

March 25, 2008

Loss Factor Stakeholder Team

Re: The March 27 Loss Factor Stakeholders Meeting - CANCELLED

The AESO has cancelled the March 27 2008 Loss Factor stakeholder meeting as only one stakeholder has replied with intentions to attend. Further Loss Factor stakeholder meeting are anticipated and meeting dates will be scheduled later. The AESO encourages discussion on loss factors and will continue to invite feedback on these topics.

In order to ensure all items have been addressed from the proposed agenda, the following updates are provided:

- 1. 2007 Transmission Regulation Update. The Loss Factor Rule changes have been finalized and will be effective as of January 1 2009. The loss factor software changes to accompany the Rule changes are underway.
- 2. The Inter-Tie loss recovery.
  - a. The treatment on the BC border for losses will include two components. The first component is the losses accrued on the three interconnecting tie lines. The losses will be calculated by using the impedance on each of the three lines and the historical tie flows and voltage profiles. The hourly values will be aggregated and then aligned with the duration curve. The second component will be an import loss factor calculated at the Langdon bus. No export loss factor will be determined.
  - b. The treatment on the Saskatchewan border through the McNeill converter station will include two components. The first component is the historical losses profile provided previously to the loss factor stakeholder group. In the future, there may be an opportunity to add a meter inexpensively to McNeill to take ongoing readings for historical data. The AESO will provide more information when available. The second component is an import loss factor at the McNeill 138 kV bus. No export loss factor is required.

For merchant tie lines, an import loss factor at the connecting bus to the AIES will be determined. Losses on the merchant line are the sole

concern of the line owner. Please refer to the 2008 Archive for the intertie discussion document, "<u>Transmission Losses Assessment: 2007</u> <u>Transmission Regulation and Stakeholder Consultation</u>".

- 3. The 2008 Loss Factor Recalculation. The recalculation has been completed as of March 20 2008 and the results were posted on the AESO web site. The changes will be effective April 1 2008. The terms of the recalculation are outlined in the updated documentation. The GSO and base cases were fully updated prior to the determination of the new loss factors.
- 4. 2009 Loss Factor Milestones. The AESO will be using the following dates as targets to complete the 2009 loss factors. The loss factor software is slated for completion prior to September 2008.
  - a. GSO draft July 15, 2008
  - b. GSO final August 14, 2008
  - c. Base Case draft September 30, 2008
  - d. Base Case final October 10, 2008
  - e. Loss Factors draft October 24, 2008
  - f. Loss Factor final November 07, 2008
- 5. Voltage Profile Issue. One stakeholder wished to discuss the voltage profiles in the base cases. To address the issue, the AESO provided a reference document and posted it on the AESO web site at: <a href="https://www.aeso.ca">www.aeso.ca</a> > Transmission > Loss Factors > Archives > 2008 Archive. The request is for stakeholders to provide input on the issue by April 10 2008.

As always, please contact me if you have any questions.

Yours truly,

Originally Signed by:

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