

Proposed Amended Section 501.10 of the ISO Rules, *Transmission Loss Factors* (“amended Section 501.10”)

Date of Request for Comment: <u>June 6, 2017</u>	<b>Contact:</b> <u>Santi Churphongphun</u>
Period of Comment: <u>June 6, 2017</u> through <u>June 21, 2017</u>	<b>Phone:</b> <u>403-717-4639</u>
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Date [yyyy/mm/dd]: <u>2017/06/22</u>	

Listed below is the summary description of changes for the proposed amended Section. Please refer back to the Letter of Notice under the “Attachments to Letter of Notice” section to view the actual proposed content changes to the ISO rules. Please place your comments/reasons for position underneath (if any).

ISO Rules	Market Participant Comments and/or Alternate Proposal
<div>Amended</div> <p>The AESO is seeking comments from market participants with regard to the following matters:</p> <div>1. Do you agree or disagree with the proposed amendments to amended Section 501.10? If you disagree, please provide comments.</div>	<p><i>Comment # 1:</i> The AESO’s June 6, 2017 <i>Letter of Notice</i> (“Letter of Notice”) regarding the proposed amendments to Section 501.10 of the ISO Rules (the “Rule”) states that:</p> <p>“...the loss factors published on May 11, 2017 reflect one inconsistency with existing Section 501.10. While the AESO anticipates that it will publish revised 2017 loss factors in the near future, it has not identified any additional rule amendments that are necessary at this time.”</p> <p>The inconsistency identified by the AESO relates to the exclusion of hourly calculations for all locations specified under subsection 8(7). The AESO notes that, as currently written, subsection 8(7) would result in subsection 8(8)(c) never taking effect. This appears to be the unintended consequence of a minor drafting error. Capital Power appreciates that such errors are often incidental to the development of rules as complex and technical as those related to the calculation process of annual transmission loss factors. Capital Power also understands that subsection 8(7)’s current wording potentially leads to a higher number of excluded hours than would otherwise occur due to the AESO’s inability to engage subsection 8(8)(c) of the Rule.</p> <p>Capital Power does not have any concerns with the AESO’s proposed revisions. The amendments allow the AESO to give effect to subsection 8(8)(c) of the Rule, as originally intended, and may also result in improvements to the methodology’s implementation by reducing excluded hours. However, Capital Power would generally be supportive of understanding more about the proposed changes’ impact on excluded hours. To this end, Capital Power believes that it would be beneficial for the AESO to produce commentary and summary statistics regarding the reasons for and number of hours being excluded after the amendments’ implementation at the time recalculated 2017 loss factors are published.</p>