



May 13, 2008

Loss Factor Stakeholders

Re: Generic Stacking Order and Transmission Must Run Generation

Each year the AESO prepares the Generic Static Order (GSO) for the loss factor base cases. The GSO is an important component in the determination of loss factors. The GSO is prepared based on the historical settlement data and on SCADA dispatched data. The settlement data includes energy and Transmission Must Run (TMR) components for TMR dispatched units. The GSO process separates the TMR and energy components and relevant OPPs are used to assess loss factors accordingly. The process was used to ensure TMR dispatches were evaluated fairly.

The AESO is proposing a more streamlined process for the calculation of the TMR components.

Current Process:

1. The SCADA data, e.g. Rainbow Area Load data are obtained as defined in the OPPs.
2. The SCADA data e.g. Rainbow Area Load is used to determine the amount of TMR required from individual generators applying the conditions laid out in the OPPs.
3. The difference between the historical settlement data and TMR requirement (step 2) is used as the energy component in the GSO.

Proposed Process:

1. Obtain SCADA data for actual total TMR amount.
2. The TMR instruction amount will be used as the TMR amount.
3. The difference between the total amount and the TMR instruction will be used as the energy component. For example, if TMR instruction is 25 MW and the actual amount is 45 MW then the TMR amount will be 25 MW and the energy component will be 20 MW.

The hourly data will be treated in the same way as other generator data are treated once the TMR and the energy components are determined.

The benefit of making the change is a significant savings in time, a more accurate TMR determination, and reduced risk in evaluating multiple data sets.

Yours truly,

Originally signed by,

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