

January 22, 2009

To: Alberta Loss Factor Stakeholders

Re: 2009 Loss Factor Update

Changes to Loss Factor Rules and Methodology in 2009

The AESO implemented the new loss factor rules and methodology on January 1, 2006 based on the directives given in the 2004 Transmission Regulation by the Alberta Department of Energy. The Transmission Regulation was revised in 2007 and the AESO updated the loss factor methodology and loss factor rules in consultation with stakeholders to reflect the changes. The changes will be effective from January 1, 2009. The AESO has updated related web-site contents. The updated loss factor related contents can be found in the following locations:

Loss Factor General Description: http://www.aeso.ca/transmission/281.html

Loss Factor Methodology: http://www.aeso.ca/transmission/10240.html

Preliminary Loss Facto Process: http://www.aeso.ca/transmission/9931.html

AESO Rules: http://www.aeso.ca/rulesprocedures/9072.html

All Loss Factor information can be accessed generally through the following path: www.aeso.ca > Transmission > Loss Factors.

2013 Loss Factors

AESO are currently working on the development 2013 loss factors. The fifth year loss factor estimation will use the official biennial 10 year transmission plan published by the AESO. The 2013 loss factor ranges will be posted tentatively in May subject to the official release date of the 10 year transmission plan (2009-2018). Please note the update to the 10-year Plan and 20-year Outlook: http://www.aeso.ca/ourcompany/16840.html

2010 Milestones

The AESO would like to take this opportunity to share the proposed 2010 loss factor process milestones. Please note the dates are tentative.

High Level Milestones – 2010 Loss Factor Process

Date ¹	Milestone
April-June, 2009	Extract, collect and prepare data for the 2009 Generic Stacking Order (GSO)
2 nd Week of July, 2009	Post the draft 2010 GSO and request for the capacity confirmation
3 rd Week of August, 2009	Post the final 2010 GSO
Mid-October, 2009	Post 2010 Base Cases (PSSE, RAWD)
October 22, 2009	Review input to 2010 cases
October 23, 2009	Post the preliminary loss factors for 2010
November 6, 2009	Post the final loss factors for 2010
December, 2009	Post the preliminary loss factor range for 2014
January, 2010	Post the final loss factor range for 2014

Please contact Rob Baker at 403.539.2614 or e-mail lossfactor@aeso.ca with any questions or comments.

Yours truly,

"original signed by"

Robert Baker, P.Eng. Manager, Regulatory Forecasting

¹ Dates are tentative.