

January 26, 2015

Dear Loss Factor Stakeholders,

Re: **Changes to 2014 and 2015 Loss Factors Due to Addition 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 connection of projects proceeds. The loss factor process takes these changes into account.

In November 2014, the AESO received information that two new loss factor customers will come into service in December. Due to the very small capacity of the new customers and the limited time period of the service (during commissioning activities only), the updates of 2014 and 2015 GSO are not required; and the addition of this generating source does not cause a change greater than 0.25% for existing 2014 and 2015 loss factor customers. Thereby, a recalculation of loss factors is not required. The new customers' information and their loss factors in 2014 and 2015 are shown in Table 1 and Table 2 respectively.

Table 1: New Loss Factor Customer's Information

MPID	Facility Name	PSS/E Bus	Loss Factor Asset
372S025N	Pengrowth Lindbergh Co-gen	18444	GEN
IOR3	Imperial Oil BTF Generator Addition	1610	GEN

Table 2: 372S025N and IOR3 Loss Factors in 2014 and 2015

MPID	Loss Factor	Effective Time Period
372S025N	-2.90%	December 2014
IOR3	2.22%	
372S025N	-2.13%	From January 1, to December 31, 2015
IOR3	2.50%	

If you have any questions, please contact lossfactor@aeso.ca.

Yours truly,
Original signed by

John Kehler
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cc: Han Yu