



February 7, 2002

Mr. Bob Singh,
Manager, Connection & Distribution Development
Investment Planning Division
Hydro One
483 Bay Street
Toronto, Ontario, M5G 2P5

Dear Mr. Singh:

***Replacement and Reconnection of the LV Shunt Capacitor Bank at Fort William TS
Notification of Approval of Connection Proposal
CAA ID Number: 2002-EX018***

Thank you for the detailed information that you provided on the plan for installing a low voltage shunt capacitor at Fort William TS. Your proposal includes the replacement of the existing shunt capacitor which has been derated to 10 Mvar and was connected to one of the feeders, with a new unit rated 16 Mvar that will be connected to the J bus.

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 can be classified as a “like-for-like” replacement,
- Moving the connection point from the feeder to the bus increases its overall availability and,
- Restoring the reactive capability to 16 Mvar improves the voltage support in the area.

The impact of this proposal on the IMO-controlled grid was assessed as part of the *Preliminary Assessment* carried out for Thunder Bay Hydro load increase application, CAA ID 2001-042. The assessment concluded that the replacement of the LV shunt capacitor at Fort William TS must be installed before the new load is connected to Fort William TS.

Hydro One has recently informed the IMO that the scheduled in service date for the new capacitor is the end of February 2002.

The IMO is therefore pleased to grant approval for connecting the new shunt capacitor bank at Fort William TS.. A copy of this Notification of Approval 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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