No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This prospectus supplement ("**Prospectus Supplement**"), together with the short form base shelf prospectus to which it relates dated March 30, 2016 ("**Base Shelf Prospectus**"), as amended or supplemented, and each document deemed to be incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus, as amended or supplemented, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

The securities offered hereby have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and accordingly will not be offered, sold or delivered, directly or indirectly, within the United States of America, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S), except in limited circumstances. See "Plan of Distribution".

***Information has been incorporated by reference in this Prospectus Supplement and the Base Shelf Prospectus to which it relates from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Hydro One Limited at 483 Bay Street, South Tower, 8th Floor, Toronto, Ontario M5G 2P5, (416) 345-6044 and are also available electronically at www.sedar.com.*

PROSPECTUS SUPPLEMENT

TO A SHORT FORM BASE SHELF PROSPECTUS DATED MARCH 30, 2016

Secondary Offering April 7, 2016

HYDRO ONE LIMITED

$1,713,083,020

72,434,800 Common Shares

This Prospectus Supplement, together with the Base Shelf Prospectus, qualifies the distribution of 72,434,800 common shares ("**Common Shares**") of Hydro One Limited to be sold by Her Majesty the Queen in Right of Ontario, as represented by the Minister of Energy (the "**Province**" or the "**Selling Shareholder**") at a price of $23.65 per Common Share (the "**Offering**"). See "Selling Shareholder" and "Plan of Distribution".

The outstanding Common Shares being distributed in the Offering are listed on the Toronto Stock Exchange (the "**TSX**") under the symbol "H". On April 4, 2016, the last trading day before the date of the announcement of the Offering, the closing price of the Common Shares on the TSX was $24.30. On April 6, 2016, the last trading day before the date of this Prospectus Supplement, the closing price of the Common Shares on the TSX was $23.55.

Price: $23.65 per Common Share

	Price to the Public	Underwriters' Fee[(1)]	Net Proceeds to the Selling Shareholder[(2)]
Per Common Share	$23.65	$0.473	$23.177
Total Offering[(3)]..	$1,713,083,020	$34,261,660.40	$1,678,821,359.60

Notes:

(1) The Selling Shareholder has agreed to pay to the Underwriters (as defined below) a fee of $0.2365 for each Common Share sold to institutional investors and $0.7095 for each Common Share sold to other investors, subject to a maximum aggregate fee equal to 2% of the aggregate gross proceeds from Common Shares sold in the Offering (the "**Underwriters' Fee**"), which is equivalent to $0.473 per Common Share. The Underwriters' Fee shown in the table above and in note (3) below reflects the maximum fees payable to the Underwriters. See "Plan of Distribution". The aggregate Underwriters' Fee will be paid by the Selling Shareholder from the proceeds of the Offering.

(2) After deducting the Underwriters' Fee shown in the table above, but before deducting expenses of the Offering, estimated to be approximately $1,100,000, all of which will be paid by the Selling Shareholder from the proceeds of the Offering.

(3) The Selling Shareholder has granted to the Underwriters an over-allotment option (the "**Over-Allotment Option**"), exercisable, in whole or in part, at any time for a period of 30 days after the Closing Date (as defined below), to purchase from the Selling Shareholder up to an additional 10,865,200 Common Shares, on the same terms as set out above solely to cover over-allotments, if any. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Underwriters' Fee" and "Net Proceeds to the Selling Shareholder" will be $1,970,045,000, $39,400,900 and $1,930,644,100, respectively. This Prospectus Supplement, together with the Base Shelf Prospectus, also qualifies the grant of the Over-Allotment Option and the distribution of up to 10,865,200 Common Shares sold by the Selling Shareholder if the Over-Allotment Option is exercised. A purchaser who acquires Common Shares forming part of the Underwriters' over-allocation position acquires those Common Shares pursuant to this Prospectus Supplement, together with the Base Shelf Prospectus, regardless of whether the Underwriters' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

The following table sets forth the number of Common Shares that may be sold by the Selling Shareholder to the Underwriters pursuant to the exercise of the Over-Allotment Option:

Underwriters' Position	Maximum Size or Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	10,865,200 Common Shares	Any time for 30 days after the Closing Date	$23.65 per Common Share

The Common Shares are being offered pursuant to an underwriting agreement dated April 7, 2016 (the "**Underwriting Agreement**") between Hydro One Limited, the Selling Shareholder and RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., TD Securities Inc., National Bank Financial Inc., Barclays Capital Canada Inc., Credit Suisse Securities (Canada), Inc., Canaccord Genuity Corp., Desjardins Securities Inc., GMP Securities L.P., Raymond James Ltd., Industrial Alliance Securities Inc., Laurentian Bank Securities Inc., Manulife Securities Incorporated and Dundee Securities Ltd. (collectively, the "**Underwriters**"). The terms of the Offering were determined by negotiation between the Selling Shareholder and RBC Dominion Securities Inc. and Scotia Capital Inc., on behalf of the Underwriters.

The Underwriters, as principals, conditionally offer the Common Shares, subject to prior sale, if, as and when sold and delivered by the Selling Shareholder and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution", and subject to the approval of certain legal matters on behalf of Hydro One Limited by Osler, Hoskin & Harcourt LLP, on behalf of the Selling Shareholder by Torys LLP, and on behalf of the Underwriters by Blake, Cassels & Graydon LLP.

In connection with this Offering, the Underwriters may, subject to applicable law, over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. **The Underwriters may offer the Common Shares at a price lower than that stated above. See "Plan of Distribution".**

RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., TD Securities Inc. and National Bank Financial Inc. are subsidiaries or affiliates of lenders that have made a $250 million operating credit facility (the "**Operating Credit Facility**") available to Hydro One Limited. In addition, RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., TD Securities Inc., National Bank Financial Inc., Desjardins Securities Inc. and Laurentian Bank Securities Inc. are subsidiaries or affiliates of lenders that have made (i) a $1.5 billion unsecured revolving credit facility (the "**Liquidity Facility**") available to Hydro One Inc., a wholly-owned subsidiary of Hydro One Limited, and (ii) an $800 million unsecured revolving credit facility (the "**Term Facility**") available to Hydro One Inc. As of the date of this Prospectus Supplement, there was no outstanding indebtedness under the Operating Credit Facility, Liquidity Facility or Term Facility. **Although Hydro One Limited is not offering Common Shares pursuant to this Offering, it may be considered a connected issuer of the Underwriters who are affiliates of such lenders for purposes of securities laws in Canada.** See "Plan of Distribution".

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will take place on April 14, 2016 or on such later date as Hydro One Limited, the Selling Shareholder and the Underwriters may agree, but not later than April 30, 2016 (the “**Closing Date**”). The Common Shares will be deposited with CDS Clearing and Depository Services Inc. in electronic form on the Closing Date. A purchaser of Common Shares under the Offering will not receive a share certificate on the closing of the Offering.

An investment in Common Shares is subject to a number of risks that should be considered by a prospective purchaser. Under securities laws in certain jurisdictions, the statutory remedies of rescission or damages where this Prospectus Supplement, together with the Base Shelf Prospectus, and the documents incorporated by reference herein and therein contains a misrepresentation are not available against the Selling Shareholder. The commencement of actions and enforcement of remedies against the Selling Shareholder may also be subject to limitations. The Selling Shareholder will not provide any guarantee in respect of the Common Shares. Prospective purchasers should carefully consider the risk factors described under “Risk Factors” beginning on page S-15 of this Prospectus Supplement and page 5 of the accompanying Base Shelf Prospectus before purchasing Common Shares.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See “Agent for Service of Process in Canada.”

The head and registered office of Hydro One Limited is located at 483 Bay Street, South Tower, 8th Floor, Toronto, Ontario, M5G 2P5.

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ABOUT THIS PROSPECTUS SUPPLEMENT

In this Prospectus Supplement, unless otherwise noted or the context otherwise requires, references to "**Hydro One**" or the "**Company**" refer to Hydro One Limited and its subsidiaries taken together as a whole. References to "**Hydro One Inc.**" refer only to Hydro One Inc. and references to "**Hydro One Limited**" refer only to Hydro One Limited. In addition, "**Ontario**" or the "**province**" in lower case type refers to the Province of Ontario as a geographical area.

This document is in two parts. The first part is this Prospectus Supplement, which describes the terms of this Offering. The second part is the accompanying Base Shelf Prospectus which provides more general information about Hydro One, its business, and offerings that Hydro One Limited may undertake.

You should read this Prospectus Supplement along with the accompanying Base Shelf Prospectus. You should rely only on the information contained in or incorporated by reference in this Prospectus Supplement and the accompanying Base Shelf Prospectus. The Company has not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information provided by this Prospectus Supplement or the accompanying Base Shelf Prospectus is accurate as of any date other than the date on the front of these documents. The Company's business, financial condition, results of operations and prospects may have changed since those dates. The Common Shares are being offered only in jurisdictions in which offers and sales are permitted.

If the information varies between this Prospectus Supplement and the accompanying Base Shelf Prospectus, the information in this Prospectus Supplement supersedes the information in the accompanying Base Shelf Prospectus. For purposes of this Offering, on page iii of the English version of the Base Shelf Prospectus only, the last four sentences of the fourth full paragraph, the fifth full paragraph and the sixth full paragraph are deleted in their entirety and replaced with "See "Plan of Distribution"."

All references in this Prospectus Supplement to "**dollars**" and "**$**" are to Canadian dollars, unless otherwise expressly stated. Unless otherwise expressly stated therein, the financial information of Hydro One Limited and Hydro One Inc. contained in the documents incorporated by reference herein are presented in Canadian dollars. Each of Hydro One Limited and Hydro One Inc. prepares and presents its financial statements in accordance with U.S. GAAP. Unless otherwise indicated, all financial information included and incorporated by reference in this Prospectus Supplement is prepared in accordance with U.S. GAAP. "**U.S. GAAP**" means generally accepted accounting principles in the United States.

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to Hydro One Limited, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, based on the provisions of the *Income Tax Act* (Canada) (together with the regulations thereunder, the "**Tax Act**") in force as of the date hereof and provided that the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX), the Common Shares being sold pursuant to this Prospectus Supplement and the Base Shelf Prospectus, if sold on the date hereof, would be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (a "**RRSP**"), a registered retirement income fund (a **"RRIF**"), a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan or a tax-free savings account (a "**TFSA**"), all as defined in the Tax Act.

Notwithstanding that the Common Shares may be qualified investments for a trust governed by an RRSP, RRIF or TFSA, the annuitant of an RRSP or RRIF or the holder of a TFSA will be subject to a penalty tax on the Common Shares held in such trust (and other tax consequences may result) if the Common Shares are a "prohibited investment" for the RRSP, RRIF or TFSA, as the case may be. The Common Shares will not be a "prohibited investment" in respect of such RRSP, RRIF or TFSA held by a particular holder or annuitant provided the holder or annuitant deals at arm's length with Hydro One Limited for purposes of the Tax Act and does not have a "significant interest" (as defined in the Tax Act for purposes of the prohibited investment rules) in Hydro One Limited. In addition, the Common Shares will generally not be a prohibited investment if such shares are "excluded property" as defined in the Tax Act for purposes of the prohibited investment rules. Shareholders should consult their own tax advisors as to whether the Common Shares will be a prohibited investment in their particular circumstances.

MARKETING MATERIALS

A template version of the term sheet for this Offering is specifically incorporated by reference into and forms an integral part of this Prospectus Supplement and the Base Shelf Prospectus. See “Documents Incorporated by Reference”.

FORWARD-LOOKING INFORMATION

This Prospectus Supplement and the Base Shelf Prospectus, including the documents incorporated herein and therein by reference, contain “forward-looking information” within the meaning of applicable securities laws that is based on current expectations, estimates, forecasts and projections about Hydro One’s business and the industry in which Hydro One operates and includes beliefs and assumptions made by management. Such information includes, but is not limited to, statements about the Company’s business, the intentions of the Province with respect to future sales of Common Shares, market stabilization activities by the Underwriters and the market price of the Common Shares. Additional forward-looking information is identified in the various documents incorporated by reference in this Prospectus Supplement and the Base Shelf Prospectus. Words such as “aim”, “could”, “would”, “expect”, “anticipate”, “intend”, “attempt”, “may”, “plan”, “will”, “believe”, “seek”, “estimate”, “goal”, “target” and variations of such words and similar expression are intended to identify such forward-looking information. The forward-looking information contained or incorporated by reference in this Prospectus Supplement and the Base Shelf Prospectus are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. In particular, this forward-looking information is based on a variety of factors and assumptions including, but not limited to: no unforeseen changes in the legislative and operating framework for Ontario’s electricity market; favourable decisions from the Ontario Energy Board and other regulatory bodies concerning outstanding and future rate and other applications; no unexpected delays in obtaining required approvals; no unforeseen changes in rate orders or rate setting methodologies for the Company’s distribution and transmission businesses; no unfavourable changes in environmental regulation; the continued use and availability of U.S. GAAP; a stable regulatory environment; and no significant event occurring outside the ordinary course of business. These assumptions are based on information currently available to the Company including information obtained by the Company from third-party sources. Actual outcomes and results may differ materially from what is expressed, implied or forecasted in this forward-looking information. While the Company does not know what impact any of these differences may have, the Company’s business, results of operations and financial conditions may be materially adversely affected if any such differences occur. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information are discussed in more detail under “Risk Factors” in this Prospectus Supplement and the Base Shelf Prospectus, under “Risk Factors” in Hydro One Limited’s most recent annual information form and under “Risk Management and Risk Factors” in Hydro One Limited’s most recent annual management’s discussion and analysis of financial results. You should carefully consider these and other factors and not place undue reliance on forward-looking information.

Hydro One Limited does not undertake or assume any obligation to update or revise any forward-looking information for any reason, except as required by applicable securities laws.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference in the Base Shelf Prospectus solely for the purpose of the distribution of the Common Shares offered hereby.

As of the date of this Prospectus Supplement, the following documents filed by Hydro One Limited with the securities commissions or similar authorities in each of the provinces and territories of Canada, and as amended from time to time, are specifically incorporated by reference into, and form an integral part of, this Prospectus Supplement and the Base Shelf Prospectus:

(a) Hydro One Limited’s annual information form dated March 22, 2016 for the year ended December 31, 2015 (the “**AIF**”);

(b) Hydro One Limited’s audited consolidated annual financial statements for the years ended December 31, 2015 and December 31, 2014, together with the notes thereto and the independent auditors’ report thereon dated February 11, 2016 (the “**2015 Annual Financial Statements**”);

(c) Hydro One Limited’s management’s discussion and analysis in respect of the 2015 Annual Financial Statements (the “**Annual MD&A**”);

(d) Hydro One Limited's business acquisition report dated January 14, 2016 relating to the acquisition by Hydro One Limited on October 31, 2015 of all of the issued and outstanding shares of Hydro One Inc.;

(e) the following sections of the IPO Prospectus (as defined in the Base Shelf Prospectus):

(i) disclosure under "Meaning of Certain References" at page 1 of the IPO Prospectus;

(ii) disclosure under the subheadings "Directors and Executive Officers – Biographical Information" (but only in respect of the biographies of the directors and not the executive officers) at pages 125 to 129 of the IPO Prospectus;

(iii) disclosure under the subheadings "Independence of the Board of Directors", "Directors' Board Memberships in Other Reporting Issuers", "Board Mandate", "Position Descriptions", "Orientation and Continuing Education", "Ethical Business Conduct", "Nomination of Directors", "Majority Voting Policy", "Board Renewal", "Diversity" and "Committees of the Board" at pages 130 to 136 of the IPO Prospectus, but excluding the disclosure under the subheadings "Audit Committee" and "External Auditor Service Fees" at pages 134 to 135 of the IPO Prospectus;

(iv) disclosure under "Executive Compensation" at pages 136 to 153 of the IPO Prospectus;

(v) disclosure under "Directors' Compensation" at pages 153 to 154 of the IPO Prospectus;

(vi) disclosure under "Share Grant Plans" at pages 154 to 155 of the IPO Prospectus;

(vii) disclosure under "Glossary" at pages 178 to 182 of the IPO Prospectus;

(viii) Appendix A – Board Mandate at pages A-1 to A-2 of the IPO Prospectus; and

(ix) any other disclosures in the IPO Prospectus specifically referred to in the disclosures made in items (i) through (viii) above, in each case to the extent relevant.

(collectively, the "**Included Sections**"); and

(f) the template version (as defined in National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**")) of the term sheet dated April 5, 2016, filed on System for Electronic Document Analysis and Retrieval in connection with the Offering.

In addition, any "template version" of any other "marketing materials" (as defined in NI 41-101) filed with the securities commission or similar authority in each of the provinces and territories of Canada in connection with this Offering, after the date hereof but prior to the termination of the distribution, is deemed to be incorporated by reference herein.

Any document of the type referred to above, any annual information form, annual or quarterly financial statements, annual or quarterly management's discussion and analysis, management information circular, material change report (excluding confidential material change reports), business acquisition report or other disclosure document required to be incorporated by reference into a prospectus filed under National Instrument 44-101 – *Short Form Prospectus Distributions* filed by Hydro One Limited with the securities commissions or similar authorities in Canada after the date of this Prospectus Supplement and prior to the termination of the Offering shall be deemed to be incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus.

The Included Sections have been incorporated by reference into, and form a part of, this Prospectus Supplement and Base Shelf Prospectus because they contain certain information regarding the board of directors and management of Hydro One Limited, including executive and director compensation, and a description of Hydro One Limited's corporate governance practices. In respect of certain references in the Included Sections to actions that will be taken by Hydro One Limited in the future, some of these actions have been taken and some remain to be taken. Hydro One Limited has determined there is no material information in the IPO Prospectus relating to Hydro One Limited or the Common Shares that has not been disclosed in or incorporated by reference into this Prospectus Supplement and Base

Shelf Prospectus. Upon a management information circular relating to the annual meeting of shareholders of Hydro One Limited to be held on May 31, 2016 being filed by Hydro One Limited with and, where required, accepted by, the applicable securities commissions or similar authorities in Canada during the distribution period under this Prospectus Supplement, the Included Sections shall be deemed no longer to be incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus.

Any statement contained in this Prospectus Supplement, the Base Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein for the purposes of the offering of Common Shares will be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the Base Shelf Prospectus, modifies or supersedes that prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or included any other information set out in the document that it modifies or supersedes. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement or the Base Shelf Prospectus or the documents incorporated by reference herein or therein. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

THE COMPANY

Hydro One Limited was incorporated on August 31, 2015 under the *Business Corporations Act* (Ontario) (the "**OBCA**"). On October 31, 2015, Hydro One Limited acquired all of the issued and outstanding shares of Hydro One Inc. from the Province in exchange for the issuance of Common Shares and Series 1 preferred shares of Hydro One Limited to the Province.

Hydro One is the largest electricity transmission and distribution company in Ontario. Through its wholly-owned subsidiary, Hydro One Inc., Hydro One owns and operates substantially all of Ontario's electricity transmission network, and an approximately 123,000 circuit km low-voltage distribution network.

Hydro One has three business segments: (i) transmission; (ii) distribution; and (iii) other business.

Hydro One's transmission business consists of owning, operating and maintaining its transmission system, which accounts for 96% of Ontario's transmission capacity based on the revenues approved by the Ontario Energy Board. This includes Hydro One's 66% interest in B2M Limited Partnership, a limited partnership between Hydro One and the Saugeen Ojibway Nation in respect of the Bruce-to-Milton transmission line. Hydro One's transmission business is a rate-regulated business that earns revenues mainly from charging transmission rates that must be approved by the Ontario Energy Board. Hydro One's transmission business accounted for approximately 50% of the Company's total assets as at December 31, 2015, and approximately 50% of its total revenues, net of purchased power, in 2015. All of Hydro One's transmission business is carried out by its wholly-owned subsidiary Hydro One Inc., through its wholly-owned subsidiary Hydro One Networks Inc., except for the portion of its business held through B2M Limited Partnership, which Hydro One controls.

Hydro One's distribution business consists of owning, operating and maintaining its distribution system, which Hydro One, through Hydro One Inc., owns primarily through its wholly-owned subsidiary, Hydro One Networks Inc., the largest local distribution company in Ontario. Hydro One's distribution system is also the largest in Ontario, and principally serves rural communities. Hydro One's distribution business is a rate-regulated business that earns revenues mainly by charging distribution rates that must be approved by the Ontario Energy Board. Hydro One's distribution business accounted for approximately 38% of its total assets as at December 31, 2015 and approximately 48% of its total revenues, net of purchased power, in 2015.

Hydro One's other business segment consists of Hydro One's telecommunications business and certain corporate activities. The telecommunications business provides telecommunications support for Hydro One's transmission and distribution businesses and also offers communications and IT solutions to organizations with broadband network requirements. Hydro One's other business segment is not rate-regulated. The other business segment, which in addition to the telecommunications business also includes a deferred tax asset, accounted for approximately 12% of

Hydro One's total assets as at December 31, 2015 and approximately 2% of its total revenues, net of purchased power, in 2015.

CONSOLIDATED CAPITALIZATION

There have been no material changes in Hydro One Limited's share and loan capital, on a consolidated basis, since the date of the 2015 Annual Financial Statements, other than as presented in the Base Shelf Prospectus under the heading "Consolidated Capitalization".

USE OF PROCEEDS

Hydro One will not receive any proceeds from the sale of the Common Shares by the Selling Shareholder pursuant to this Offering.

The estimated net proceeds of the Offering to the Selling Shareholder, after deducting the aggregate Underwriters' Fee, will be $1,678,821,359.60 ($1,930,644,100, assuming the exercise of the Over-Allotment Option in full).

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Selling Shareholder has agreed to sell and the Underwriters have agreed to severally purchase, as principals, on the Closing Date, subject to the terms and conditions set forth in the Underwriting Agreement, 72,434,800 Common Shares being offered at a price of $23.65 per Common Share, for aggregate gross proceeds of $1,713,083,020 payable in cash to the Selling Shareholder against delivery of such Common Shares. The offering price of the Common Shares has been determined by negotiation between the Selling Shareholder and RBC Dominion Securities Inc. and Scotia Capital Inc., on behalf of the Underwriters.

The Offering is being made concurrently in each of the provinces and territories of Canada through those Underwriters or their affiliates who are registered to offer the Common Shares for sale in such provinces and territories and such other registered dealers as may be designated by the Underwriters. Subject to applicable law and the terms of the Underwriting Agreement, the Underwriters may offer the Common Shares outside of Canada.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint, are subject to certain closing conditions and may be terminated upon written notice to Hydro One Limited and the Province upon the occurrence of certain stated events, including: (i) any material change or any change in a material fact in relation to Hydro One Limited which could be expected to result in the purchasers of a material number of Common Shares exercising their rights to withdraw from their purchase or would be expected to have a significant adverse effect on the market price or value of the Common Shares; (ii) certain events affecting the state of the financial markets; (iii) certain investigations, proceedings or orders made by a governmental authority in relation to Hydro One Limited which may prevent or restrict the distribution or trading of the Common Shares; (iv) any order is made by a securities regulatory authority which may restrict the distribution of the Common Shares, or proceedings are announced for such order which have not been rescinded or withdrawn; or (v) any changes or proposed changes in law which could be expected to materially adversely affect the trading or distribution of the Common Shares or any other securities of Hydro One Limited. The Underwriters are, however, obligated to take up and pay for all of the Common Shares if any Common Shares are purchased under the Underwriting Agreement. The Province has agreed to pay to the Underwriters the Underwriters' Fee, which will be equal to 1.0% of the gross proceeds from the sale of each Common Share sold to institutional investors plus 3.0% of the gross proceeds from the sale of each Common Share sold to other investors, subject to a maximum aggregate fee equal to 2.0% of the gross proceeds of this Offering. The Underwriters are entitled under the Underwriting Agreement to customary indemnification against certain liabilities and expenses, including certain liabilities and related expenses under applicable securities legislation in connection with this Offering.

The Common Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States. Accordingly, except to the extent permitted by the Underwriting Agreement, the Common Shares may not be offered, sold or delivered, directly or indirectly, within the United States (as defined in Regulation S ("**Regulation S**") under the U.S. Securities Act) or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S). Each Underwriter has agreed that it will not offer, sell or deliver the Common Shares within the United States or to, or for the account or benefit of, any U.S. persons, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Underwriting Agreement provides that the Underwriters may re-offer and re-sell the Common Shares that they have acquired pursuant to the Underwriting Agreement to qualified institutional buyers in the United States or to, or for the account or benefit of, any U.S. person who is a qualified institutional buyer in accordance with Rule 144A under the U.S. Securities Act ("**Rule 144A**").

In addition, until 40 days after the commencement of this Offering, an offer or sale of Common Shares within the United States or to, or for the account or benefit of, any U.S. persons by any dealer (whether or not participating in this Offering) may violate the registration requirements of the U.S. Securities Act, unless such offer is made in accordance with Rule 144A or pursuant to another exemption from registration under the U.S. Securities Act.

The Common Shares may also be sold internationally as permitted pursuant to private placement exemptions under local securities laws.

RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., TD Securities Inc. and National Bank Financial Inc. are subsidiaries or affiliates of lenders that have made the Operating Credit Facility available to Hydro One Limited, and RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., TD Securities Inc., National Bank Financial Inc., Desjardins Securities Inc. and Laurentian Bank Securities Inc. are subsidiaries or affiliates of lenders that have made the Liquidity Facility and the Term Facility available to Hydro One Inc. Neither Hydro One Limited nor Hydro One Inc. will receive any proceeds from the sale of the Common Shares by the Province. As such, none of the proceeds of this Offering will be applied, directly or indirectly, by Hydro One Limited or Hydro One Inc. to repay any indebtedness under the Operating Credit Facility, Liquidity Facility or Term Facility. As of the date of this Prospectus Supplement, there was no outstanding indebtedness under the Operating Credit Facility, Liquidity Facility or Term Facility. Neither Hydro One Limited nor Hydro One Inc. is in default of its obligations to the lenders under the Operating Credit Facility, the Liquidity Facility or the Term Facility, as applicable, and the lenders have not waived any breach of such credit facilities since their execution. Indebtedness under the Operating Credit Facility, the Liquidity Facility and the Term Facility is unsecured. Although Hydro One Limited is not offering Common Shares pursuant to this Offering, it may be considered a connected issuer of the Underwriters who are affiliates of such lenders for purposes of securities laws in Canada. The determination of the terms and conditions of the Offering was made through negotiations between the Selling Shareholder and RBC Dominion Securities Inc. and Scotia Capital Inc., on behalf of the Underwriters without the involvement of the lenders. The Underwriters will derive no benefit from the Offering other than their fees described herein.

Price Stabilization, Short Positions and Passive Market Making

In connection with this Offering, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market, including:

- stabilizing transactions,
- short sales,
- purchases to cover positions created by short sales,
- imposition of penalty bids, and
- syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Common Shares while this Offering is in progress. These transactions may also include making short sales of the Common Shares, which involve the sale by the Underwriters of a greater number of Common Shares than they are required to purchase in this Offering. Short sales may be "covered short sales", which are short positions in an amount not greater than the Over-Allotment Option, or may be "naked short sales", which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Common Shares in the open market. In making this determination, the Underwriters will consider, among other things, the price of Common Shares available for purchase in the open market compared with the price at which they may purchase Common Shares through the Over-Allotment Option.

The Underwriters must close out any naked short position by purchasing Common Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Common Shares in the open market that could adversely affect prospective purchasers who purchase in this Offering.

Any naked short position would form part of the Underwriters' over-allocation position and a prospective purchaser who acquires Common Shares forming part of the Underwriters' over-allocation position acquires such Common Shares under this Prospectus Supplement, together with the Base Shelf Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In addition, in accordance with policy statements of certain Canadian securities regulatory authorities and the Universal Market Integrity Rules for Canadian Marketplaces ("**UMIR**"), the Underwriters may not, at any time during the period of distribution, bid for or purchase Common Shares. The foregoing restriction is, however, subject to certain exceptions as permitted by such policy statements and UMIR. These exceptions include a bid or purchase permitted under the provisions of such policy statements and the UMIR relating to market stabilization and market balancing activities and a bid or purchase on behalf of a customer where the order was not solicited.

As a result of these activities, the price of the Common Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Common Shares are listed, in the over-the-counter market, or otherwise.

The Selling Shareholder has granted to the Underwriters the Over-Allotment Option, exercisable, in whole or in part, for a period of 30 days from the Closing Date, to purchase up to 10,865,200 additional Common Shares, at the offering price, payable in cash against delivery of such additional Common Shares. The Over-Allotment Option is exercisable only for the purpose of covering over-allotments, if any. The Selling Shareholder will pay the Underwriters' Fee in respect of Common Shares sold pursuant to the exercise of the Over-Allotment Option.

The Underwriters propose to offer the Common Shares initially at the Offering price stated on the cover page of this Prospectus Supplement. After the Underwriters have made a reasonable effort to sell all of the Common Shares offered by this Prospectus Supplement and the Base Shelf Prospectus at that price, the initially stated Offering price may be decreased and further changed from time to time by the Underwriters to an amount not greater than the initially stated Offering price and, in such case, the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Common Shares is less than the gross proceeds paid by the Underwriters to the Selling Shareholder.

Lock-up Arrangements

Pursuant to the Underwriting Agreement, each of Hydro One Limited and the Selling Shareholder has agreed that, during the period beginning on the Closing Date and ending on the date that is 90 days following the Closing Date, each of Hydro One Limited and the Selling Shareholder will not, directly or indirectly, without the prior written consent of RBC Dominion Securities Inc. and Scotia Capital Inc., issue, sell, offer, grant any option, warrant or other right to purchase or agree to issue or sell, or otherwise lend, transfer, assign, pledge or dispose of (including without limitation by making any short sale, engaging in any hedging, monetization or derivative transaction or entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares or other securities of Hydro One Limited or securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other securities of Hydro One Limited, whether or not cash settled), in a public offering or by way of private placement or otherwise, any equity securities of Hydro One Limited or other securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other equity securities of Hydro One Limited, or agree to do any of the foregoing or publicly announce any intention to do any of the foregoing, other than: (i) the Common Shares sold to the Underwriters pursuant to this Prospectus Supplement; (ii) Common Shares purchased or delivered under Hydro One Limited's dividend reinvestment plan; (iii) securities granted, issued or delivered in the ordinary course of business under Hydro One Limited's security-based compensation arrangements, or employee share ownership plans, or pursuant to the conversion, exchange or exercise of any securities so granted, issued or delivered; or (iv) Common Shares distributed pursuant to the transactions with the parties described under "Selling Shareholder" below (provided that the transferee is subject to a resale restriction ending not earlier than the expiry of the 90 day period).

SELLING SHAREHOLDER

The following table sets forth certain information regarding the Selling Shareholder's ownership of shares before and after the completion of this Offering. All shares shown below are owned beneficially and of record by the Selling Shareholder. For further information regarding the Selling Shareholder, see "Selling Shareholder" in the Base Shelf Prospectus.

Name	Number of Common Shares Currently Owned (1)(2)	Number of Common Shares to be Sold Pursuant to the Offering(3)	Number of Shares Owned After Giving Effect to the Offering (3)	Percentage of Shares Owned After Giving Effect to the Offering (3)(4)
Province of Ontario	500,103,660	72,434,800	427,668,860 Common Shares	71.9%
			16,720,000 Series 1 preferred shares	100%

Notes:

(1) See "Prior Sales" in the Base Shelf Prospectus for information on the Common Shares and Series 1 preferred shares acquired by the Province in the two years prior to the date of this Prospectus Supplement.

(2) The Province has advised the Company that it is in discussions regarding potential equity participation in the Company by the First Nations through future offerings by the Province. These discussions are ongoing and will not affect the number of Common Shares available for purchase in this Offering.

(3) Assuming no exercise of the Over-Allotment Option. If the Underwriters exercise their Over-Allotment Option in full, the Province will sell an aggregate of 83,300,000 Common Shares in this Offering and the number of Common Shares owned by the Province immediately following this Offering will be 416,803,660, representing approximately 70.1% of the total issued and outstanding Common Shares.

(4) On a fully diluted basis, the Selling Shareholder will own 71.2% (69.4% if the Over-Allotment is exercised in full) of the outstanding Common Shares and 100% of the outstanding Series 1 preferred shares after giving effect to the Offering. This assumes all Common Shares issuable pursuant to securities or rights convertible into or exchangeable for Common Shares currently outstanding are so issued consisting of: (i) a maximum of 3,981,763 Common Shares issuable pursuant to the PWU Share Grant Plan (as defined in the Base Shelf Prospectus); (ii) a maximum of 1,434,686 Common Shares issuable pursuant to the Society Share Grant Plan (as defined in the Base Shelf Prospectus) and (iii) 273,034 Common Shares issuable pursuant to grants of restricted share units ("**RSUs**") and performance share units ("**PSUs**") granted to certain employees of Hydro One pursuant to Hydro One Limited's long term incentive plan ("**LTIP**") on March 31, 2016. In determining the number of Common Shares issuable pursuant to outstanding RSUs and PSUs, all RSUs are assumed to vest in full and all PSUs granted are assumed to vest at 100% of their target. See Note 21 to the 2015 Annual Financial Statements for more detail on the PWU Share Grant Plan, the Society Share Grant Plan and the LTIP. See also "Prior Sales" below.

DESCRIPTION OF COMMON SHARES

Hydro One Limited's authorized share capital consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series, of which 595,000,000 Common Shares, 16,720,000 Series 1 preferred shares and no Series 2 preferred shares are issued and outstanding as of the date of this Prospectus Supplement.

For a general description of Hydro One Limited's share capital, including the terms of the Common Shares, please see "Description of Share Capital" in the Base Shelf Prospectus.

PRIOR SALES

The following table sets out the issuance of Common Shares and securities convertible into or exchangeable for Common Shares that occurred in the 12-month period before the date of this Prospectus Supplement, other than the issuances disclosed in the Base Shelf Prospectus under the heading "Prior Sales":

Date of Issue	Securities	Price per Security	Number of Common Shares Issuable
March 31, 2016	RSUs(1)	$24.31	148,993
March 31, 2016	PSUs(2)	$24.31	124,041

Notes:

(1) Each RSU granted vests in full on December 31, 2018 assuming the individual has remained employed by Hydro One Limited or its subsidiaries through such date. Each vested RSU entitles the holder thereof to one Common Share. RSUs also earn dividend equivalents as dividends are paid on the Common Shares.

(2) Each PSU granted vests on December 31, 2018 subject to achieving certain performance thresholds for the three-year average earnings per share for the period from January 1, 2016 to December 31, 2018 and provided further that the dividend rate is not decreased during the period. In the event the dividend rate is decreased during the period, no PSUs will vest regardless of whether the performance thresholds are met. In respect of the performance thresholds, below a certain performance threshold, no PSUs will vest. At the target performance threshold (assuming the dividend rate is not reduced during the period), the PSUs vest at the target level of 100% and will entitle the holder thereof to one Common Share for each PSU granted. At or above the maximum performance threshold (assuming the dividend rate is not reduced during the period), the PSUs vest at the maximum level of 200% and will entitle the holder thereof to two Common Shares for each PSU granted. Between performance thresholds (assuming the dividend rate is not reduced during the period), PSUs will vest on an interpolated basis. PSUs also earn dividend equivalents as dividends are paid on the Common Shares. The number of Common Shares issuable pursuant to the PSUs assumes the PSUs vest at 100% of their target.

TRADING PRICE AND VOLUME

The Common Shares are listed on the TSX and commenced trading under the symbol "H" on November 5, 2015. The following table sets forth the reported high and low sales prices and the trading volumes for the Common Shares as reported by the TSX for each month beginning with the partial month from November 5, 2015, being the date of the closing of Hydro One Limited's initial public offering:

Period	High ($)	Low ($)	Volume
November 5, 2015 to November 30, 2015………….	23.15	21.01	31,005,159
December 2015 …………………………………….	22.95	21.53	7,060,538
January 2016 ……………………………………….	22.60	21.85	3,929,776
February 2016 ……………………………………...	23.31	21.90	4,489,699
March 2016 ….…………..	24.50	23.15	7,835,876
April 1, 2016 to April 6, 2016 ….…………..........	24.50	23.34	5,549,313

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires as beneficial owner Common Shares pursuant to this Offering and who, at all relevant times, for purposes of the Tax Act, (1) is, or is deemed to be, resident in Canada, (2) deals at arm's length with Hydro One Limited and the Underwriters; (3) is not affiliated with Hydro One Limited or any of the Underwriters; and (4) holds the Common Shares as capital property (a "**Holder**"). Generally, the Common Shares will be capital property to a Holder provided the Holder does not acquire or hold those Common Shares in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Holders may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which may be to deem to be capital property any Common Shares (and all other "Canadian securities", as defined in the Tax Act) owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years. Holders whose Common Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.

This summary is not applicable to (i) a purchaser that is a "specified financial institution"; (ii) a purchaser an interest in which is a "tax shelter investment"; (iii) a purchaser that is, for purposes of certain rules (referred to as the mark-to-market rules) applicable to securities held by financial institutions, a "financial institution"; (iv) a purchaser that reports its "Canadian tax results" in a currency other than Canadian currency; or (v) a purchaser that enters into, with respect to their Common Shares, a "derivative forward agreement", each as defined in the Tax Act. Such purchasers should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the

Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers of common shares should consult their own tax advisors having regard to their own particular circumstances.

Taxation of Holders of Common Shares

Dividends

A Holder will be required to include in computing its income for a taxation year any dividends received or deemed to be received on the Common Shares. In the case of a Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received or deemed to be received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by Hydro One Limited as eligible dividends in accordance with the provisions of the Tax Act. A dividend received by a Holder that is a corporation will generally be deductible in computing the corporation's taxable income. In certain circumstances, subsection 55(2) of the Tax Act (including Proposed Amendments to such provision released on July 31, 2015) will treat a taxable dividend received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Holder that is a "private corporation", as defined in the Tax Act, or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax of 38⅓% under Part IV of the Tax Act on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing the Holder's taxable income for the taxation year (this percentage was increased from 33⅓% for dividends received after 2015 by Proposed Amendments released on December 9, 2015).

The cost to a Holder of Common Shares for purposes of the Tax Act purchased on the reinvestment of dividends pursuant to the dividend reinvestment plan will be the price paid for such Common Shares. For the purpose of computing the adjusted cost base of such Common Shares to the Holder, the cost of such Common Shares will be averaged with the adjusted cost base of all other Common Shares held by the Holder as capital property at that time.

Dispositions

Generally, on a disposition or deemed disposition of a Common Share, a Holder will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Holder of the Common Share immediately before the disposition or deemed disposition.

Generally, a Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Holder in the year and allowable capital losses in excess of taxable capital gains for the year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances prescribed by the Tax Act.

The amount of any capital loss realized by a Holder that is a corporation on the disposition or deemed disposition of a Common Share may be reduced by the amount of any dividends received by the Holder on such Common Share to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Holders should consult their own tax advisors.

RISK FACTORS

Investing in the Common Shares involves risks. You should carefully consider the risks and uncertainties described below, together with all of the other information and risk factors contained in and incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus, before deciding to invest in the Common Shares. In particular, see “Risk Factors” in the Base Shelf Prospectus and the AIF and “Risk Management and Risk Factors” in the Annual MD&A. If any event arising from these or any other risks occurs, the Company’s business, prospects, financial condition, results of operations or cash flows could be materially adversely affected.

Potentially Volatile Market Price for Common Shares

The market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company’s control, including, but not limited to, the following: (i) actual or anticipated fluctuations in the Company’s annual or quarterly results of operations; (ii) changes in forecasts, estimates or recommendations of securities research analysts regarding the Company’s future results of operations or financial performance; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company’s executive officers and other key personnel; (v) increases or decreases in the amount of dividends to be paid or expected to be paid by the Company; (vi) release or expiration of lock-up or other transfer restrictions on outstanding Common Shares; (vii) sales or anticipated sales of additional Common Shares by Hydro One Limited or the Selling Shareholder; (viii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (ix) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company’s industry or target markets.

Financial markets may experience significant price and volume fluctuations that affect the market prices of equity securities of public entities, even though unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Common Shares may decline even if its operating results, underlying asset values or prospects have not changed. As well, certain institutional investors may base their investment decisions on consideration of the Company’s environmental, governance and social practices and performance against such institutions’ respective investment guidelines and criteria, and failure to satisfy such criteria may result in limited or no investment in, or divestiture of the Common Shares by those institutions, which could materially adversely affect the trading price of the Common Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil occur or continue for a protracted period of time, the Company’s operations and the trading price of the Common Shares may be materially adversely affected.

Payment of Dividends

Payment of dividends on the Common Shares is dependent on cash flows of the Company’s business and subject to change. The declaration and payment of future dividends will be at the discretion of the board of directors of Hydro One Limited, may be subject to restrictions under Hydro One Limited’s and Hydro One Inc.’s respective credit facilities and may be affected by various other factors, including the Company’s revenues, financial condition, acquisitions and legal, regulatory or contractual restrictions. There can be no assurance that Hydro One Limited will be in a position to pay dividends at the rate anticipated (or at all) in the future. A reduction or cessation of the payment of dividends could materially adversely affect the trading price of the Common Shares.

Dilution

The issuance of additional Common Shares by Hydro One Limited may have a dilutive effect on the interests of Hydro One Limited’s shareholders. The number of Common Shares that Hydro One Limited is authorized to issue is unlimited. Hydro One Limited may, in its sole discretion, subject to applicable laws and the rules of the TSX and any other stock exchange on which its securities may be listed from time to time, issue additional Common Shares from time to time (including pursuant to the LTIP and the Company’s share grant plans), and the interests of shareholders may be diluted thereby.

Securities Analysts’ Research or Reports Could Impact Price of Common Shares

The trading market for the Common Shares may be facilitated in part by the research and reports that industry or financial analysts publish about the Company or its business. If few analysts provide coverage of the Company, the trading price of the Common Shares could be lower than otherwise. If one or more of the analysts covering the Company's business downgrade their evaluations of the Company or the value of the Common Shares, the price of the Common Shares could decline. If one or more of these analysts cease to cover the Company, the Company could lose visibility in the market for its Common Shares, which in turn could cause the price of the Common Shares to decline.

Holding Company Risk

Hydro One Limited is a holding company and a substantial portion of its assets are the shares of its subsidiaries. As a result, prospective purchasers of Common Shares are subject to the risks attributable to Hydro One Limited's subsidiaries. As a holding company, Hydro One Limited conducts substantially all of its business through its subsidiaries, which generate substantially all of its revenues. Consequently, Hydro One Limited's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to Hydro One Limited. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing their debt. In the event of a bankruptcy, liquidation or reorganization of any of Hydro One Limited's subsidiaries, holders of indebtedness and other creditors will generally be entitled to payment of their claims from the assets of such subsidiaries before any assets are made available for distribution to Hydro One Limited.

First Nations and Métis Proceedings

Certain First Nations and Métis organizations have asserted that the Province has an obligation to consult with them in respect of asserted potential adverse effects of the Province's sale of Common Shares on their Aboriginal and treaty rights. Whether the Province has a duty to consult or not, it has indicated that it is in discussions regarding potential equity participation by the First Nations. The Company understands that these discussions have explored facilitating equity participation for such communities through future offerings by the Province. These discussions are ongoing and are not expected to affect the number of Common Shares available for purchase in this Offering. The Province has indicated that it is prepared to engage in a dialogue with the Métis in relation to broadened ownership of the Company.

In addition, if a duty to consult exists in respect of this Offering, it would rest with the Province and not Hydro One Limited and its subsidiaries. Broadening the ownership of Hydro One Limited will not alter the regulatory framework under which the Company operates and in which consultation with First Nation and Métis communities occurs, nor will it affect the Province's duty to consult, as appropriate.

To date, Canadian courts have been reluctant to enforce Aboriginal or treaty rights in a manner that would disturb established third party ownership interests, and the Province is not aware of any Canadian case where a court has unwound a public offering (whether as a result of an alleged breach of a duty to consult or otherwise). Accordingly, the Province has indicated that it considers it unlikely that any rights of holders of Common Shares that have been sold by the Province would be adversely affected by a claim that the Province has breached its duty to consult in respect of this Offering. It is nevertheless possible that one or more First Nation or Métis organizations may commence legal proceedings in relation to this Offering, seeking remedies that could include injunctive relief, damages or rescission of this Offering.

EXEMPTIONS

Hydro One Limited has not been granted any exemptions from the provisions of securities laws applicable to this Prospectus Supplement or the Offering, other than as disclosed under "Exemptions" in the Base Shelf Prospectus.

AGENT FOR SERVICE OF PROCESS IN CANADA

Kathryn Jackson, a director of Hydro One Limited, resides outside of Canada. Ms. Jackson has appointed Hydro One Limited as her agent for service of process at 483 Bay Street, 8th Floor, South Tower, Toronto, Ontario, M5G 2P5. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process.

LEGAL MATTERS

Certain legal matters relating to the Common Shares offered under this Prospectus Supplement and the Base Shelf Prospectus will be passed upon by Osler, Hoskin & Harcourt LLP on behalf of Hydro One Limited, by Torys LLP on behalf of the Selling Shareholder, and by Blake, Cassels & Graydon LLP on behalf of the Underwriters. As of the date of this Prospectus Supplement, the partners and associates of each of Osler, Hoskin & Harcourt LLP, Torys LLP and Blake, Cassels & Graydon LLP beneficially own, directly or indirectly, less than 1% of the outstanding securities of any class issued by Hydro One Limited or any associate or affiliate of Hydro One Limited.

AUDITOR, TRANSFER AGENT AND REGISTRAR

KPMG LLP, Chartered Professional Accountants, located at 333 Bay Street, Suite 4600, Bay Adelaide Centre, Toronto, Ontario, M5H 2S5, is the auditor of Hydro One Limited and Hydro One Inc. and has confirmed that it is independent of Hydro One Limited and Hydro One Inc. within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

Computershare Trust Company of Canada at its principal office in Toronto, Ontario is the transfer agent and registrar for the Common Shares.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories of Canada, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

Certain remedies, including statutory rights for rescission or damages, may not be available against the Province. See "Risk Factors — Potential Difficulties in Enforcing Civil Liabilities Against the Province" in the Base Shelf Prospectus. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE SELLING SHAREHOLDER

Date: April 7, 2016

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Energy

(Signed) BOB CHIARELLI

CERTIFICATE OF THE UNDERWRITERS

Date: April 7, 2016

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

RBC DOMINION SECURITIES INC.

By: (Signed) DAVID DAL BELLO

SCOTIA CAPITAL INC.

By: (Signed) THOMAS KURFURST

BMO NESBITT BURNS INC.

By: (Signed) AARON M. ENGEN

CIBC WORLD MARKETS INC.

By: (Signed) DAVID WILLIAMS

TD SECURITIES INC.

By: (Signed) HAROLD R. HOLLOWAY

NATIONAL BANK FINANCIAL INC.

By: (Signed) IAIN WATSON

BARCLAYS CAPITAL CANADA INC.

By: (Signed) BRUCE M. ROTHNEY

CREDIT SUISSE SECURITIES (CANADA), INC.

By: (Signed) RYAN LAPOINTE

CANACCORD GENUITY CORP.

By: (Signed) STEVEN WINOKUR

DESJARDINS SECURITIES INC.

By: (Signed) FRANÇOIS CARRIER

GMP SECURITIES L.P.

By: (Signed) ALFRED AVANESSY

RAYMOND JAMES LTD.

By: (Signed) JAMES. A TOWER

INDUSTRIAL ALLIANCE SECURITIES INC.

By: (Signed) RICHARD LEGAULT

LAURENTIAN BANK SECURITIES INC.

By: (Signed) RYAN THOMAS

MANULIFE SECURITIES INCORPORATED

By: (Signed) STEPHEN ARVANITIDIS

DUNDEE SECURITIES LTD.

By: (Signed) DAVID ANDERSON