

July 7, 2005

Owners of Alberta Generation

Re: Transmission Loss Factor Data Confirmation for 2006, Spring Season, March-May

In order to enable the AESO to carry out and perform its duties and responsibilities, including correctly assessing loss factors for generation units in 2006 and forward, we require certain reliable and accurate data. Subsequent to AESO's ongoing meetings with Stakeholders on the 2006 Loss Factor initiative, AESO will be basing generator output information on historical data as per the wishes of the loss factor stakeholder group. In that regard, attached is the second file (the first file with three seasons of data was distributed on June 8 2005) containing the PPA's you hold as a "PPA Buyer" or generating units you own. Also included in the File is the capacity we have assigned to each of the foregoing generating units based on data we have. Subject to updated data you provide on the file, we will be using the data we inserted for purposes of calculating the loss factors, pursuant to the Loss Factor Rules.

Therefore, in order to ensure complete and accurate data, the AESO requests you review and update, as necessary, the File to:

- confirm one of the following: (i) the generating units listed are held by you as a "PPA Buyer"; (ii) the generating units listed are not subject to a PPA; or (iii) neither of the foregoing apply (Please also let us know, in the case of shared ownership of an asset, who will respond to our request.),
- confirm the final three capacity values (spring season) for each generating unit are correct, or, if not, insert the correct information on the file, explain the reason for the change, and highlight any differences, and
- return the file, updated as necessary, to the undersigned within five business days (July 14 2005), signed off by an officer of your company. (An electronic signature is adequate.)

Below are the H_2 and H_3 values for the spring season to assist you in the calculation of capacity values:

$H_2 = 50$

$H_3 = 1400$

For your information, the calculation of the capacities was completed as per the appropriate Operation Policies and Procedures and the new Loss Factor Rule (section 9.2 of the Rules, and Appendix 7 http://www.aeso.ca/files/May252005_FinalRules.pdf). The three values you are being asked to assess and confirm and/or revise at this time correspond to high, medium and low load levels of your generating units for spring. Further, if there are other inaccuracies or

deficiencies in the data we send (such as proper ownership names, missing generator assets, etc), please highlight and return to us.

If the AESO does not receive the completed File from you within five business days, we will proceed with the data we have sent you. Please be advised that if it is necessary to revise loss factor calculations at a subsequent date to correspond to updated data, you may be liable for a charge or entitled to a credit.

Please contact me at 403 539 2614 if you have any questions.

Regards,

Robert Baker, P.Eng.
Operations Forecasting