

UNDERTAKING

Undertaking

TO PROVIDE EXPLANATION OF CALCULATIONS IN EXHIBIT H-13,
SCHEDULE 2, QUESTION (G).

Response

**NOTE: UPDATED FOR THE DECEMBER 11, 2009 COST OF CAPITAL
REPORT**

The response to interrogatory at Exhibit H, Tab 13, Schedule 2 part g) provides an estimate of the increase in the costs to be collected from all provincial rate payers as a result of Hydro One Distribution's contribution to the costs to be collected via an external funding mechanism administered by the IESO and OPA.

The amounts to be collected from all provincial rate payers are estimated to be \$0.06 per MWh in 2010 and \$0.22 per MWh in 2011 updated for the new cost of capital parameters. The determination of these amounts is shown below:

Estimate energy consumption in 2010 and 2011	148,676,000 MWh	(A)
2010 Revenue Requirement to be externally funded	\$8,700,000	(B)
Estimated 2010 charge	\$0.06 per MWh	(A/B)
2011 Revenue Requirement to be externally funded	\$32,200,000	(C)
Estimated 2011 charge	\$0.22 per MWh	(A/C)