, ID, AK, and MT



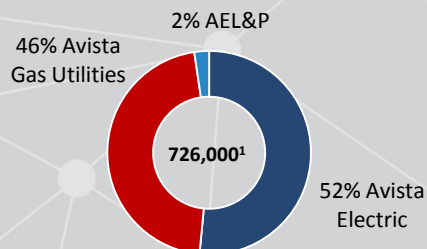
2016 Rate Base



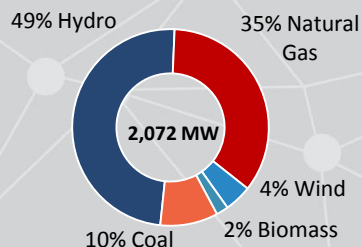
2016 Rate Base by State



2016 Customers



2016 Electric Generation²



- Power Plants
- Gas Pipelines
- Transmission Lines
- Electric Service Area
- Electric / Natural Gas Service Area
- Natural Gas Service Area
- Transmission Line Project

1. Includes combined electric and gas customers
 2. Based on maximum capacity and excludes Alaska generation
 3. Based on an exchange rate of C\$/US\$ 1.264

Investor Overview – Post First Quarter 2018

Note: All financial metrics based on time of the initial announced of transaction

PENDING AVISTA ACQUISITION

Hydro One will become a Top 20 North American investor owned utility with an attractive growth profile

Strategic Rationale & Transaction Details

Diversification

- Increases geographic, economic, regulatory and asset class diversification
- Adds complementary and growing gas distribution
- Provides exposure to regulated and predominantly clean generation

Building quality regulated asset scale

- Earnings and cash flow accretion in the first full year following close, excluding transaction costs
- On a pro forma basis increases Hydro One's total assets from approximately \$25.4 billion to approximately \$34.9 billion
- Hydro One expected to continue growing dividend and to maintain 70-80% dividend payout ratio
- Planned pro forma rate base growth of approximately 6%, starting from a combined 2017 base of C\$22.6 billion

Innovation and knowledge transfer

- Avista is a leader in utility innovation with a track record of investments in advanced technologies, including energy management solutions
- Opportunity to reduce operating costs and gain strategic benefits by leveraging and sharing innovation and best practices

		Allowed ROE	Equity Capitalization
Allowed Equity Returns	ON	9.00%	40.00%
	WA	9.50%	48.50%
	ID	9.50%	50.00%
	OR	9.40%	50.00%
	AK	12.88%	53.80%

Access to new regulatory jurisdictions with higher ROEs and attractive allowed capital structures

Transaction Details

- Offer price of US\$53.00 per Avista common share in cash, a 24% premium to Avista's closing price on 18 July, 2017 of US\$42.74
- Equity purchase price of US\$3.4 billion (C\$4.4 billion)
- Total enterprise value for Avista of US\$5.3 billion (C\$6.7 billion), including Avista debt assumed
- Planned financing is a combination of 5-year, 10-year and 30-year US\$ denominated notes together with the fully executed convertible debenture offering

PENDING AVISTA ACQUISITION

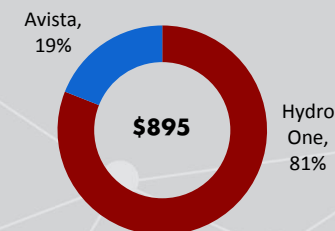
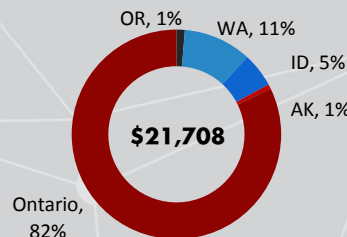
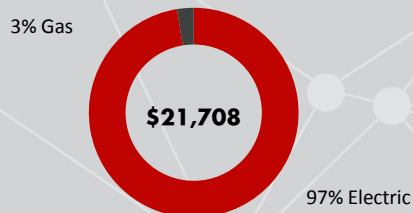
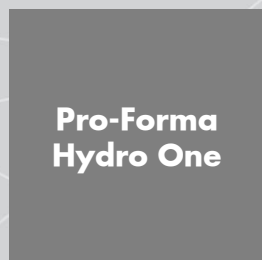
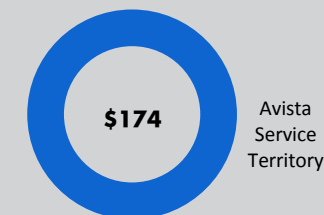
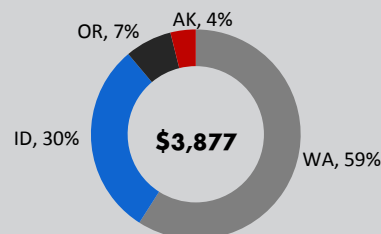
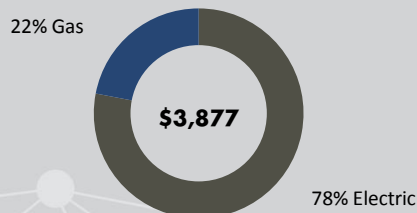
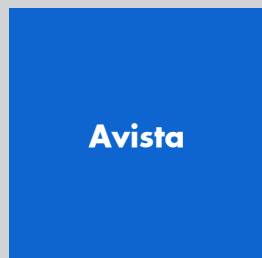
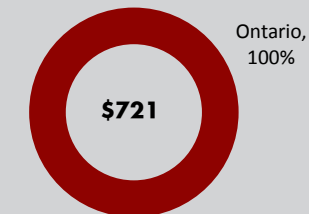
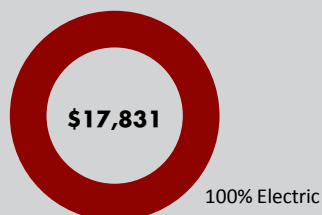
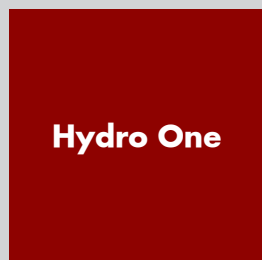
(C\$ in mm)

Diversification across multiple geographies, economies, regulatory jurisdictions and utility businesses enhances stability and strategic positioning

'16 Rate Base

'16 Rate Base by Geography

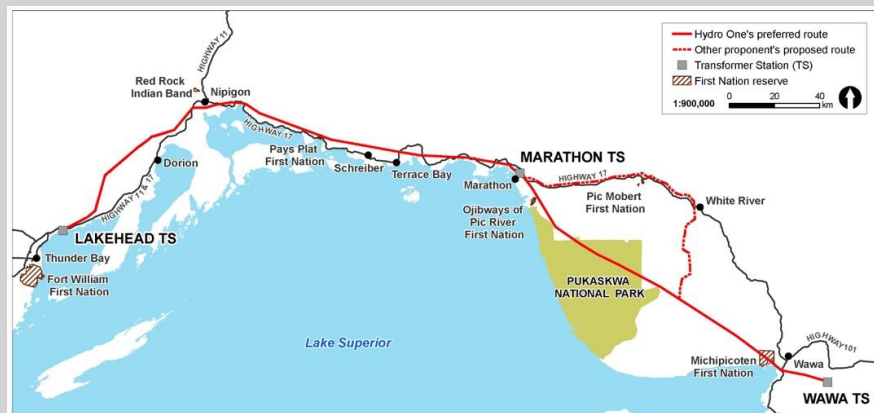
'16 Net Income



ONTARIO BUSINESS DEVELOPMENT

Finding growth opportunities in Ontario

Lake Superior Link



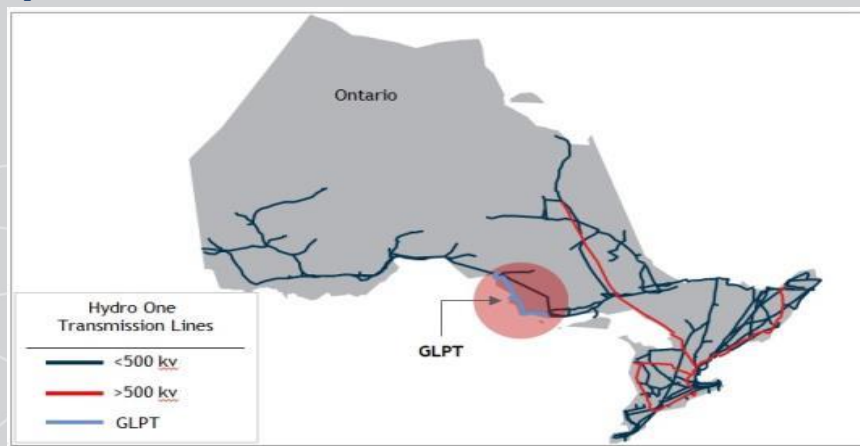
Key points

- Applied to the OEB to construct a new transmission line between Lakehead and Wawa
- Project cost to be roughly \$636 million, which is over \$100 million lower than other proponents
- Annual OM&A costs savings of \$3 million versus competing bids
- 400 km, double-circuit 230kV transmission line that would be built primarily on or adjacent to Hydro One's existing assets

Hydro One Sault Ste. Marie (Great Lakes Power Transmission)

Key points

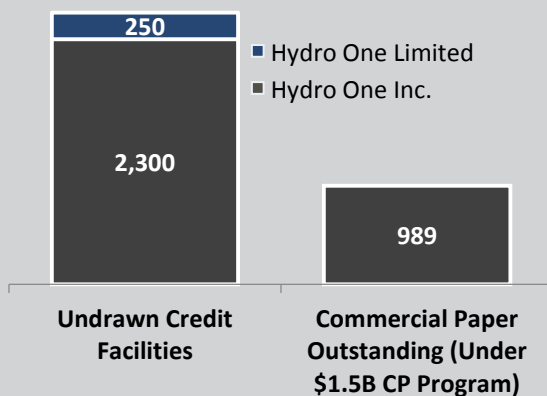
- OEB approval received October 13, 2016 and transaction closed October 31, 2016
- Increased Hydro One's transmission coverage to ~98% of province-wide capacity
- 560km of high voltage transmission lines, towers and stations
- \$376 million purchase price, including approximately \$150 million of assumed debt



STRONG BALANCE SHEET AND LIQUIDITY

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

Significant Available Liquidity (\$M)



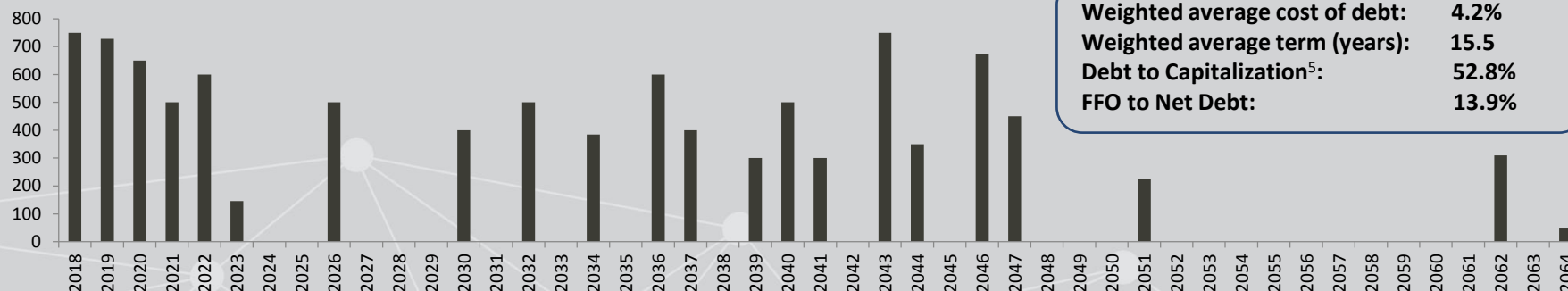
Strong Investment Grade Credit Ratings (LT/ST/Outlook)

Hydro One Inc. (HOI)	
S&P	A / A-1/ negative ¹
DBRS	A (high) / R-1 (low) / stable
Moody's	A3 / Prime-2 / negative ²

Shelf Registrations

HOL: Universal Shelf ³ \$8.0B
HOI: Medium Term Note Shelf ⁴ \$4.0B

Debt Maturity Schedule (\$M)



(1) On July 19, 2017, S&P revised its outlook on Hydro One Limited and Hydro One Inc. to negative from stable while affirming the existing ratings. S&P indicated that the negative outlook on Hydro One Limited reflects its view that the Merger signals a shift in Hydro One Limited's business strategy, which will align the company with its global peers removing the historical rationale for a one-notch rating uplift, and the execution and financing risk inherent in any large acquisition.

(2) On July 19, 2017, Moody's affirmed the ratings of Hydro One Inc. and changed the outlook to negative from stable. Moody's indicated that the negative outlook on Hydro One Inc. reflects its view that the Merger will reduce the probability of extraordinary support from the Province.

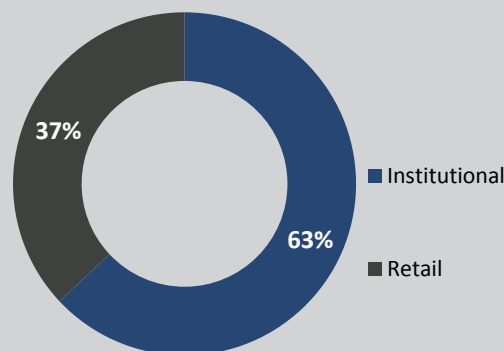
(3) The Hydro One Limited Universal Shelf of \$8.0 billion filed in March 2016 expired on April 30, 2018. The Company plans to file a new Universal Base Shelf Prospectus in the second quarter of 2018.

(4) The Hydro One Inc. Medium Term Note Base Shelf Prospectus was filed in March 2018. The entire \$4.0 billion amount is available for issuance until April 2020.

(5) Debt to capitalization ratio has been calculated as total debt (includes total long-term debt, convertible debentures and short-term borrowings, net of cash and cash equivalents) divided by total debt plus total shareholders' equity, including preferred shares but excluding any amounts related to noncontrolling interest.

EQUITY MARKET CAP OVERVIEW

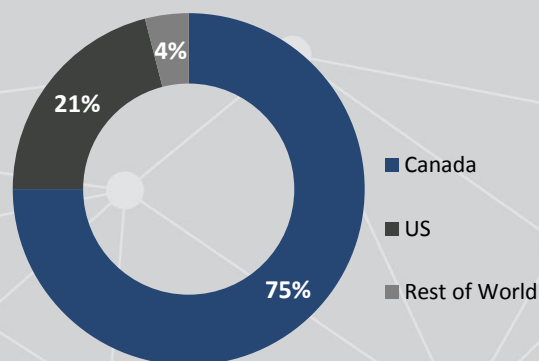
Approximate Ownership of Public Float



Equity Index Inclusions

S&P/TSX Composite Index	FTSE All-World (Canada)
MSCI World (Canada)	S&P/TSX Composite Low Volatility Index
Dow Jones Canada Select Utilities	S&P/TSX Utilities Index
S&P/TSX Composite Dividend Index	S&P/TSX Composite High Dividend Index

Approximate Geographic Dispersion of Public Float



Comments

- 595 million common shares outstanding, listed on Toronto Stock Exchange (TSX: H)
- Equity market capitalization of ~\$12.5 billion¹ and public float of ~\$7 billion
- Equity market capitalization amongst the top 30 of all listed Canadian companies
- Secondary offerings by Province increased liquidity without diluting public shareholders

(1) Based on closing share price on March 29, 2018

COMMON SHARE DIVIDENDS

Consecutive annual 5% increase to dividend announced on May 15th, 2018

Dividend Statistics	
Yield ¹	4.4%
Annualized Dividend ^{2,3}	\$0.92 / share

(1) Based on closing share price on March 29, 2018

(2) Unless indicated otherwise, all common share dividends are designated as "eligible" dividends for the purpose of the Income Tax Act (Canada)

Expected Upcoming Quarterly Dividend Dates³

Declaration Date	Record Date	Payment Date
May 14, 2018	June 12, 2018	June 29, 2018
August 13, 2018	September 11, 2018	September 28, 2018
November 5, 2018	December 11, 2018	December 31, 2018

(3) All dividend declarations and related dates are subject to Board approval.

Key Points

- Quarterly dividend increased to \$0.23 per share (\$0.92 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 five year capital investment program
- Non-dilutive dividend reinvestment plan (DRIP) was implemented post IPO (shares purchased on open market, not issued from treasury)



REGULATORY FRAMEWORK

REGULATORY STAKEHOLDERS



Who: Provincial Government, Ministry of Energy

What: Policy, legislation, regulations



Ontario

Who: Ontario Energy Board (OEB)

What: Independent electric utility price and service quality regulation



Power to Ontario.
On Demand.

Who: Independent Electricity System Operator

What: Wholesale power market rules, intermediary, North American reliability standards



Canada

Who: National Energy Board

What: Federal regulator, international power lines and substations



Who: North American Electric Reliability Corporation

What: Continent-wide bulk power reliability standards, certification, monitoring



Who: Northeast Power Coordinating Council

What: Northeastern North American grid reliability, standards, compliance

CONSTRUCTIVE RATE REGULATOR (OEB)

Consistent, independent regulator with a transparent rate-setting process

- Transmission and distribution businesses rate-regulated by the Ontario Energy Board (OEB)
- Deemed debt / equity ratio of 60% / 40% for both transmission and distribution segments
- Hydro One has earned or exceeded its allowed ROE on a consolidated basis over past five years
- Reduced regulatory lag through forward-looking test years, revenue decoupling and adjustment mechanisms

	<u>Current rate methodology</u>	<u>Allowed ROE</u>	<u>Expected rate base¹</u>	<u>Effective term of next application</u>	<u>Comments</u>
Transmission	Cost of Service	2018 9.00%	2018 \$11.87 billion	File in 2018 for 2019-22	Four-year incentive based rate filing expected to be filed later in 2018 for rates effective January 1, 2019

	<u>Current rate methodology</u>	<u>Allowed ROE³</u>	<u>Expected rate base^{2,3}</u>	<u>Effective term of next application</u>	<u>Comments</u>
Distribution	Cost of Service	2018 9.00%	2018 \$7.87 billion	Filed on 31 st March, 2017 for 2018-22	Five-year incentive based rate filing made March 31, 2017. Decision for phased transition to fixed residential rates (decoupling) already in place.

(1) Transmission rate base includes 100% of B2M JV and Hydro One Sault Ste. Marie

(2) Distribution Rate Base includes recent LDC acquisitions and Hydro One Remote Communities

(3) Company estimates subject to change and include amounts from March 2017 filed distribution rate application which is subject to OEB approval

DISTRIBUTION SEGMENT INCENTIVE REGULATORY CONSTRUCT

The transition from cost of service to incentive based regulatory model coincident with transformation of business will create value for both customers and shareholders

- Filed March 31, 2017 under OEB's Custom Incentive Rate Making model for 2018 – 2022 five year term
- 2018 is considered “rebasings” year where a cost of service forward test year rate model is applied
- Revenue requirement for each of the ensuing four years determined annually by
 - i) applying an inflation adjustment factor,
 - ii) offset by a productivity and stretch factor of 0.45%, and
 - iii) adding a capital factor (added revenue requirement to recover planned capital investments)
- ROE and short term debt rate set based on OEB approved Cost of Capital Parameter Update, issued November 23 2017. Additional update in 2021 requested
- 50% of earnings that exceed allowed ROE by more than 100 basis points in any year of the term of the filing shared with customers (actual sharing deferred until 2023 rebasing)
- Previously acquired Norfolk, Haldimand and Woodstock LDC's brought into rate base in 2021
- Planned rate base CAGR of ~5% over five year term of filing
- Average annual impact on rates over the five year term of the rate application is approximately 3.5%
- Transmission segment incentive rate filing expected to be filed under same construct in 2018 for four year period 2019 – 2022

DELIVERING CLEAN AND SUSTAINABLE ENERGY

Transmitting and delivering some of the cleanest energy in North America

- Ontario was the first North American jurisdiction to fully eliminate coal electricity generation and leads Canada in wind and solar capacity
- Recent five year Ontario Climate Change Action Plan will further accelerate province's leadership in reduction of greenhouse gas emissions
- One of only four utilities in Canada to achieve the Sustainable Energy Company designation from the Canadian Electrical Association
- Ontario electricity now generated by: nuclear 58%, hydro 23%, natural gas 10%, wind 7%, solar 2%
- Ranked as the top utility in Corporate Knights Canada's 2016 Best Corporate Citizens on a set of 12 sustainability metrics, including carbon productivity and gender diversity in leadership
- Environmental stewards of thousands of kilometers of transmission grid corridor lands, including management of vegetation for habitat preservation and protection of species at risk
- ISO 14001 Compatible Environmental Management System to identify and proactively manage environmental risks for continual improvement
- Greener Choices program actively engages employees in sustainability improvement efforts for energy efficiency, recycling and waste reduction at work



WHY INVEST IN HYDRO ONE

A unique low-risk opportunity to participate in the transformation of a premium, large scale regulated electric utility

- One of the largest electric utilities in North America with significant scale and leadership position across Canada's most populated province
- Unique combination of pure-play electric power transmission and local distribution, with no generation or material exposure to commodity prices
- 99% of business is rate-regulated in a constructive, stable, transparent and collaborative regulatory environment
- Predictable growth profile with expanding rate base and strong cash flows, together with broad support for refurbishment of aging infrastructure
- Opportunities to transform to a performance driven culture, capture productivity improvements and transition to incentive-based regulatory model
- One of the strongest investment grade balance sheets in the North American utility sector
- Increased \$0.92 annualized dividend with 70% - 80% target payout ratio and opportunity for continued dividend growth with rate base expansion, continued consolidation and efficiency realization
- Float and liquidity increased without dilution as phased privatization by Province of Ontario was executed
- Blue chip fully independent board together with legislated governance structure allow company to operate autonomously, transform culture and drive shareholder value creation on multiple fronts
- Proven management team with demonstrated experience transforming organizations, accelerating performance and creating significant shareholder value



APPENDIX

1Q18 FINANCIAL SUMMARY

(\$ millions)	First Quarter			Full Year		
	2018	2017	% Change	2017	2016	% Change
Revenue						
Transmission	421	367	14.7%	\$1,578	\$1,584	(0.4%)
Distribution	1,145	1,279	(10.5%)	4,366	4,915	(11.2%)
Distribution (Net of Purchased Power)	394	390	1.0%	1,491	1,488	0.2%
Other	10	12	(16.7%)	46	53	(13.2%)
<i>Consolidated</i>	<i>1576</i>	<i>1658</i>	<i>(4.9%)</i>	<i>5,990</i>	<i>6,552</i>	<i>(8.6%)</i>
Consolidated (Net of Purchased Power)	825	769	7.3%	3,115	3,125	(0.3%)
OM&A Costs	270	271	(0.4%)	1,066	1,069	(0.3%)
Earnings Before Financing Charges and Income Taxes (EBIT)						
Transmission	213	164	29.9%	783	812	(3.6%)
Distribution	157	153	2.6%	508	501	1.4%
Other	(12)	(14)	14.3%	(59)	(35)	(68.6%)
Consolidated	358	303	18.2%	1,232	1,278	(3.6%)
Net Income¹	222	167	32.9%	658	721	(8.7%)
Adjusted Net Income^{1,2}	210	167	25.7%	694	721	(3.7%)
Basic EPS	\$0.37	\$0.28	32.1%	\$1.11	\$1.21	(8.3%)
Adjusted Basic EPS¹	\$0.35	\$0.28	25.0%	\$1.17	\$1.21	(3.3%)
Capital Investments	305	350	(12.9%)	1,567	1,697	(7.7%)
Assets Placed In-Service						
Transmission	38	82	(53.7%)	889	937	(5.1%)
Distribution	105	146	(28.1%)	689	662	4.1%
Other	2	0	-	14	6	-
Consolidated	145	228	(36.4%)	1,592	1,605	(0.8%)

TOP TRANSMISSION CAPITAL PROJECTS UNDERWAY

Development Project Name	Location	Type	Anticipated In-Service Date	Estimated Cost	Capital Cost To-Date
Clarington Transmission Station	Oshawa area Southwestern Ontario	New transmission station	2018	\$252 million	\$228 million
Niagara Reinforcement Project	Niagara area Southwestern Ontario	New transmission line	2019	\$119 million	\$102 million
East-West Tie Station Expansion	Northern Ontario	New transmission connection and station expansion	2021	\$157 million	\$9 million
Northwest Bulk Transmission Line	Thunder Bay area Northwestern Ontario	New transmission line	2024	\$350 million	\$1 million

Sustainment Project Name	Location	Type	Anticipated In-Service Date	Estimated Cost	Capital Cost To-Date
Bruce A Transmission Station ¹	Tiverton area Southwestern Ontario	Stations sustainment	2020	\$109 million	\$109 million
Richview TS Circuit Breaker Replacement	Toronto area Southwestern Ontario	Stations sustainment	2019	\$103 million	\$88 million
Lennox TS Circuit Breaker Replacement	Napanee area Southeastern Ontario	Stations sustainment	2023	\$95 million	\$48 million
Beck #2 TS Circuit Breaker Replacement	Niagara area Southwestern Ontario	Stations sustainment	2022	\$93 million	\$54 million

INDEPENDENT BOARD OF DIRECTORS

David Denison, O.C., FCPA, FCA Currently a Director of Royal Bank of Canada (Audit Committee Chair), Bell Canada, and Sinai Health Systems (Vice-Chair). Formerly President and CEO of the Canada Pension Plan Investment Board, President of Fidelity Investments Canada Limited and of Bentall Kennedy LP (Board Chair), and Director of Allison Transmission Holdings.

Ian Bourne, ICD.D, F.ICD Currently a Director of Ballard Power Systems (Board Chair) and a Director of Canada Pension Plan Investment Board, Wajax Corporation, and the Canadian Public Accountability Board. Formerly the Board Chair and interim CEO of SNC-Lavalin Group, Executive Vice President and CFO of TransAlta Corporation, President and Director of TransAlta Power LP, and Director of Canadian Oil Sands Limited.

Charles Brindamour Currently is Chief Executive Officer of Intact Financial Corporation, which, under his leadership, became an independent and widely-held Canadian company in 2009. Currently a board member of Intact Financial Corporation, of the C.D. Howe Institute and of the Insurance Bureau of Canada, and a member of the Advisory Committee of the Climate Change Adaptation Project, an initiative of the University of Waterloo.

Marcello (Marc) Caira Currently a Director of Restaurant Brands International Inc. (Vice-Chairman), Director of Gildan Activewear, and Director of The Minto Group. Formerly President and CEO of Tim Hortons Inc., held extensive senior management and executive roles with Nestlé Canada, Nestlé S.A. and Parmalat North America Inc., including serving as COO of Parmalat Canada Inc. and President and CEO of Parmalat North America.

Christie Clark, FCA, FCPA Currently a Director of Loblaw Companies, Air Canada, and Choice Properties Real Estate Investment Trust and a member of the Advisory Board of the Smith School of Business at Queen's University. Formerly the CEO and Senior Partner of PricewaterhouseCoopers Canada and served as PwC's National Managing Partner and a member of the firm's Executive Committee.

George Cooke A Director of Hydro One since 2010. Currently a Director of OMERS Administration Corporation (Board Chair), CANATICS, and the Ontario Lottery and Gaming Corporation. Formerly President, CEO and Director of The Dominion of Canada General Insurance Company, a Director of the Insurance Bureau of Canada, a Director and Executive Vice President of E-L Financial Corporation Limited, Director of Empire Life Insurance and AECL (Atomic Energy of Canada Limited).

Margaret (Marianne) Harris Currently a Director of the Investment Industry Regulatory Organization of Canada (Board Chair) and a Director of Sun Life Financial Inc., Sun Life Assurance Company of Canada and Loblaw Companies Limited. Formerly a Director of Agrium Inc., Managing Director of the Bank of America Merrill Lynch, President of Corporate and Investment Banking for Merrill Lynch Canada Inc. and Head of the Financial Institutions Group at RBC Capital Markets.

James Hinds Currently a Director of Allbanc Split Corp., a mutual fund company and the former Board Chair of the Independent Electricity System Operator and of the Ontario Power Authority (Board Chair). A retired investment banker, he previously served as Managing Director of TD Securities Inc., and also held senior positions with CIBC Wood Gundy Inc. and Newcrest Capital Inc.

Roberta Jamieson C.M., I.P.C, LL.B, LL.D (Hon) Currently the President and CEO of Indspire. Formerly a Director of Ontario Power Generation, Member of the Elections Canada Advisory Board, Chief of the Six Nations of the Grand River, and Ombudsman of Ontario (1989-1999).

Hon. Frances L. Lankin, P.C., C.M. Currently a member of the Senate of Canada and a Director of the Ontario Lottery and Gaming Corporation. Formerly an MPP and Cabinet Minister, Member of the Queen's Privy Council for Canada and Member of its Security Intelligence Review Committee, President and CEO of the United Way – Toronto, and Director of the Institute of Corporate Directors and the National NewsMedia Council (Board Chair).

Philip S. Orsino, O.C., FCPA, FCA Currently a Director of the Bank of Montreal (Audit and Conduct Review Committee Chair) and of The Minto Group. Formerly a Director of Clairvest Group Inc. (Audit Committee Chair), Biox Corporation (Board Chair), University Health Network (Board Chair), President and CEO Jeld-Wen Inc. and President and CEO of Masonite International Corporation.

Jane Peverett, FCMA, ICD.D Currently a Director of the Canadian Imperial Bank of Commerce (Audit Committee Chair), Canadian Pacific Railway, and Northwest Natural Gas. Formerly a Director of the Canadian Electricity Association, Encana Corporation (Audit Committee Chair), AEGIS Insurance Services, President and CEO of the British Columbia Transmission Corporation and President and CEO of Union Gas.

Gale Rubenstein A Director of Hydro One since 2007. Currently a Partner of Goodmans LLP and a member of the firm's Executive Committee and a Fellow of the Insolvency Institute of Canada.

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Hydro One prepares and presents its financial statements in accordance with U.S. GAAP. "Funds from Operations" or "FFO", "Adjusted Net Income", "Revenue Net of Purchased Power" and "Adjusted Earnings Per Share" are not recognized measures under U.S. GAAP and do not have standardized meanings prescribed by U.S. GAAP. These are therefore unlikely to be comparable to similar measures presented by other companies. Funds from Operations should not be considered in isolation nor as a substitute for analysis of Hydro One's financial information reported under U.S. GAAP. "Funds from Operations" or "FFO" is defined as net cash from operating activities, adjusted for the following: (i) changes in non-cash balances related to operations, (ii) dividends paid on preferred shares, and (iii) non-controlling interest distributions. Management believes that these measures will be helpful as a supplemental measure of the Company's operating cash flows and earnings. For more information, see "Non-GAAP Measures" in Hydro One's 2017 full year MD&A.

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