

June 29, 2011

To: AESO Loss Factor Stakeholder Group

Re: 2011 Shift Factor for Recalculated Loss Factors

On June 16, 2011 the AESO communicated updates to the Alberta Recalculated Loss Factors that superseded the values communicated in our April 29, 2011 letter. The shift factor (SF) reported in our April 29, 2011 letter has also changed.

The system changes that have contributed to the change in loss factors and SF were identified in the AESO's letter dated June 16, 2011.

The SF in the 2011 recalculation is higher than the original 2011 loss factor calculations because of the effect of the scaled-down loads in the base cases. The SF has increased from 0.76% in the original 2011 loss factors to 1.63% in the 2011 recalculated loss factors. The higher SF causes most loss factors to increase.

Yours truly,

Original signed by

Fred Ritter, P.Eng. Technical Lead, Engineering

cc: Ashikur Bhuiya Ryan Fehr