

April 19, 2011

To: AESO Loss Factor Stakeholder Group

**Re: 2011 Recalculation of Loss Factors**

As per Rule 9.2.2 (b,) the AESO is giving notice that it will be recalculating loss factors for the remainder of 2011. The termination of Sundance Units 1 and 2 (SD 1&2) required the AESO to conduct an initial estimate to determine the impact on loss factors due to these changes.

The initial estimate accounting for termination of the SD 1 & 2 caused many loss factors to change by an amount greater than 0.25%.

For the recalculated loss factors the AESO will:

1. remove SD 1&2
2. use the updated in-service date for Keephills Unit 3
3. include new generation projects (Suncor Wintering Hills and UofC Generation)

The new loss factors will be published by April 30, 2011.

Yours truly,  
*Original signed by*  
Fred Ritter, P.Eng.

cc: Ashikur Bhuiya  
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