

October 2, 2017

To Registered Participants in Proceeding 790, Phase 2, Module B and Other Interested Parties

Dear Stakeholder:

Re: **Delay in Implementation of Recalculated 2017 Loss Factors Published on September 12, 2017**

On September 12, 2017, the AESO published recalculated 2017 loss factors and related information required by section 501.10 of the ISO Rules, *Transmission Loss Factors* (“Loss Factor Rule”) that became effective on January 1, 2017.

On September 14, 2017, the AESO held a technical meeting to present the recalculated 2017 loss factors. During the technical meeting, stakeholders asked questions which the AESO committed to review before implementing the recalculated loss factors.

During its review, the AESO found that the energy market merit order (“EMMO”) data for a limited number of locations were incorrectly treated as gross generation volumes when they represented net-to-grid generation volumes. The AESO is correcting this treatment and will publish a recalculated version of the 2017 loss factors in October.

As a result, the loss factors published on September 12, 2017 will not be used on statements of account issued in October 2017. The AESO anticipates 2017 recalculated loss factors will be available for use on statements of account issued in November 2017.

The AESO intends to provide additional information on other matters discussed at the September 14, 2017 technical meeting in due course.

If you have any questions regarding this delay in implementation, please contact John Martin at 403-539-2465 or by email to john.martin@aeso.ca.

Yours truly,

John Martin
Senior Tariff and Special Projects Advisor