

November 30, 2010

To: Stakeholders

**Re: Changes to 2010 Loss Factors Due to Additions of Loss Factor Customers**

As part of the annual loss factor calculation, the AESO determines loss factors for existing and new loss factor customers expected to be in-service in the next calendar year (loss factor customers are those customers who receive credits or are assessed charges for loss factors.) Loss factors are based, in part, on the estimated in-service date (ISD) of new assets. Changes to project's ISD occur as interconnection of projects proceeds. The loss factor process takes these changes into account.

In the latter part of 2010, AESO has received several modified ISDs for new loss factor customers. The addition of these customers (all generation sources) requires the AESO to calculate loss factors to adhere to ISO Rules and also to facilitate financial settlement. The addition of these generating sources may also affect existing loss factor customers adjacent to the additions.

The addition of these loss factor customers does not cause a change greater than 0.25% for existing 2010 loss factor customers. Thereby, a recalculation of loss factors is not required.

There are four changes, three are new loss factor customers and one is an increase in STS for an existing customer. All customers have been added to Q4 of the 2010 loss factors based on their ISDs. These loss factor additions are:

1. Increased STS for NX02 Nexen Long Lake (ISD: 10-01-2010)
2. ARD1 Ardenville (ISD: 11-01-2010)
3. Project1109\_1\_Sup Harmattan (ISD: 12-10-2010)
4. Project518\_1\_Sup Ghost Pine (ISD: 12-17-2010)

The loss factors for the projects listed above are in Table 1.

**Table 1: 2010 Loss Factor Updates**

MPID	Name	Bus Number	Loss Factor (%)
NX02	NEXEN OPTI	1241	<b>5.94</b>
ARD1	TRANSALTA ARDENVILLE WIND FARM	739	<b>2.01</b>
Project1109_1_SUP	ALTAGAS HARMATTAN	4124	<b>-1.50</b>
Project518_1_SUP	GHOSTPINEWINDFARM	603	<b>1.80</b>

Please call Fred Ritter (403 539 2616) or email [lossfactor@aeso.ca](mailto:lossfactor@aeso.ca) with any questions you may have.

Yours truly,

*“Original signed by”*

Fred Ritter, P.Eng

cc: Ashikur Bhuiya, P.Eng.,  
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