

CALCULATION OF OUTPUT QUANTITY, INPUT QUANTITY AND PRODUCTIVITY INDEXES

Hydro One Networks, Inc.

Output Quantity Measures											
	Total Customers	Growth	Average 2002-2012	Total Deliveries	Growth	Average 2002-2012	System Capacity Proxy	Growth	Average 2002-2012	Output Index	Average 2002-2012
Econometric Weights-->	0.4077	60.6%		0.0712	10.6%		0.1942	28.9%		100.00%	67.3%
2002	1,113,463			21,556,707,252			4,294,344			100.00	
2003	1,129,064	1.4%		22,403,641,725	3.9%		4,350,791	1.3%		101.64	1.6%
2004	1,140,552	1.0%		22,598,933,403	0.9%		4,350,791	0.0%		102.36	0.7%
2005	1,152,927	1.1%		22,976,809,392	1.7%		4,407,238	1.3%		103.60	1.2%
2006	1,164,887	1.0%		22,312,008,993	-2.9%		4,407,238	0.0%		103.92	0.3%
2007	1,173,360	0.7%		23,063,283,000	3.3%		4,407,238	0.0%		104.75	0.8%
2008	1,187,253	1.2%		22,541,000,000	-2.3%		4,407,238	0.0%		105.24	0.5%
2009	1,193,767	0.5%		21,762,000,000	-3.5%		4,407,238	0.0%		105.20	0.0%
2010	1,203,030	0.8%		21,663,000,000	-0.5%		4,407,238	0.0%		105.64	0.4%
2011	1,211,071	0.7%	0.93%	23,414,000,000	7.8%	0.92%	4,407,238	0.0%	0.29%	106.94	1.2%
2012	1,221,411	0.9%	0.93%	23,342,000,000	-0.3%	0.80%	4,407,238	0.0%	0.26%	107.46	0.5%
Cost											
	Capital	Growth	Average 2002-2012	OM&A	Growth	Average 2002-2012	Total	Growth	Average 2002-2012	Capital	OM&A
2002	553,734,238			311,752,504			865,486,742			64.0%	36.0%
2003	569,989,086	2.9%		314,667,820	0.9%		884,656,906	2.2%		64.4%	35.6%
2004	584,353,385	2.5%		302,317,018	-4.0%		886,670,403	0.2%		65.9%	34.1%
2005	602,089,120	3.0%		330,358,048	8.9%		932,447,168	5.0%		64.6%	35.4%
2006	617,035,854	2.5%		374,027,584	12.4%		991,063,439	6.1%		62.3%	37.7%
2007	639,565,857	3.6%		451,571,700	18.8%		1,091,137,557	9.6%		58.6%	41.4%
2008	672,248,686	5.0%		447,646,800	-0.9%		1,119,895,486	2.6%		60.0%	40.0%
2009	674,628,103	0.4%		485,626,332	8.1%		1,160,254,435	3.5%		58.1%	41.9%
2010	712,614,053	5.5%		521,315,480	7.1%		1,233,929,534	6.2%		57.8%	42.2%
2011	736,394,921	3.3%	3.17%	524,798,323	0.7%	5.79%	1,261,193,244	2.2%	4.18%	58.4%	41.6%
2012	705,896,473	-4.2%	2.43%	510,526,813	-2.8%	4.93%	1,216,423,286	-3.6%	3.40%	58.0%	42.0%
Average:										61.1%	38.9%
Input Quantity											
	Capital	Growth	Average 2002-2012	OM&A	Growth	Average 2002-2012	Average	Index	Growth	Average 2002-2012	
2002	33,075,415			3,117,525			100.00				
2003	33,885,927	2.4%		3,078,540	-1.3%		101.11	1.1%			
2004	34,675,474	2.3%		2,884,940	-6.5%		100.34	-0.8%			
2005	35,399,732	2.1%		3,054,457	5.7%		103.74	3.3%			
2006	36,549,132	3.2%		3,395,881	10.6%		110.05	5.9%			
2007	36,976,990	1.2%		3,965,317	15.5%		117.84	6.8%			
2008	37,947,238	2.6%		3,839,015	-3.2%		118.10	0.2%			
2009	37,624,536	-0.9%		4,111,573	6.9%		120.85	2.3%			
2010	38,941,760	3.4%		4,284,333	4.1%		125.43	3.7%			
2011	40,177,088	3.1%	2.16%	4,241,479	-1.0%	3.42%	127.19	1.4%	2.67%		
2012	40,561,210	1.0%	2.04%	4,062,026	-4.3%	2.65%	125.61	-1.3%	2.28%		
Productivity Trends											
	Capital	Growth	Average 2002-2012	OM&A	Growth	Average 2002-2012	Total	Index	Growth	Average 2002-2012	
2002	100.00			100.00			100.00				
2003	99.21	-0.79%		102.93	2.89%		100.52	0.52%			
2004	97.64	-1.60%		110.61	7.20%		102.01	1.47%			
2005	96.79	-0.87%		105.74	-4.51%		99.86	-2.13%			
2006	94.05	-2.88%		95.40	-10.28%		94.43	-5.59%			
2007	93.69	-0.37%		82.35	-14.71%		88.89	-6.05%			
2008	91.73	-2.12%		85.46	3.71%		89.11	0.25%			
2009	92.48	0.81%		79.76	-6.90%		87.05	-2.34%			
2010	89.73	-3.02%		76.87	-3.70%		84.22	-3.30%			
2011	88.04	-1.90%	-1.42%	78.60	2.23%	-2.67%	84.08	-0.17%	-1.93%		
2012	87.63	-0.47%	-1.32%	82.47	4.81%	-1.93%	85.55	1.74%	-1.56%		