

May 02, 2005

Mr. Jim Santaguida
Senior Analyst / Team Leader, Station Sustainment, Investment Planning
Hydro One Networks Inc.
483 Bay Street, 15th Floor – North Tower
Toronto, ON.,
M5G 2P5

Dear Mr. Santaguida:

***2005 Switch Replacement Program
Notification of Approval of Connection Proposal
CAA ID Number: 2005-EX219***

Thank you for the data that you provided for the switches that are to be installed in place of existing units at various transformer stations. The existing switches are considered to be at the end of their useful life and the switch replacement work is scheduled for completion before the end of 2005.

Since the ratings of the replacement units are the same or higher than the original switches, we have concluded that this work will have no adverse impact on the IESO-controlled grid. The data for the replacement switches are attached.

The IESO is therefore pleased to grant **conditional approval** for the replacement of the 230 kV, 115 kV and 34.5 kV circuit switches listed in the attached assessment report.

Final approval will be granted upon successful completion of the IESO Facility Registration process. During facility registration you will be expected to demonstrate that you have fulfilled the requirements and the equipment you have installed is materially unchanged from the proposal assessed by the IESO. Contact facility.registration@ieso.ca if you have not received a Facility Registration Summary package within the next 10 days.

For further information, please contact the undersigned.

Yours truly

Bob Gibbons
Manager - Long Term Forecasts & Assessments
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cc: IESO Records

ASSESSMENT SUMMARY

HYDRO ONE NETWORKS Inc.

2005 Switch Replacement Program

1.0 GENERAL DESCRIPTION

During 2005 Hydro One proposes to replace a number of switches that have reached the end of their useful life. Section 2.0 contains a table showing the locations and identifiers of the switches that are being replaced, as well as the ratings of the new units.

2.0 PROPOSED FACILITIES

The details for the new switches are as follows:

LOCATION	IDENTIFIER	TYPE	New Equipment Voltage Rating	Existing Equipment Voltage Rating	New Equipment Current Rating	Existing Equipment Current Rating	Interrupting Capability
BEAMSVILLE	18Q2AH-17G	AIR	138	138	1200	1200	
BECK#2	28-Q30M -MECH BOX ¹	AIR	230	230	2000	2000	
CARLING	Q1T1-A1 ²	TTR-6	138	138	1200	1200	34KA
CARLING	Q1T2-A2 ²	TTR-6	138	138	1200	1200	34KA
CHERRYWOOD	81-C20R	AIR	230	230	2000	2000	63KA
CHERRYWOOD	81KL20-K	AIR	230	230	3000	3000	75KA
CHERRYWOOD	81KL20-20	AIR	230	230	2000	2000	63KA
CHERRYWOOD	81L15L20-20	AIR	230	230	2000	2000	63KA
DES JOACHIMS	R7-L	INT	138	115	1200	1200	44KA
HANMER	FK33R2-L504	TTR-70	500	500	2000	2000	63KA
HANMER	FK33PL504-L	TTR-70	500	500	2000	2000	63KA
HANMER	FK33JL503-L ³	TTR-70	500	500	4000	4000	
HINCHINBROOKE	NA10SS1-A	AIR	230	230	1200	1000	44ka
LENNOX	NK12T51-K	AIR	500	500	3000	3000	
MARTINDALE	T21-P	AIR	230	196	1200	1200	44KA
MERIVALE	NAB6AL12-A	AIR	138	138	2000	1200	63KA
MERIVALE	NAB6AL5-A	AIR	138	138	2000	1200	63KA
MERIVALE	NAB6AL4-A	AIR	138	138	2000	1200	63KA
PORCUPINE	T8-H2	AIR	500	500	2000	2000	63KA
PORCUPINE	H2L501-H2	AIR	500	500	2000	2000	63KA
PORCUPINE	T7-H1	AIR	500	500	2000	2000	63KA
SARNIA SCOTT TS	T5-H	AIR	230	230	2000	2000	63KA
SMOKY FALLS SS	26-S4S	AIR	138	115	1200	1200	44KA
SMOKY FALLS SS	26-S3S	AIR	138	115	1200	1200	44KA

1. Install new mechanical box only
2. Install new load break attachments – no switch
3. Replace rotating stack insulator only

3.0 ASSESSMENT

The assessment indicates that the ratings of the new switches are either higher or at least the same as the existing switches. The installed switches will operate and remain in their original configuration and location. Hence, these replacements represent like-for-like exchanges and will have no adverse impact on the IESO-controlled grid.

4.0 NOTIFICATION OF APPROVAL

It is therefore recommended that a Notification of Approval of the Connection Proposal be issued.