



25th April 2003

Mr Gord Haines
Manager - Electrical, P&C and Compliance
Ontario Power Generation Inc.
700 University Avenue
Toronto M5G 1X6
Ontario

Dear Mr Haines:

***Pine Portage GS: Replacement of Rotating Exciters
Notification of Approval of the Connection Proposal***

CAA ID Number: 2003-EX127

Thank you for the information on your proposal to relocate the existing Silco 5 static exciter from unit G3 to unit G2, and to install two new GE EX2000 static exciters on units G3 & G4 to replace the existing rotating exciters.

The proposed changes are shown in Diagram 1. Once this work is complete, each pair of generating units will be equipped with the same type of static exciter - Units G1 & G2 with Silco 5 exciters and G3 & G4 with GE EX2000 exciters.

For work of this nature, the IMO would normally perform transient stability studies to determine whether the proposed exciters and their settings would comply with the requirements of the Market Rules. However, in view of the limited time available before the first two units are scheduled to be returned to service (Unit G2: 5th May 2003 & Unit G3: 8th May 2003), the IMO has agreed to approve this work subject to receipt of the full commissioning reports. The type tests for each exciter model are scheduled to be performed on 27th May 2003.

The IMO proposes to include these reports in their assessment documentation in lieu of the transient stability studies.

On the assumption that the type tests confirm that the exciters meet all of the requirements of the Market Rules, the IMO has concluded that the changes at Pine Portage GS will have no adverse impact on the IMO-controlled grid and that a formal Connection Assessment study will therefore not be necessary.

The IMO is therefore pleased to grant conditional approval to complete the proposed installation.

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.

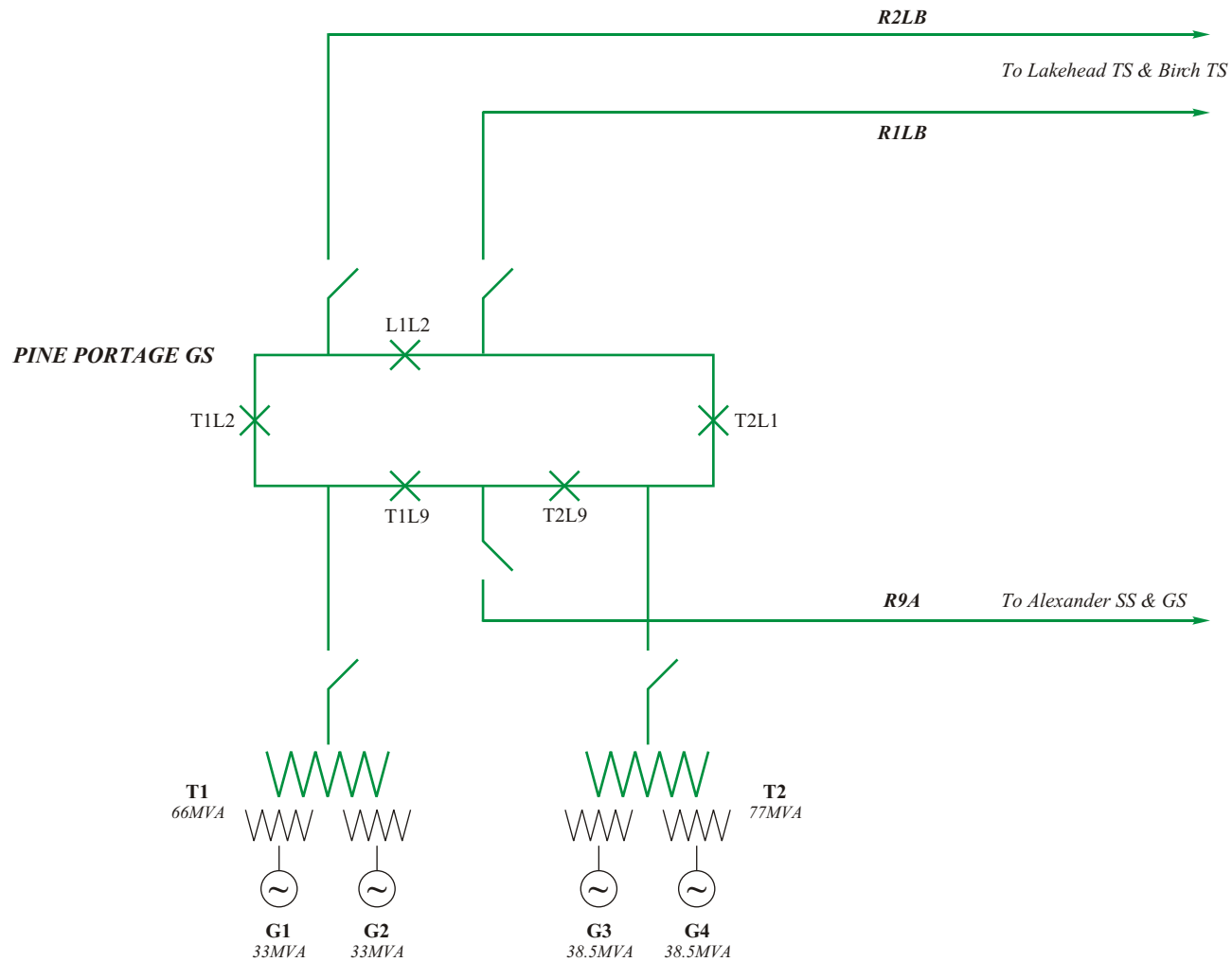
However, should the excitors fail to meet the requirements of the Market Rules, then the situation would need to be reassessed.

Registration of the proposed changes to the existing facilities will need to be completed through the IMO's 'Facilities Registration' process.

For further information, please contact the undersigned.

Yours truly,

Bob Gibbons
Manager – Long Term Forecasts & Assessments
cc: IMO Records



Exciters: Existing Silco 5 Rotating

Exciters: Planned Silco 5 Silco 5

Silco 5 Rotating

GE EX2000 GE EX2000

Scheduled in-service dates: - 5th May 2003

8th May 2003 September 2003

DIAGRAM 1

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