

Hydro One Announces Closing of \$1.54 Billion Bought Deal Offering of Convertible Debentures Represented by Instalment Receipts

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August 9, Toronto – Hydro One Limited (“Hydro One” or the “Company”) (TSX: H) announced today that the Company, through its direct wholly-owned subsidiary, 2587264 Ontario Inc. (the “Selling Debentureholder”), has completed its previously announced sale (the “Offering”) of \$1,540,000,000 aggregate principal amount of 4.00% convertible unsecured subordinated debentures of the Company represented by instalment receipts (the “Debentures”), which includes the exercise in full of the over-allotment option granted to the underwriters to purchase an additional \$140,000,000 aggregate principal amount of Debentures.

The Offering was underwritten by a syndicate of underwriters co-led by RBC Capital Markets, CIBC Capital Markets and BMO Capital Markets, and including National Bank Financial Inc., Scotiabank, TD Securities Inc., Barclays Capital Canada Inc., Credit Suisse Securities (Canada), Inc., Canaccord Genuity Corp., Desjardins Securities Inc., Laurentian Bank Securities Inc., Raymond James Ltd., Industrial Alliance Securities Inc. and Wells Fargo Securities Canada, Ltd.

The Debentures were sold on an instalment basis at a price of \$1,000 per Debenture, of which \$333 was payable on the closing of the Offering and the remaining \$667 is payable on a date (the “Final Instalment Date”) to be fixed by the Company following satisfaction of all conditions precedent to the closing of Hydro One’s acquisition of Avista Corporation (“Avista”) (NYSE: AVA). The acquisition of Avista is currently anticipated to be completed in the second half of 2018. Prior to the Final Instalment Date, the instalment receipts representing the Debentures will be listed and posted for trading on the Toronto Stock Exchange under the symbol “H.IR”.

Forward Looking Information

This news release contains “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws. Statements that are not historical facts, including statements about beliefs, expectations, estimates, projections, goals, forecasts, assumptions, risks and uncertainties, are forward-looking statements and forward-looking information. Forward-looking statements and forward-looking information are often characterized by the use of words such as “believes,” “estimates,” “expects,” “projects,” “may,” “intends,” “plans,” “anticipates,” “pro forma,” “predicts,” “seeks,” “could,” “would,” “will,” “can,” “continue” or “potential” and the negative of these terms or other comparable or similar terminology or expressions. The forward-looking statements and forward-looking information in this news release include, without limitation, statements relating to Hydro One’s proposed merger transaction with Avista and expectations regarding timing thereof, listing of securities on the Toronto Stock Exchange; and the timing of payment of the final instalment payment and the completion of the proposed merger transaction. These statements reflect Hydro One’s management’s current beliefs and are based on information currently available to the management team. Forward-looking statements and forward-looking information involves significant risk, uncertainties and assumptions. Certain factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements and forward-looking information. Hydro One cautions readers that a number of factors could cause actual results, performance or achievement to differ materially from the results discussed or implied in the forward-looking statements and forward-looking information. Important factors that could cause actual results, performance and results to differ materially from those indicated by any such forward-looking statements and forward-looking information include risks and uncertainties relating to the following: (i) the risk that Avista may be unable to obtain shareholder approval for the proposed merger transaction or that Hydro One or Avista may be unable to obtain governmental and regulatory approvals required for the proposed merger transaction, or may be unable to obtain those approvals on favourable terms, (ii) the risk that

the required shareholder, governmental or regulatory approvals may delay the proposed merger transaction; (iii) the risk that a condition to the closing of the proposed merger transaction may not be satisfied or the merger agreement may be terminated prior to closing; (iv) the timing to consummate the proposed merger transaction; (v) the risk that financing necessary to fund the proposed merger transaction may not be obtained or may be more difficult and costly to obtain than anticipated; and (vi) other factors discussed or referred to in the “Risk Management and Risk Factors” section of Hydro One’s most recent annual and/or quarterly management’s discussion and analysis of financial results filed with securities regulators in Canada and available under Hydro One’s profile at www.sedar.com. The foregoing list is not exhaustive and other unknown or unpredictable factors could also have a material adverse effect on the performance or results of Hydro One or Avesta. Additional risks and uncertainties are discussed in the short form prospectus filed in Canada in connection with the Offering and in other material Hydro One will file with securities regulatory authorities in Canada. These risk factors should be considered carefully and undue reliance should not be placed on the forward-looking statements or forward looking information, and actual outcomes and Hydro One’s results may differ materially from what is expressed, implied or forecasted in these forward-looking statements and forward-looking information. For additional information with respect to certain of the risks or factors, reference should be made to Hydro One’s continuous disclosure materials filed from time to time with Canadian securities regulatory authorities, available at www.sedar.com. Except as required by law, Hydro One disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Hydro One

We are Ontario’s largest electricity transmission and distribution provider with more than 1.3 million valued customers, \$25 billion in assets and annual revenues of over \$6.5 billion. Our team of 5,500 skilled and dedicated employees proudly and safely serves suburban, rural and remote communities across Ontario through our 30,000 circuit km high-voltage transmission and 123,000 circuit km primary distribution networks. Hydro One is committed to the communities we serve, and has been rated as the top utility in Canada for its corporate citizenship, sustainability, and diversity initiatives. We are one of only four utility companies in Canada to achieve the Sustainable Energy Company designation from the Canadian Electrical Association. We also provide advanced broadband telecommunications services on a wholesale basis utilizing our extensive fibre optic network. Hydro One Limited’s common shares are listed on the Toronto Stock Exchange (TSX: H). For more information about Hydro One, please visit www.HydroOne.com where you can find additional information including links to securities filings, historical financial reports, and information about our governance practices, corporate social responsibility, customer solutions, and further information about our business.

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