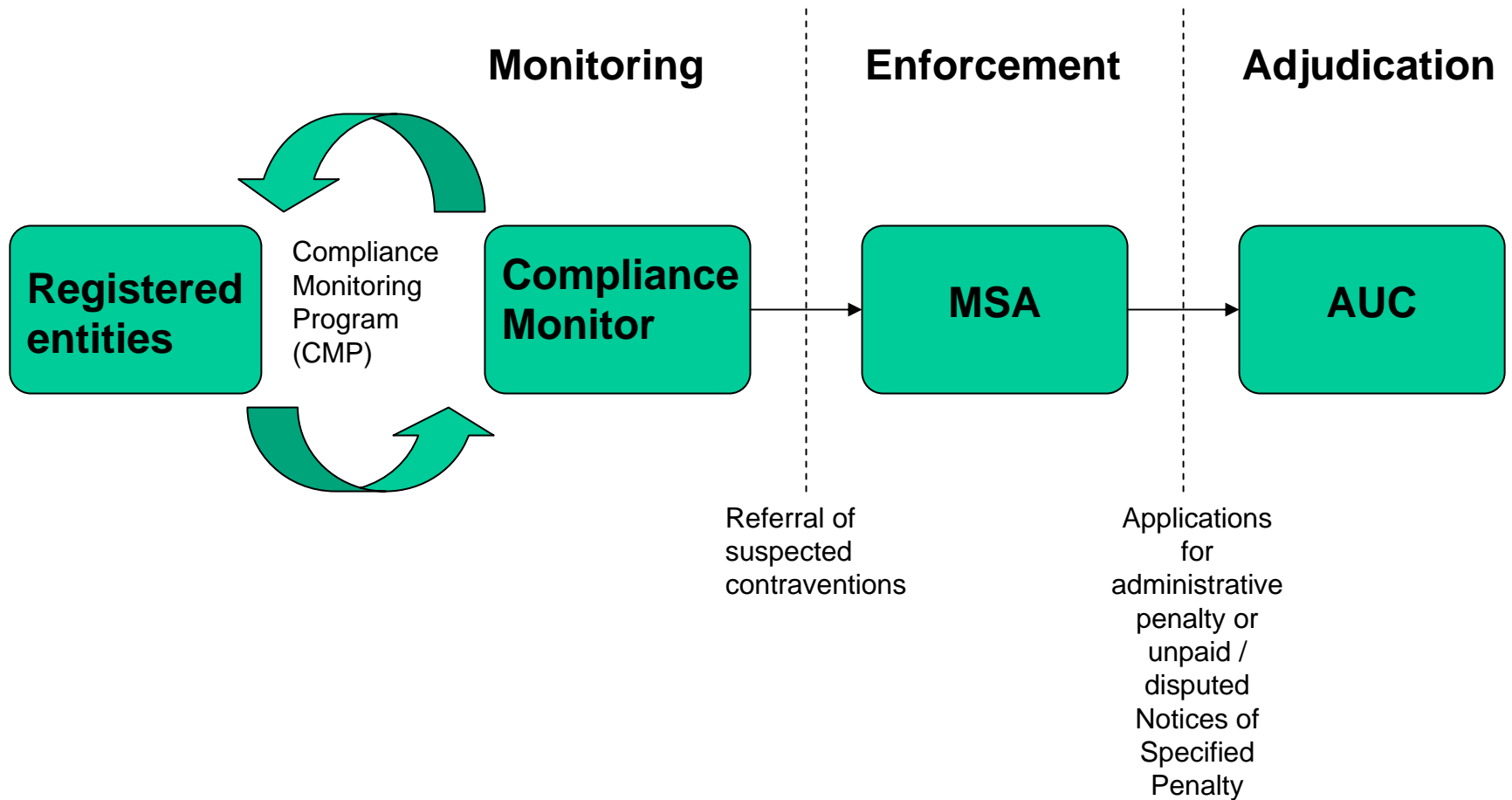


# **ALBERTA RELIABILITY STANDARDS**

**Enforcement**

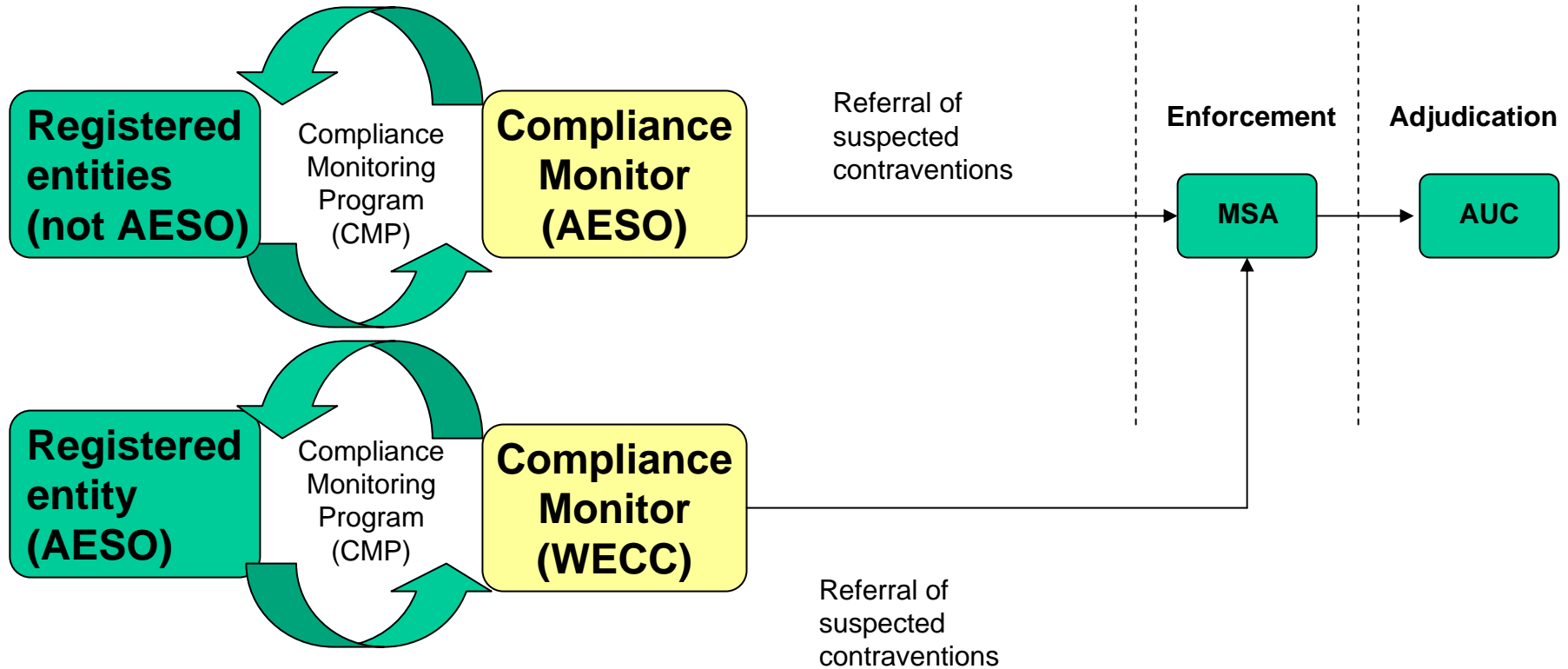
**MSA Role & Responsibilities**

# HIGH LEVEL ROLES AND RESPONSIBILITIES



# FOCUS ON MONITORING

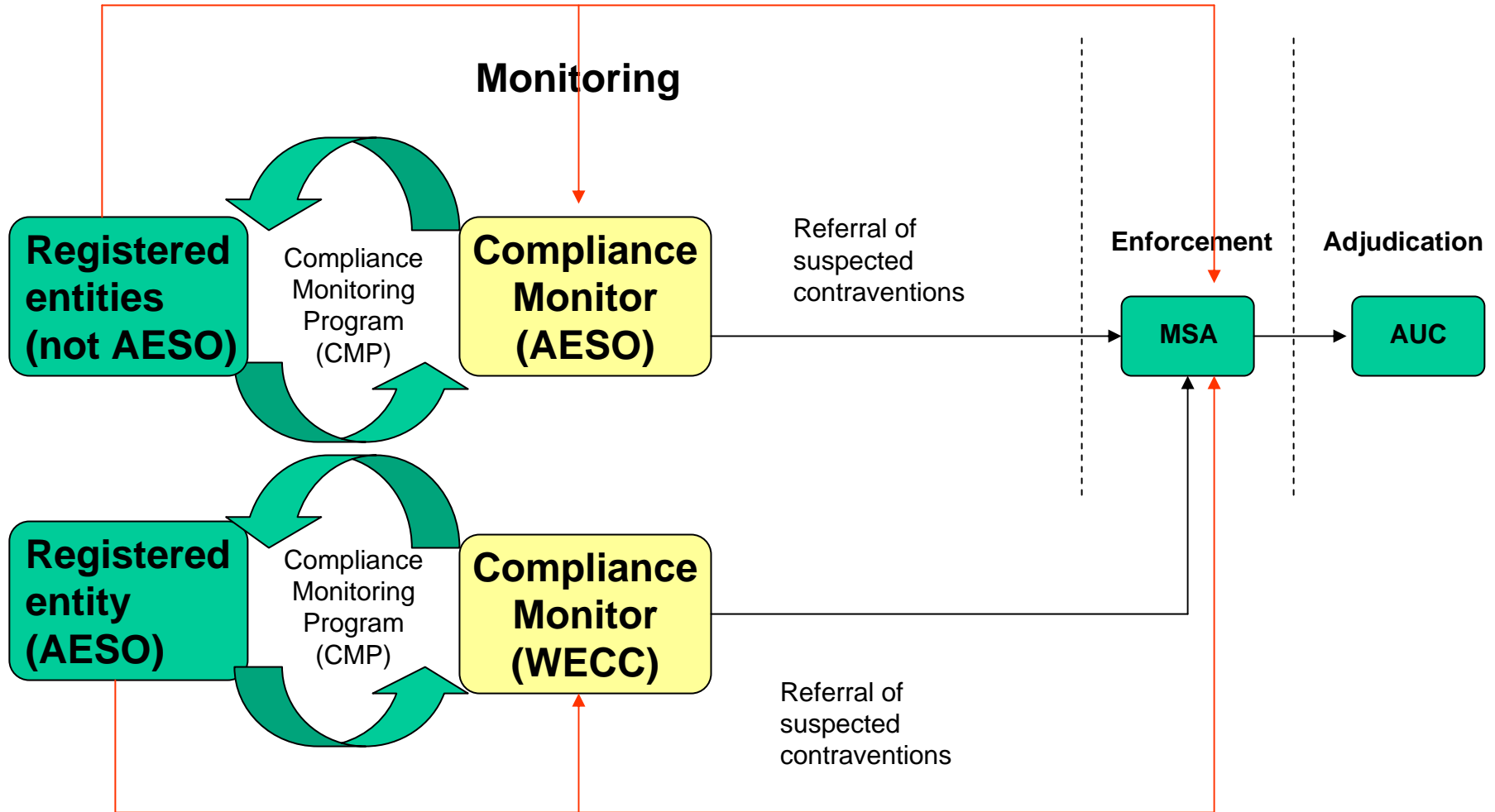
## Monitoring



# MONITORING

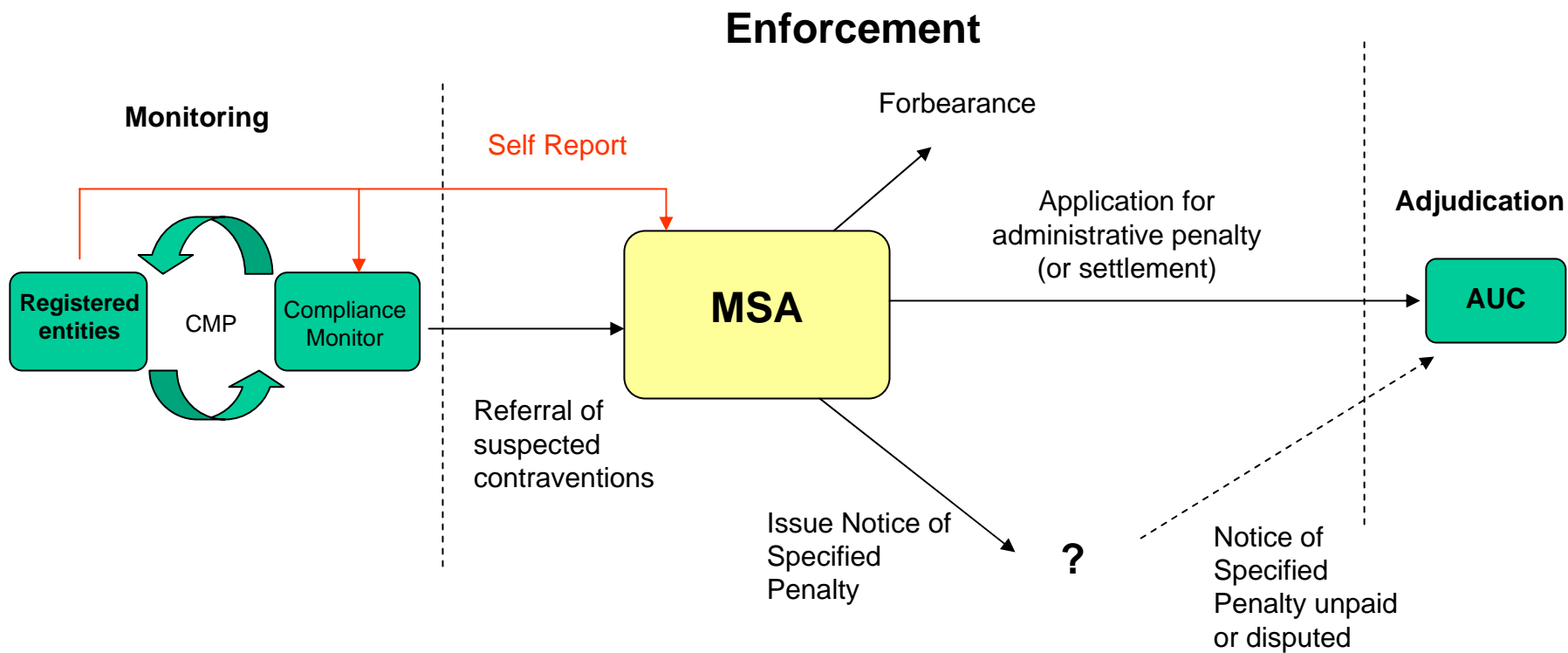
- 69 standards have been approved by AUC
  - 10 apply to market participants
  - 33 apply to the AESO
  - 35 don't apply in Alberta and have been rejected

# FOCUS ON MONITORING



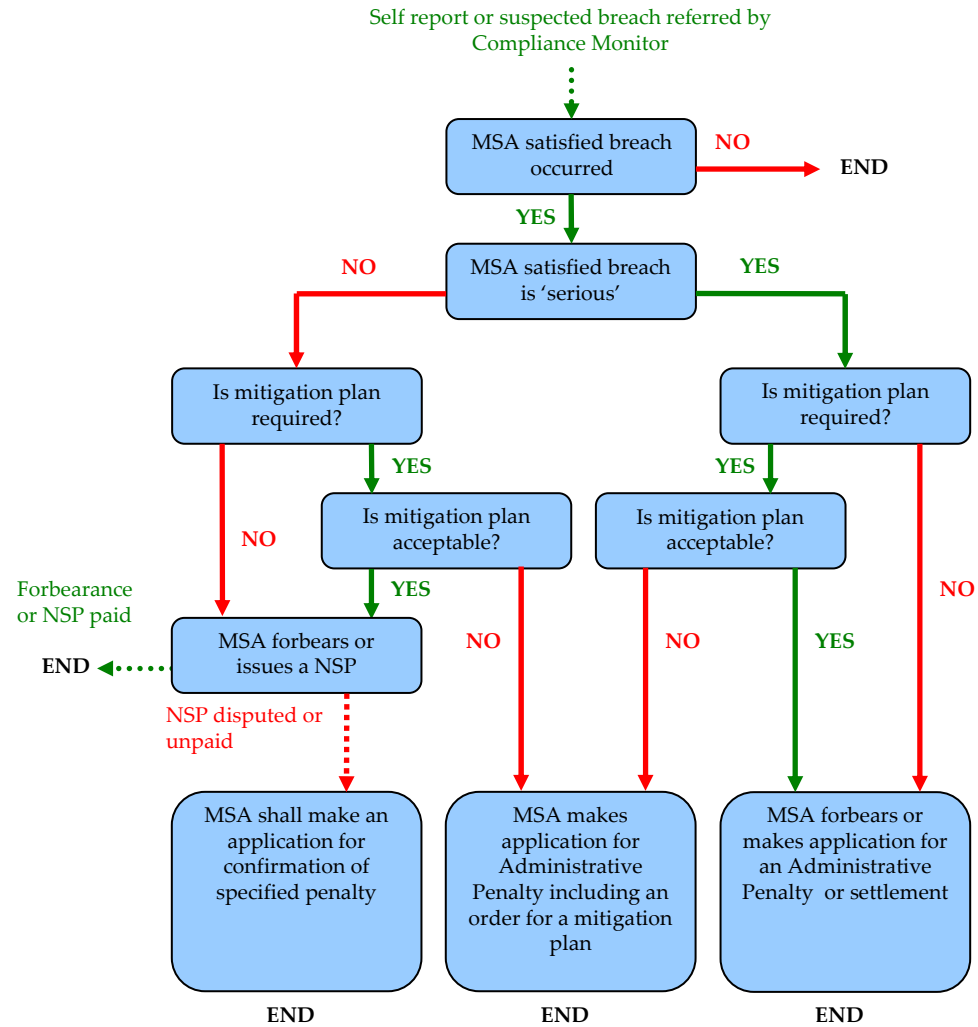
**Self Reports to both the monitor and the MSA**

# FOCUS ON ENFORCEMENT



# ENFORCEMENT

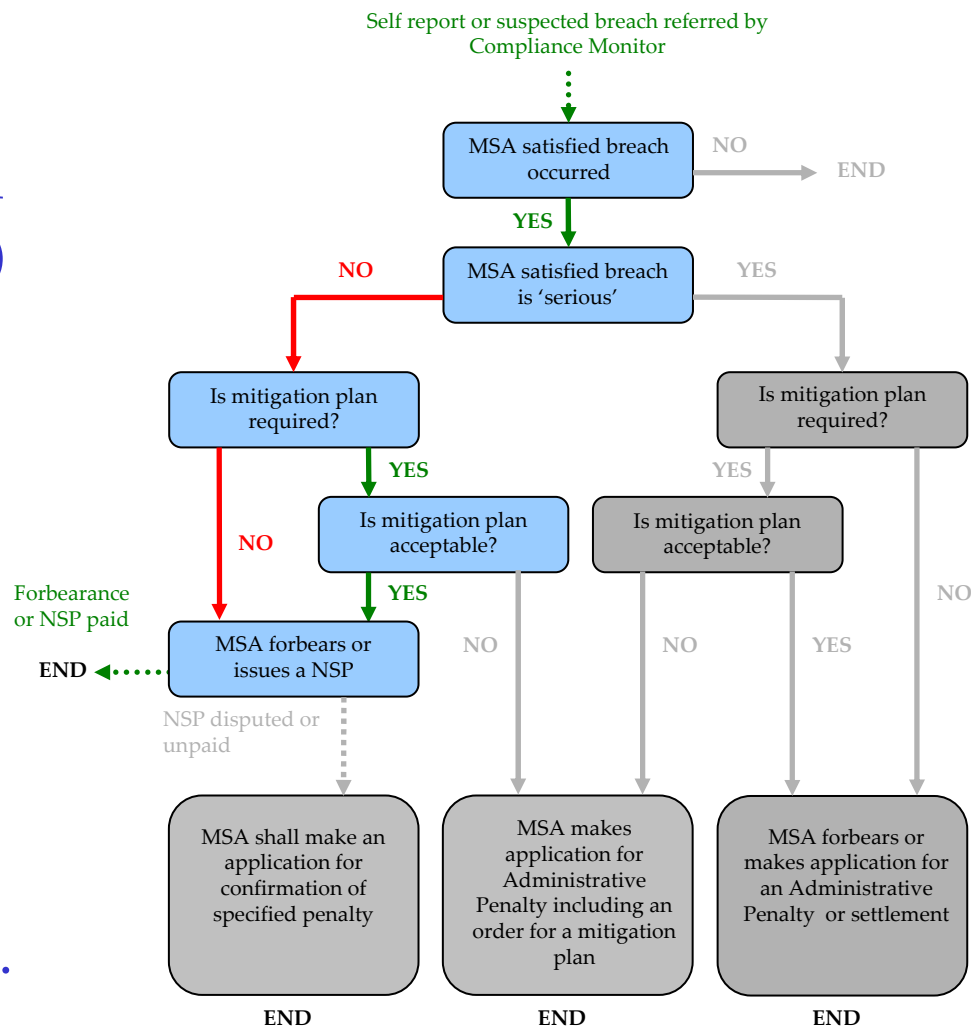
- For issues related to market participants the MSA will look to the AESO as the “Subject Matter Expert” (SME)
- For issues related to the AESO the MSA will look to WECC as the “Subject Matter Expert”
- MSA does not have plans to develop in-house expertise related to the technical elements





# ENFORCEMENT

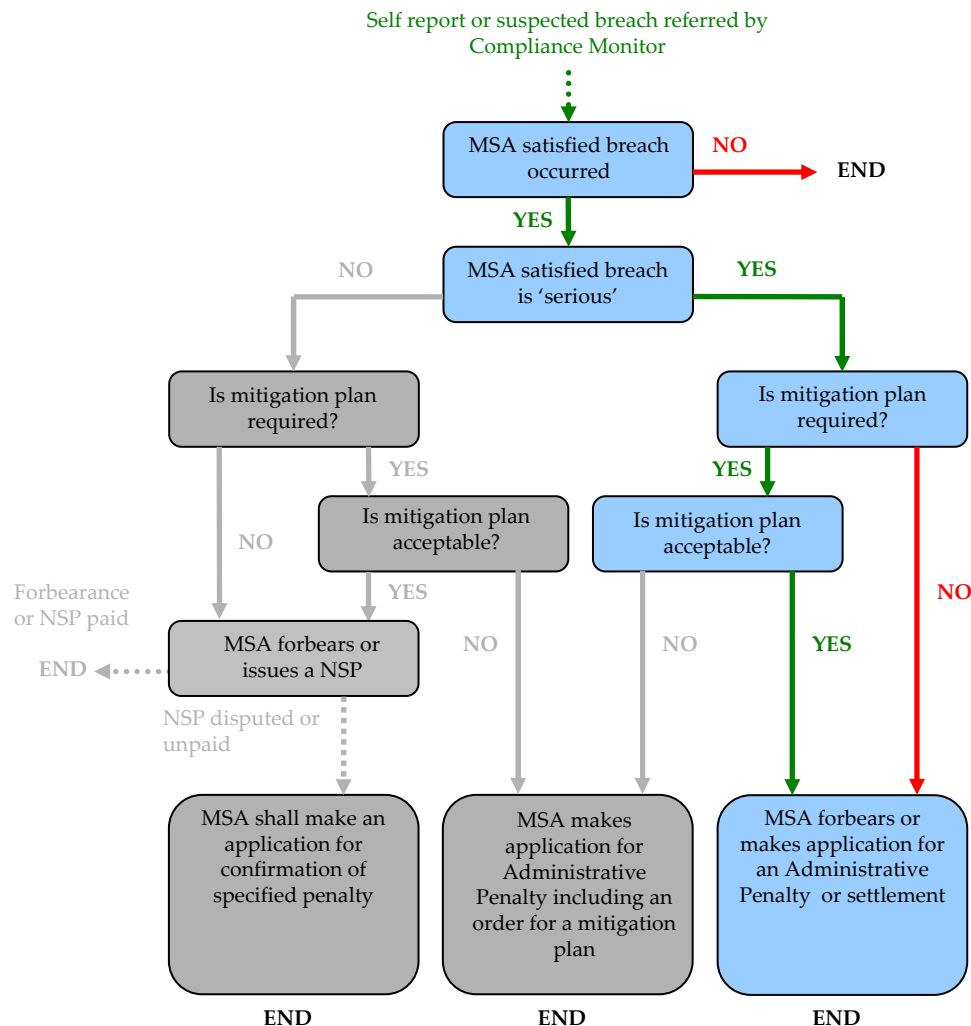
- Incentive for registered entities to self report (and develop mitigation plans)
- MSA likely to forbear if:
  - clear and complete documentation of violation
  - violation is non serious or trivial
  - acceptable mitigation plan submitted or no mitigation plan required.





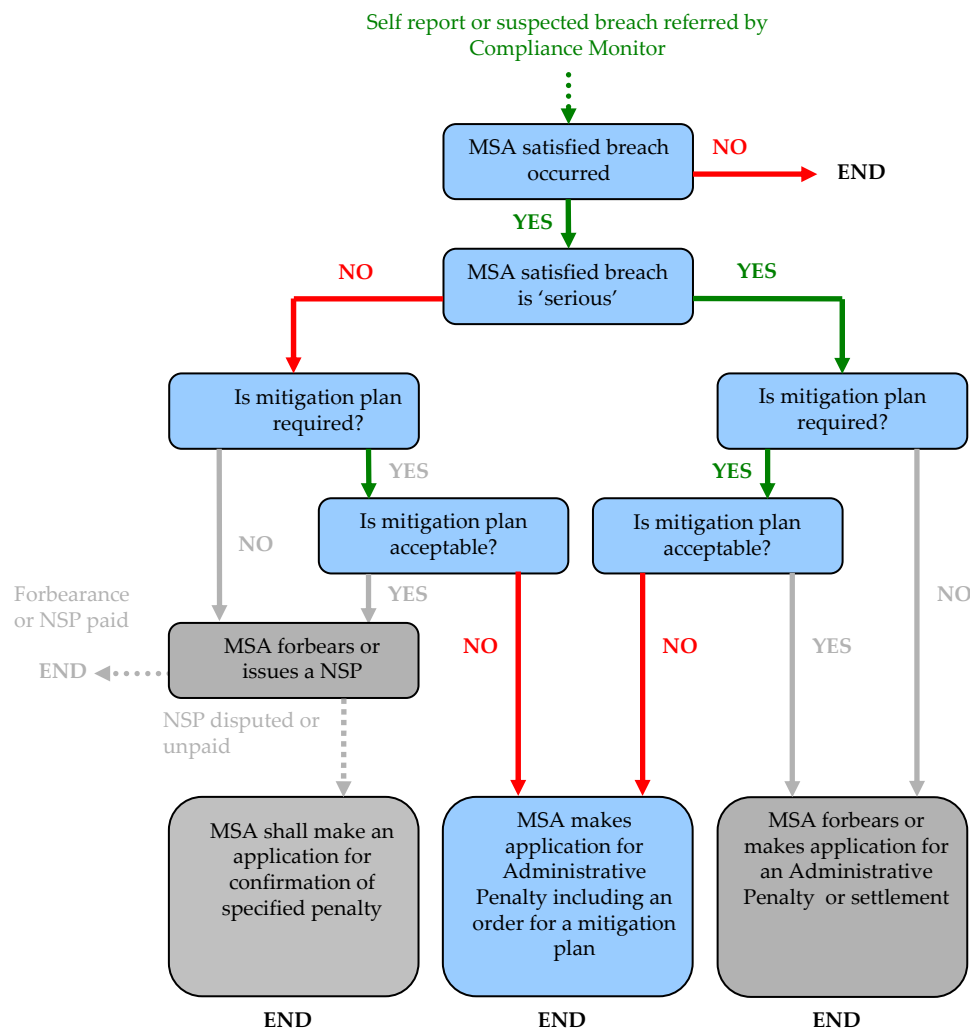
# ENFORCEMENT

- The MSA likely to make application for an administrative penalty or approval of a negotiated settlement if:
  - self report is made or the compliance monitor suspects a violation
  - violation is considered *serious* by the subject matter expert
  - acceptable mitigation plan is submitted or not required
  - In some cases the MSA may forbear



# ENFORCEMENT

- The MSA is likely to make an application for an administrative proceeding with a recommendation for a mitigation plan along with a financial penalty, if:
  - self report or the compliance monitor suspects a violation and
  - there is no agreement between the party and the SME of the monitor on the adequacy of a mitigation plan



# MITIGATION PLANS

- What will the MSA consider an acceptable mitigation plan?
  - If the registered entity can agree with the SME at the compliance monitor on the content of a mitigation plan, then the MSA will likely accept that plan.
  - The MSA does not intend to submit such plans to the Commission for any kind of approval.
  - Although the existence of an agreed mitigation plan will likely be noted by the MSA in any specified penalty or other application to the Commission as regards penalty.

# MITIGATION PLANS

- Where the registered entity and the Compliance Monitor can not agree on the content of a mitigation plan then the MSA sees a role for the Commission.
  - The MSA may make an application for an administrative penalty application, likely presenting the differing views on the plan to the Commission (with whatever other expert testimony we feel is appropriate) and seek an order from the Commission's with respect to the plan.

# PUBLICATION

- If the MSA forbears and does not apply a specified penalty then
  - The MSA will not make anything public with respect to the issue
  - The MSA will keep count of the breach and count it if necessary toward repeat behaviour
  - The MSA may include such events in the statistics we make public in regular reporting

# PUBLICATION

- If the MSA requests a specified penalty then
  - The MSA will after 30 days publish the details of the specified penalty on its web site
  - The MSA will include such events in the statistics we make public in regular reporting



# PUBLICATION

- If the MSA applies to the Commission for an administrative penalty other than a specified penalty then
  - The AUC will control what becomes public
  - The MSA will include such applications in the statistics that it may make public in its regular reporting

# DESIRED OUTCOME

