



June 24, 2002

Mr. Mel Yates
Manager, Stations, T&D Sustainment Programs
Investment Planning Division
Hydro One
483 Bay Street
Toronto, Ontario, M5G 2P5

Dear Mr. Yates:

**Replacement of LV Shunt Capacitor Bank at
Fairchild TS
Notification of Approval of Connection Proposal
CAA ID Number: 2002-EX045**

Thank you for the detailed information that you provided on the plan for replacing the 28.8 kV, 31.2 Mvar failed shunt capacitor at Fairchild TS with a 32.4 Mvar unit. Your application indicates that the failed shunt capacitor, SC2 is to be replaced with a slightly larger unit and the new installation will also be equipped with a current limiting reactor.

We have reviewed the Connection Assessment application and the documentation submitted by you and concluded that a formal Connection Assessment study is not warranted because the project is essentially a like-for-like replacement and does not adversely impact the reliability of the IMO-controlled grid.

The IMO is therefore pleased to grant approval for connecting the new shunt capacitor. A copy of this Notification of Approval, together with the Connection Assessment report will also be provided to the Ontario Energy Board (OEB).

Please note that the new facilities will also have to meet the requirements of the IMO's Facility Registration process before being placed in service.

For further information, please contact the undersigned.

Yours truly,

Bob Gibbons

Manager - Long Term Forecasts & Assessments

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cc: IMO Records

All information submitted in this process will be used by the IMO solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *Market Rules* and associated policies, standards and procedures and in accordance with its licence. All information submitted will be assigned the appropriate confidentiality level upon receipt.

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