



August 29, 2003

File: OP-1600

Mr. Jim Lee,
Supervisor, Transmission System Development
Investment Planning Division
Hydro One
483 Bay Street
Toronto, Ontario, M5G 2P5

Dear Mr. Lee:

***Modifications to "Mountain Chute- Chenaux Generation/Load Rejection Scheme":
Notification of Approval
CAA ID Number: 2002-EX072***

The breaker additions proposed for Chenaux TS triggered a detailed review and update of the existing generation and load rejection scheme for the area. A new Facility Description Document was provided by Hydro One as part of their Connection Assessment application for the revised Special Protection System (SPS).

The IMO reviewed the documentation, provided a number of comments and agreed together with Hydro One on a final version of the SPS Facility Description Document. Although this assessment did not require a formal Connection Assessment Study and was performed as an "excluded project", an extensive review of the proposed design changes was carried out by the IMO.

The IMO concluded that:

- The proposed SPS update adequately covers the new Chenaux TS configurations for a system with all elements in service,
- For Chenaux TS outage conditions, the 115 kV proposed system reconfigurations allow for consistent generation rejection selection,
- The under-frequency and over-frequency load rejection schemes are set at proper frequency levels but the time delay settings may have to be reviewed in the near future.

The new SPS is scheduled for in service on November 1, 2003.

The IMO is pleased to grant approval for the proposed Mountain Chute, Chenaux SPS modifications, as detailed in the Facility Description Document attached with this approval.

To proceed with the project, please follow the necessary procedures and obtain the required approvals, licences and permits as may be required by the OEB and other regulatory authorities.

Please note that the new SPS 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,

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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.