

January 6, 2011

To: Stakeholders

Re: **Changes to 2011 Loss Factors Due to Addition of Loss Factor Customer**

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 interconnection of projects proceeds. The loss factor process takes these changes into account.

In the latter part of 2010, AESO received a modified ISD for a new loss factor customer. The addition of this customer (all generation sources) requires the AESO to calculate a loss factor to adhere to ISO Rules and also to facilitate financial settlement. The addition of a generating source may also affect existing loss factor customers adjacent to the addition.

The addition of this loss factor customer does not cause a change greater than 0.25% for existing 2011 loss factor customers. Thereby, a recalculation of loss factors is not required.

The customer has been added to Q1 of the 2011 loss factors based on its ISD.
The loss factor addition is:

1. 0000025611,Harmattan (ISD: December-2010)

The loss factor for the project listed above is in Table 1.

Table 1: 2011 Loss Factor Updates

MPID	Name	Bus Number	Loss Factor (%)
0000025611	ALTAGAS HARMATTAN	4124	-1.46

Please contact Fred Ritter (403 539 2616) or email lossfactor@aeso.ca with any questions you may have.

Yours truly,

"Originally signed by"

Fred Ritter, P.Eng.

cc: Ashikur Bhuiya, P.Eng.,
Ryan Fehr, EIT