Third Quarter Calibration Factor % = $\dfrac{[\text{Cost of Losses} - (\text{Loss Revenues} + \text{Rider E Revenues})]_{\text{Jan-Dec,2006 \& Jan-Dec,2007}}}{[\text{Hourly Loss Factor Asset Volumes} \times \text{Hourly Pool Price}]_{\text{Jul-Dec,2007}}}$

The following table provides a summary of the AESO's projected year-end losses account balance for Rider E.

		Calibration Factor Calculation Inputs				Denominator Value	Other Information		
		Numerator Values							
Period	Data Source	Cost of Losses	Revenues Collected Loss Factors	Rider E	Cost Less Revenues Variance	Monthly Loss Factor Asset Volumes × Pool Price	Average Monthly Pool Price	Monthly Loss Factor Asset Volumes	Loss Volumes
		$ millions	$ millions	$ millions	$ millions	$ millions	$/MWh	millions MWh	millions MWh
January 2006	Actual	22.3	20.9	0.0	1.4	NA	72.1	5.10	0.30
February 2006	Actual	13.3	14.3	0.0	(1.0)	NA	54.1	4.60	0.24
March 2006	Actual	12.0	12.7	0.0	(0.8)	NA	44.1	5.02	0.27
April 2006	Actual	9.2	10.7	0.1	(1.3)	NA	42.9	4.51	0.21
May 2006	Actual	14.2	14.9	0.2	(0.5)	NA	56.3	4.64	0.24
June 2006	Actual	13.6	15.5	0.2	(1.7)	NA	61.6	4.57	0.22
July 2006	Actual	27.6	31.6	5.0	0.9	NA	128.2	4.82	0.22
August 2006	Actual	17.1	20.0	2.9	(0.0)	NA	73.5	4.92	0.23
September 2006	Actual	17.6	20.9	3.1	(0.2)	NA	82.5	4.69	0.21
October 2006	Actual	34.9	40.7	5.1	(0.7)	NA	174.1	4.70	0.21
November 2006	Actual	24.0	27.8	3.3	(0.4)	NA	105.5	4.91	0.24
December 2006	Actual	17.5	20.1	2.3	(0.3)	NA	70.9	5.21	0.25
Annual 2006		223.3	250.1	22.2	(4.6)	NA	80.8	57.70	2.84
January 2007	Actual	15.4	17.0	0.4	(1.2)	NA	60.75	5.27	0.26
February 2007	Actual	18.3	19.1	0.4	(0.4)	NA	73.38	4.84	0.25
March 2007	Actual	14.2	15.0	0.3	(0.5)	NA	56.72	4.89	0.25
April 2007	Actual	12.7	13.3	1.2	0.5	NA	51.67	4.62	0.24
May 2007	Actual	11.3	12.4	1.1	0.0	NA	48.37	4.66	0.23
June 2007	Forecast	13.3	13.5	1.3	1.1	NA	59.22	4.43	0.22
July 2007	Forecast	19.5	19.7	0.0	(0.2)	384.80	78.12	4.85	0.24
August 2007	Forecast	25.5	29.5	0.0	(4.0)	542.69	108.45	4.95	0.23
September 2007	Forecast	20.5	22.7	0.0	(2.2)	422.62	88.65	4.68	0.23
October 2007	Forecast	14.7	16.8	0.0	(2.1)	331.72	64.31	5.05	0.22
November 2007	Forecast	20.0	22.8	0.0	(2.8)	437.35	83.94	5.11	0.23
December 2007	Forecast	23.1	25.3	0.0	(2.2)	480.98	90.87	5.22	0.25
Annual 2007		208.5	227.0	4.7	(13.7)	2,600.1	72.04	58.56	2.84
Total Balance		431.8	477.1	26.9	(18.3)	2,600.1			
Calibration Factor Calculation Output: Rider E Calibration Factor Q3 2007						(0.71%)	(Refund)/Charge		

Notes:
1. The Rider E Calibration Factor will apply to all loss factor customers receiving service under Rates STS, DOS, EOS, and IOS as provided on the Rider E rate sheet
2. If the Rider E Calibration Factor for Q3 remained in place during Q4, it would collect the variance between cost of losses and revenues by the end of 2007, as currently forecasted.
3. Forecast amounts in the above table and calculation reflect the AESO's best estimates at the time of preparation. The values represent forecasts and estimates only, and final values will differ.
4. Actual amounts in the above table are subject to revision due to energy market resettlements (interim and final) and other adjustments which are reported based on production month basis.
5. The calibration factor calculation itself is based on summing hourly costs, revenues, and loss factor customer volumes × pool price, and the same result will not be obtained by using the monthly values presented.
6. Numbers may not add due to rounding.
7. "NA" means "not applicable".

Posted: June 27, 2007