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David Curtis Director – Transmission Regulation Regulatory & Government Affairs

April 19, 2002

Paul Pudge Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street 26th Floor Toronto, Ontario M4P 1E4

Dear Mr. Pudge:

RP-1999-0057 – Transmission System Code Requirements Regarding Compliance of Equipment with Standards (section 2.6)

Section 2.6 of the Code sets out the requirements for transmitters to develop a process for bringing equipment that is deemed compliant with the Code into actual compliance with the Code. Specifically, section 2.6.3 sets out the following requirement:

"The transmitter may act in accordance with section 2.6.2, once the transmitter has developed rules and procedures for requiring equipment to be brought into actual compliance and these rules and procedures have been filed with the Board for its review"

In accordance with this requirement, Networks has developed the attached proposal. As suggested in the Board's July 14, 2000 letter to Networks that accompanied the release of the Code, Networks consulted with its stakeholders prior to finalizing the proposal.

Three copies of the proposal are attached. If you require any additional information, please give me or Gary Schneider (416-345-5918) a call.

Sincerely,

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David Curtis