

April 19, 2011

To: AESO Loss Factor Stakeholder Group

Re: 2011 Recalculation of Loss Factors

As per Rule 9.2.2 (b,) the AESO is giving notice that it will be recalculating loss factors for the remainder of 2011. The termination of Sundance Units 1 and 2 (SD 1&2) required the AESO to conduct an initial estimate to determine the impact on loss factors due to these changes.

The initial estimate accounting for termination of the SD 1 & 2 caused many loss factors to change by an amount greater than 0.25%.

For the recalculated loss factors the AESO will:

1. remove SD 1&2
2. use the updated in-service date for Keephills Unit 3
3. include new generation projects (Suncor Wintering Hills and UofC Generation)

The new loss factors will be published by April 30, 2011.

Yours truly,
Original signed by
Fred Ritter, P.Eng.

cc: Ashikur Bhuiya
Ryan Fehr