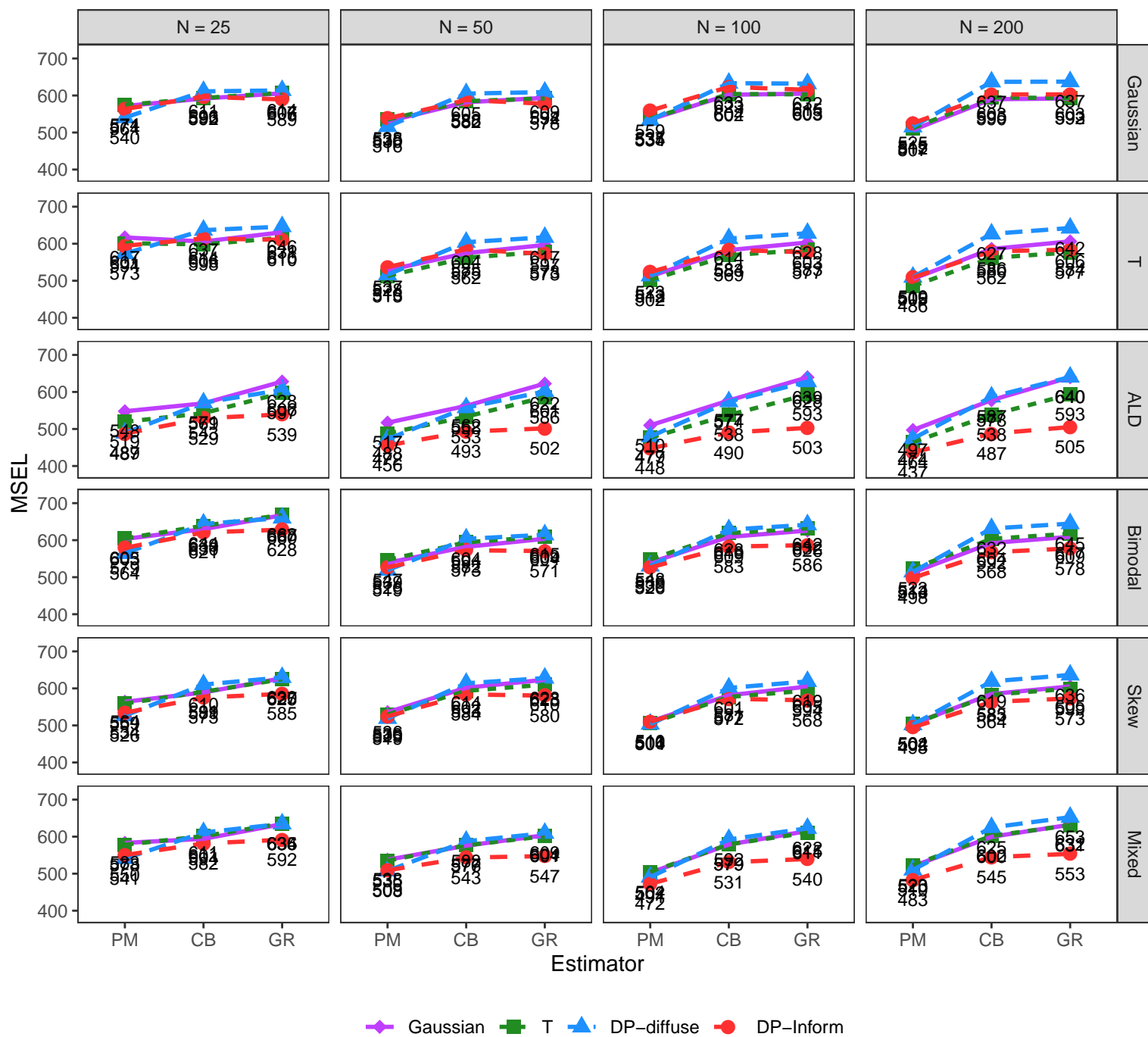Mean Squared Error Loss (MSEL) for the individual site-specific effects

I = 0.5, R = 1