

## Summary of 2006 Loss Factor Meeting Notes and Actions

Westin Hotel, Nakiska Room. 8:00-15:00. New Items, 2005-01-28

Item	Issue/Date	Discussion	Action/Timeline	Status
21	Method of Communication to Stakeholders, 2005-01-28	Communication of the progress on the loss factors and relevant information needs to be shared with this group and the stakeholder industry at large.	AESO will produce communications and information and: a) send to the core group, and b) make available weekly to the stakeholder community	Ongoing
<b>New items, 2005-02-24</b>				
<b>New items, 2005-03-08</b>				
<b>March 17 (AESO offices) and 18 (TCE Offices) 2005 Technical Session with Bob Burton, Teshmont</b>				
<b>April 12 2005, 9:00-12:00 (Marriott Hotel, Acadia Room) Update on Several Issues</b>				
<b>May 2 2005, 9:30-12:00 (AESO Board Room) Update on Data/GSO, Rule, and Transition</b>				
41	Ongoing Meetings, to end of Project	AESO suggest meetings be scheduled to end of year on a monthly basis. Important issues can be gathered and discussed on a regular basis. Meeting dates can be adjusted as required to address issues.	Suggest meetings on: June 2 (Thursday) am - complete July 5 (Tuesday) am – Lack of attendees August 9 (Tuesday) am - complete Sept 13 (Tuesday) am - complete Oct 4 (Tuesday) am - <b>complete</b>	AESO will send out an agenda prior to each meeting and request an RSVP
<b>June 2 2005, 9:30-12:00 (AESO Board Room)</b>				
46	Rule updates in 2005	Stakeholders can request updates for 2006 for inclusion in the 2005-09 update if they wish		Ongoing. <b>Item closed. Rule updates for 2006 now being accepted</b>
47	Calibration Factor	AESO presented the calibration factor process for 2006	Request made as to how to treat metering errors in the context of the calibration factor. The Regulation has a materiality of changes clause. AESO will review the materiality rule and respond to stakeholders with a proposal for metering errors.	Response will be issued after AESO Regulatory has provided their input to this issue.
48	Possible Loss Factor Tool for Stakeholders in 2006	Teshmont provided options for a web based tool to calculate loss factors for 2006 which takes advantage of work being done to serve	Please refer to Teshmont presentation.	2005-08-16 – stakeholders to provide feedback if

		<p>loss factor calculations in 2006.</p> <p>Some possible conditions of use:</p> <ul style="list-style-type: none"> <li>- official prelim loss factors to come from AESO</li> <li>- MW limits will be in place (i.e. program will fail for a 10000 MW addition</li> <li>- Congestion/new facilities likely not accounted</li> <li>- Loss factor applications only</li> <li>- Software may be needed by user</li> </ul>		<p>desired by Sept 13 2005</p> <p>2005-09-13 – no comments received.</p>
		<p><b>AESO will offer a scope for the new loss factor estimating tool. Items of interest as described by stakeholders are:</b></p> <ul style="list-style-type: none"> <li>• <b>Defining a basic (low cost) or all encompassing (expensive) tool,</b></li> <li>• <b>Accuracy of loss factor estimates,</b></li> <li>• <b>Show estimated total losses and loss factors,</b></li> <li>• <b>Inputs (MW, ISD, etc), and</b></li> <li>• <b>System detail addition</b></li> <li>• <b>Access to planning cases used in 10 year plan and 20 year outlook</b></li> </ul>		<p><b>AESO to set up scope for late 2005 and post</b></p>
Summary of 2006 Loss Factor Meeting Notes and Actions, 2005-08-09				
AESO Main Board Room. 1:00-3:00				
49	Reconciling forecast loss factors using actual generation levels. (Energy Account instead of Deferral account?)	<p>TCE suggested that a process should be created where generator loss factors are to be recalculated after actual generation levels are known (Q3 of the following year) and adjustments to the generator's revenue be made through a deferral account process. During the meeting, more than one stakeholder indicated support for the suggestion and more than one stakeholder did not want to pursue the suggestion. The EUB indicated they are reluctant to accept 2006 GTA changes with the decision occurring in Sept 2005 without a unanimous stakeholder position. The 2006 GTA calibration factor process was filed as fully</p>	<p>By 2005-09-13, AESO will present a proposal to address loss factor forecasts to actual</p> <p>Request for participants to send in any ideas they have by Sept 20 2005 on the process or the forecast for consideration</p> <p>Suggestions for the proposal included:</p> <ul style="list-style-type: none"> <li>- evaluation of accuracy</li> <li>- process to address errors</li> <li>- use of actual generator output</li> <li>- process to make adjustments</li> </ul>	<p>Ongoing, Deferred to Oct 2005. <b>Deferred to late 2005.</b></p>

		prospective.		
51	Model validation process	Stakeholders want to know how modeling and data errors get identified and subsequently reflected back into the loss factor cases.	AESO will provide the high level validation process and will undertake to provide written validation of the cases internally at a high level. If errors in generation capacities or connectivity are discovered in the cases, mitigation may be undertaken on a case by case basis.	2005-08-15 – ongoing action for base case validation. Validation process provided on Aug 10. <b>Validation to occur in Oct 2005 for 2006 Loss Factor's</b>
52	Dynamic loss Calculations	Allen Crowley (Luscar) proposed what he believes is a more correct method of determining loss factors. He would like a process to gather information now to make assessments on loss factors by 2009 based on a 'best outcome' generation scenario and compare to an actual scenario.	Allen to provide his proposal to the group for review in about 6 months.	Ongoing. 2005-09-13 – Allen to send out report to all participants.
Summary of 2006 Loss Factor Meeting Notes and Actions, 2005-09-13 AESO Main Board Room. 9:30-12:00				
53	Decision Document, 2006 Loss Factors	Wayne Poole has developed a document summarizing the 2006 loss factor process to date. A request was made to outline changes made by generator owners on average capacities as submitted to the GSO. No reason for changes was seen by some participants as a possible avenue for gaming to receive a lower loss factor. Some stakeholders would like to know changes in submissions after the fact and would like a compulsory penalty to alleviate possible gaming.	<ul style="list-style-type: none"> <li>AESO will attempt to release the decision document by Sept 30.</li> <li>Request made to outline changes made by generators on GSO capacity values. Input to AESO by participants on how to proceed with this issue by Sept 20</li> </ul>	Ongoing.
54	Base Case Delivery	<ul style="list-style-type: none"> <li>Base cases for loss factor calculations will not be ready until mid-Oct or possibly later.</li> </ul>	<ul style="list-style-type: none"> <li>Base cases will be offered to stakeholders once AESO has validated them.</li> <li>Changes to the status of facilities will be included where possible. Changes occurring after the base cases are set will be addressed after the fact.</li> </ul>	<b>See item 59</b>
		<ul style="list-style-type: none"> <li>Stakeholders would like a validation report on base cases. Some stakeholders would</li> </ul>	<ul style="list-style-type: none"> <li>AESO will provide a high level validation report once cases are set up.</li> </ul>	Not started.

		like to hire a consultant to review the cases.		
57.	Regulation changes, loss factors	<ul style="list-style-type: none"> <li>Question posed to DOE regarding amendments s to the Regulation</li> </ul>	<ul style="list-style-type: none"> <li>W Brown - DOE is proceeding with process for changes on loss factors in consultation with the stakeholders and based on AESO correspondence in July 2005 and/or as discussed in the loss factors stakeholder forums. No changes to affect the 2006 loss factor process.</li> </ul>	Ongoing
<p align="center"><b>Summary of 2006 Loss Factor Meeting Notes and Actions, 2005-10-04</b>  <b>AESO Main Board Room. 9:30-11:00</b></p>				
<b>Item</b>	<b>Issue/Date</b>	<b>Discussion</b>	<b>Action/Timeline</b>	<b>Status</b>
58.	Generic Stacking Order - Questions	<ul style="list-style-type: none"> <li>Stakeholders wished to know if the AESO accepts changes in historical generation values for the purposes of loss factor calculations.</li> </ul>	<ul style="list-style-type: none"> <li>If the changes seem reasonable, then AESO asks the changes be signed off by an executive of the company requesting changes.</li> </ul>	
		<ul style="list-style-type: none"> <li>Stakeholders have asked: what is the consequence of owners requesting changes that are misleading?</li> </ul>	<ul style="list-style-type: none"> <li>Misleading information is addressed within AESO's Rules framework. AESO is open to suggestions for Rule 9.2 changes to address changed data issues.</li> </ul>	Ongoing
		<ul style="list-style-type: none"> <li>What criteria are used in the reviewing of changed data?</li> </ul>	<p>AESO uses the following and respects information deemed confidential:</p> <ul style="list-style-type: none"> <li>Forecasted pool price; Outage rates consistent with industry levels; ACF rates consistent with industry levels; Days of maintenance; Actual MW outputs; Comparison to historic/last year's values; Equipment limitations or actual ratings</li> </ul>	Complete
		<ul style="list-style-type: none"> <li>Response to TCE request on GSO levels for: Nova Joffre, Summerview, HRMilner, Rainbow 5, Fort Nelson, Genesee 3.</li> <li>The following criteria are used to assess a generation level:</li> <li>- TMR requirement</li> </ul>	<ul style="list-style-type: none"> <li>Nova Joffre: AESO recalculated the outputs including all 6 MPID's. The results are now consistent with the process.</li> <li>Summerview: the output is based on a new wind facility related average capacity factor of MCR</li> </ul>	Complete

		<ul style="list-style-type: none"> <li>- Any changes from the stakeholders over the historical average</li> <li>- Historical average</li> <li>- ICBF is used with STS for all units except wind for which average output is determined based on wind availability.</li> </ul>	<ul style="list-style-type: none"> <li>• HR Milner: Milner requested changes and had an executive signoff</li> <li>• Rainbow 5: generally the values are consistent (TCE and AESO)</li> <li>• Fort Nelson: output for the purposes of loss factors are 40 MW. No tie line or other factors apply.</li> <li>• Genesee 3: for new units, the ACF as per the Rule is (1-ICBF). From the 2002 CEA data, a similar unit, Genesee 2, had an ICBF of 0.6%. Therefore, the Genesee 3 ACF = 1-0.06 or a greater than 99% ACF.</li> </ul>	
59.	Schedule to end of 2005 to deliver Loss Factors	<ul style="list-style-type: none"> <li>• Base case development is underway. AESO will provide base cases after validation and hopefully during the month of October. Future projects will be added as per the latest in-service-date information. Some industry participants may have a consultant review the AESO cases. AESO will provide base cases to stakeholders and they may share them if they wish with consultants.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	

**Legend:**

- Yellow Highlighting means item has been completed, and will be removed from the next version of notes.
- Bolding means item is incomplete or has been updated with new information.
- Action list includes submissions from 2005-01-28, 2005-02-24, 2005-03-08, 2005-03-17/18, 2005-04-12, 2005-05-02, 2005-06-02, 2005-08-09, 2005-09-13, and **2005-10-04**.