



January 8, 2002

Mr. Gord Haines,
Manager, Technical Compliance
Ontario Power Generation Inc.
700 University Ave
Toronto, Ontario, M5G 1X6

Dear Mr.Haines:

***Naticoke GS Units 1 to 8 - Exciter Replacement
Notification of Approval
CAA ID Number: 2002-EX015***

Thank you for the information that you submitted regarding the replacement of the excitation systems on each of the eight generating units at Naticoke GS. Your letter indicates that the replacement is required due to aging of the equipment and increased difficulty in finding spare parts, and that the new exciter systems will essentially be the same as the old ones.

It has been indicated by OPGI that the first unit scheduled for replacement is unit 5, and that a new excitation system model will be available upon completion of the commissioning tests. The IMO requires that the new excitation system model be provided as soon as possible - to allow testing and verification of its response - and before OPGI proceeds with the exciter installations on the other Naticoke GS units.

Based on the information provided, and in accordance with Market Manual 2, Part 2.10, Section 1.3, we have determined that the new excitation systems at Naticoke GS represent like-for-like replacements and a formal Connection Assessment study will not be required.

The IMO is therefore pleased to grant approval to complete this project, subject to the results of the benchmarking tests that will be carried out by the IMO on the Naticoke GS unit 5 exciter model. 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.

