March 19, 2009

Mr. Dan Martin,
Hydro One Networks Inc.
49 Sarjeant Drive
Barrie, Ontario
L4N 4V9

Notification of Conditional Approval of Connection Proposal
Reactor 1 Replacement at Wawa TS   (CAA ID # 2009-EX430)

Dear Mr. Martin,

Thank you for the detailed information regarding the replacement of R1 at Wawa TS.

Hydro One is proposing to replace the Reactor 1 at Wawa which failed on February 17, 2009. The replacement reactor has the same configuration, nominal voltage and reactive power rating as the failed one. The technical specifications for the replacement reactor are listed below.

Configuration	Wye
Nominal Voltage	13.8 kV
Rated Power	13.33 MVA/phase
Manufacturer	Trench

The scheduled in-service date for the replacement reactor is March 19, 2009.

Based on the information provided by Hydro One, this is considered a like-for-like replacement and we have concluded that the proposed change will not result in a material adverse effect on the reliability of the IESO-controlled grid.

The IESO is therefore pleased to grant **conditional approval** for the replacement detailed above. Final ratings must be provided to the IESO through the Market Entry process. Any material changes to your proposal may require re-assessment by the IESO in accordance with Market Manual 2.10, and may nullify your approval. You shall be able to demonstrate the equipment installed has characteristics no worse than those in the proposal assessed by the IESO.

For further information, please contact the undersigned.

Yours truly,

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