

February 3, 2003

File: 2002-EX112

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

Dear Mr. Yates:

***London Highbury TS: Replace LV Shunt Capacitor Bank SC2***

***Notification of Approval of Connection Proposal***

***CAA ID Number: 2002-EX112***

The IMO has completed a review of your application to replace the two existing 28.8kV 21.6MVAR shunt capacitor bank SC2, which has leaking capacitor units, at London Highbury TS with a new bank of similar ratings. 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 to be necessary.

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

Registration of the proposed change to the existing facility 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.