

March 31, 2005

Mr. Frank Jakob
Manager – Stations & Telecom Programs
Hydro One Networks Inc.
483 Bay Street
15th Floor - North Tower
Toronto, ON M5G 2P5

Dear Mr. Jakob:

Bermondsey TS – Replacement of SC3 & SC4 Capacitor Banks
Bramalea TS – Installation of SC3 & SC4 Series Reactors
Notification of Approval of Connection Proposal
CAA ID Number: 2005-EX217

Thank you for the information that you provided on Hydro One's proposed work at Bermondsey TS and Bramalea TS.

Based on the information provided, at Bermondsey TS the existing SC3 and SC4 capacitor banks will be replaced with new banks. At Bramalea TS, transient current limiting series reactors will be installed for the existing SC3 and SC4 capacitor banks. The IESO has determined that this work will not have a material impact on the reliability of the IESO-controlled grid.

The IESO is therefore pleased to grant **conditional approval** for the proposed work. Any material changes to your proposal may require a re-assessment by the IESO in accordance with Market Manual 2.10, and may nullify your conditional approval.

Final approval to connect the generation facility to the IESO-controlled grid will be granted upon successful completion of the IESO Facility Registration process. During facility registration you will be expected to demonstrate that the project you have installed is materially unchanged from the proposal assessed by the IESO.

For further information, please contact the undersigned.

Yours truly,

Bob Gibbons
Manager - Long Term Forecasts & Assessments
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cc: IESO Records

ASSESSMENT SUMMARY

Hydro One has been carrying out a capacitor bank replacement program. This assessment addresses Hydro One's proposed work at Bermondsey TS and Bramalea TS.

SPECIFICATIONS & DETAILS

A) BERMONDSEY TS

27.6 kV Capacitor Banks SC3 & SC4 – Replace banks

Data for the existing and the replacement unit:

	<i>Existing Bank</i>	<i>Replacement Bank</i>
Maximum Rated Capacity	21.6 Mvar	21.6 Mvar
Maximum Rated Voltage	28.8 kV	28.8 kV
Discharge Time	300,000 msec	300,000 msec
Bank Configuration	Double-wye ungrounded	Double-wye ungrounded

The existing 27.6 kV breakers SC3B and SC4Y are to remain.

No series reactors are required since there is no back-to-back capacitor bank switching for normal operation of the BY switchyard (bus-tie breaker BY is normally open).

This work is scheduled to be completed during 2005.

B) BRAMALEA TS

44 kV Capacitor Banks SC3 & SC4 – Install transient current limiting series reactors

Data for the new series reactors:

	<i>SC3 or SC4 Series Reactors</i>
Number	3 (one per phase)
Type	Air-core, current limiting
Frequency	60 Hz
Rated Voltage	44 kV
Maximum Rated Voltage	46 kV
Inductance	1 mH
Continuous Current Rating	500 A

The existing capacitor banks SC3 and SC4 and capacitor breakers SC3J and SC4Q are to remain.

This work is scheduled to be completed during 2005.

ASSESSMENT

The proposed work at Bermondsey TS and Bramalea TS will have no adverse impact on the IESO-controlled grid.