

July 13, 2017

To: Market Participants and Other Interested Parties

Re: Termination of AESO Consultation – the Proposed Amended Section 501.10 of the ISO Rules, Transmission Loss Factors ("amended Section 501.10")

On June 6, 2017 the Alberta Electric System Operator ("AESO") issued a <u>Letter of Notice</u> seeking feedback from market participants and other interested parties on proposed amended Section 501.10.

On June 26, 2017 the AESO posted stakeholder comments received regarding the Letter of Notice.

Having reviewed the stakeholder comments received, the AESO has decided not to proceed with the proposed amendments to Section 501.10 at this time. On July 6, 2017, the AESO posted <u>recalculated loss factors</u> in accordance with existing Section 501.10, and intends to implement these loss factors in August 2017 to determine transmission losses charges effective from January 1, 2017.

Accordingly, the AESO will not be preparing replies to the stakeholder comments received nor filing the proposed amended Section 501.10 with the Alberta Utilities Commission.

The AESO thanks all stakeholders for their comments.

Sincerely,

"Original Signed By"

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