

February 3, 2003

File: 2002-EX110

Mr. Mel Yates
Manager, T&D Stations Sustainment Programs
Investment Planning Division
Hydro One Networks Inc.
483 Bay Street
15th Floor - North Tower
Toronto Ontario M5G 2P5

Dear Mr. Yates:

***Toronto Runnymede TS: Replace Two LV Shunt Capacitor Banks SC3 & SC4
Notification of Approval of Connection Proposal***

CAA ID Number: 2002-EX110

The IMO has completed a review of your application to replace the two existing 28.8kV 24MVAR shunt capacitor banks SC3 and SC4, which have leaking capacitor units, at Toronto Runnymede TS with new banks of similar ratings and the installation of new 27.6kV current limiting reactor for one of the two capacitor banks. As this is essentially a like-for-like replacement of existing facilities, we concluded that it 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 approval to complete the proposed installation.

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

For further information, please contact the undersigned.

Yours truly,

Bob Gibbons
Manager – Long Term Forecasts & Assessments
Tel: 905-855-6482 Fax: 905-855-6129

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.