

UNDERTAKING

Undertaking

TO ADVISE WHETHER FORECAST INCREASE REFLECTS DOUBLING OF APPRENTICESHIP TRAINING TAX CREDIT AND TRIPLING OF CO-OP EDUCATION TAX CREDIT IN 2009.

Response

Hydro One used a 20% gross-up (referred to in Schedule EB-2010-0002 ExhibitI, Tab 6, Schedule 18) which was intended to consider all relevant factors such as the doubling of the Apprenticeship Training Tax Credit and Tripling of the Co-op Education Tax Credit in 2009, as well as other factors such as,

- Number of months that the apprentice is employed during the year
- Salary paid to each apprentice during the year
- Maximum qualifying period (Federal -24 months; Ontario - 48 months)
- Maximum credit allowed for the year and in aggregate for each apprentice (Annual Maximum: Federal - \$2,000; Ontario - \$10,000; Aggregate: Federal - \$4,000; Ontario - \$40,000)