



Technical meeting: Draft Investigation and Enforcement Process

March 19, 2026

Welcome and Administrator's remarks

- Purpose: Technical meeting on the draft Investigation and Enforcement Process (IEP)
- Introductions:
 - Mike Morganton – Executive Director, Enforcement
 - Johanne Poirier Mouallem – Advisor, Alberta Reliability Standards
 - David Farmer – Senior Legal Counsel

Meeting logistics

- Venue layout
 - Light refreshments and drinks available
 - Washrooms in hallways
 - Evacuation signals and exits

Contacts and feedback

- Please feel free to reach out with questions or feedback:
nancy.bishay@albertamsa.ca
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- The MSA welcomes written stakeholder comments and suggestions by April 16, 2026, to stakeholderconsultation@albertamsa.ca. All submissions will be made public on the MSA's website shortly thereafter.

Land acknowledgement

In the spirit of truth and reconciliation, we would like to acknowledge that the Market Surveillance Administrator's offices in the City of Calgary are located on the Traditional Territory of Treaty 7 signatories which include the Siksika Nation, the Piikani Nation, the Kainai Nation, and the Stoney Nakoda Nation. These lands are also the homeland of the Métis Nation of Alberta, Nose Hill Métis District 5, and Elbow Métis District 6.

Meeting agenda

Time	Activity
8:00 a.m.	Registration and light refreshments
8:30 a.m.	Welcome and introduction of MSA speakers
8:40 a.m.	Overview of structural changes (ss. 3, 5, 6.1.1, 6.1.6, 6.2, 6.3)
9:10 a.m.	Changes to matter sourcing and issue assessment (ss. 4 and 5)
9:40 a.m.	Break
10:00 a.m.	Changes to investigation process (s. 6)
10:45 a.m.	Changes to enforcement actions and forbearance (ss. 7 and 8)
11:30 a.m.	Open discussion
12:00 p.m.	End of technical meeting
12:30 p.m.	Leave room

Presentation structure

- The discussion of the draft IEP is separated into four broad sections: structural changes, matter sourcing and issue assessment, investigation procedures, and enforcement actions and forbearance
- Each section contains a number of subtopics; we will present the material changes from the current process for a given subtopic and then pause for clarifying questions
- Broader questions or conversations are intended for the open discussion at the end of the session
- For ease of explanation and conversation, the following slides include summaries and parenthetical comments in relation to the draft IEP rather than verbatim content from the document

Overview of structural changes (IEP ss. 3, 5, 6.1.1, 6.1.6, 6.1.12, 6.2, 6.3)

Structural changes: issue assessment

Compliance Process and Investigation Procedures (Current)

- The issue assessment evaluations only apply to complaints and MSA-initiated investigations in the Investigation Procedures
- The Compliance Process obliges the MSA to reach determinations in all ISO rule and Alberta reliability standard matters
- Situations with multiple related self-reports or referrals with multiple findings arising under the Compliance Process could be better handled by a single investigation, but there is no established process to consider the efficient structuring of matters

Draft Investigation and Enforcement Process (Proposed)

- All matters, regardless of the source, will be tested for whether they are within the MSA's mandate and whether the matter warrants investigation
- Matters that fail either test will be closed, with appropriate notification, without the MSA reaching a determination
- Explicit consideration of whether the record is sufficiently complete to process the matter by a more efficient summary process or by an expanded investigation process

Structural changes: notice of investigation

Compliance Process and Investigation Procedures (Current)

- A notice of investigation is only sent for matters processed under the Investigation Procedure which generally is for complaints and MSA-initiated investigations
- The scope under consideration for matters taken up through the Compliance Process is not always clear to the market participant; for example, a self-report on one rule may be processed as a contravention of a different rule that the MSA determines is more appropriate
- There is no additional period to provide information prior to the MSA reaching a determination for self-reports under the Compliance Process

Draft Investigation and Enforcement Process (Proposed)

- All matters that the MSA determines warrant investigation will have a notice of investigation sent to the party under investigation and confirming the process being used
- Following a notice of investigation, the party under investigation will have at least 30 days to voluntarily provide additional information in relation to the scope set out in the notice prior to the MSA reaching a determination; this additional information could include the root cause analysis and mitigation plan if not available at the time of the self-report

Structural changes: meetings during investigations

Compliance Process and Investigation Procedures (Current)

- The Investigation Procedures only contemplates [non-interview] meetings at the issue assessment phase
- The Compliance Process includes optional preliminary and final meetings only in the situation where the MSA is pursuing administrative enforcement, but not during the consideration of a matter
- Negotiated settlements are only contemplated following the conclusion of an investigation or as part of the administrative enforcement process

Draft Investigation and Enforcement Process (Proposed)

- Section 6.1.6 sets out the process and terms for meetings during an investigation, including at the request of the market participant or the ISO
- The content of such meetings is contemplated to include discussion of the conduct at issue and the content or deadlines for information requests
- Section 6.1.12 sets out the process and requirements for a negotiated settlement at any stage of the investigation and contemplates without prejudice meetings where written confirmation is provided in advance

Structural changes: summary and extended investigation processes

Compliance Process and Investigation Procedures (Current)

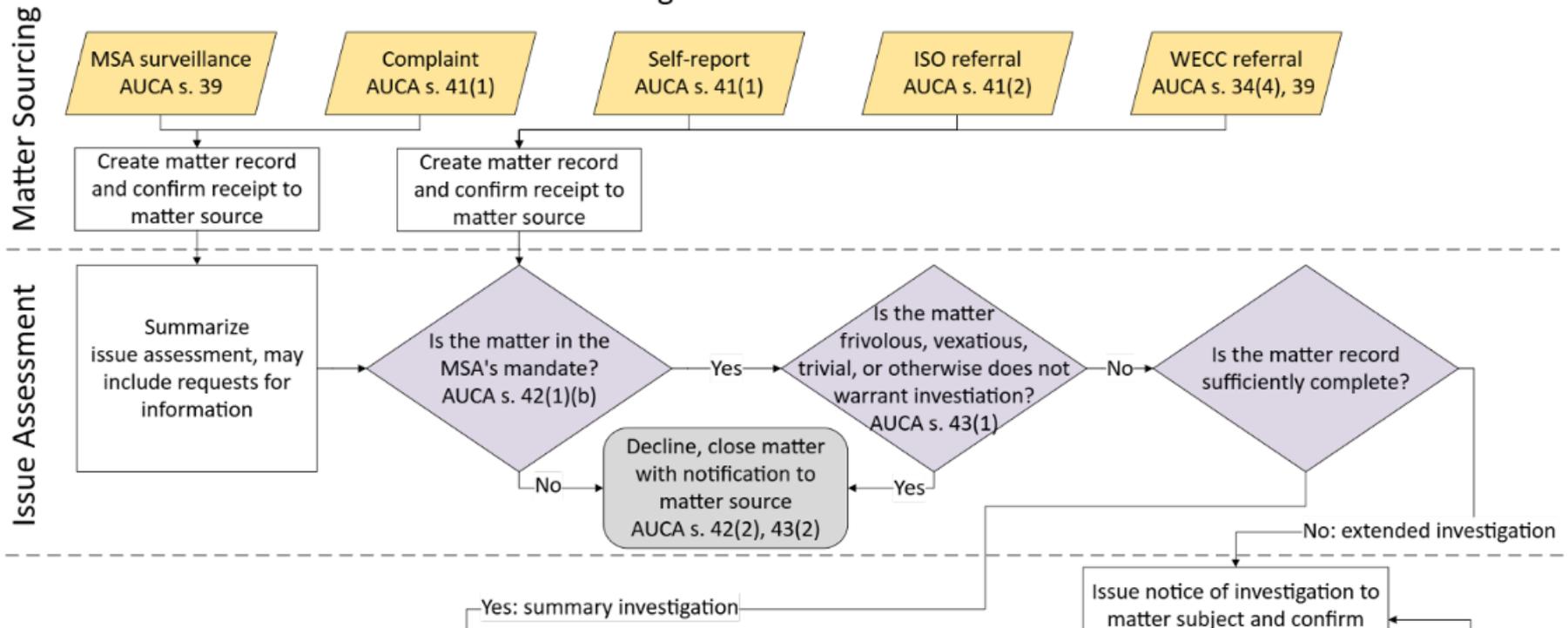
- The Compliance Process outlines the sourcing of matters and the available enforcement determinations, but is largely silent on the investigation procedure
- The full scope of the Investigation Procedures is too administratively burdensome for most matters where the record is substantially complete based on the self-report or referral content
- There is no articulated mechanism to escalate a compliance matter to an investigation or to group related compliance matters

Draft Investigation and Enforcement Process (Proposed)

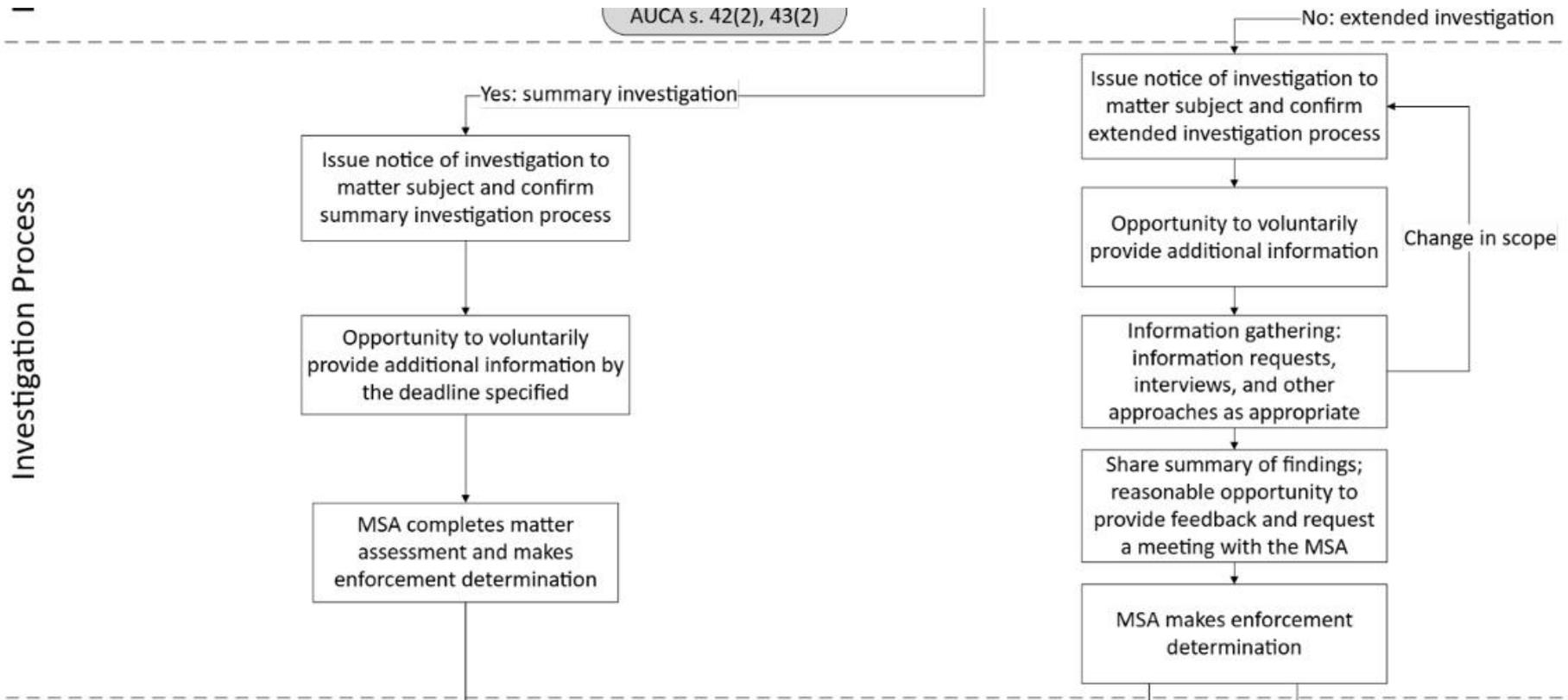
- Section 6.2 describes a summary process intended to reach a determination quickly based on the information provided in the self-report or referral and following the notice of investigation
- Section 6.3 describes an extended process with a customized notice of investigation, an information gathering stage that can include meetings with the party under investigation, and a required summary of findings with an opportunity to respond prior to the MSA reaching an enforcement determination

Flowchart: matter sourcing and issue assessment

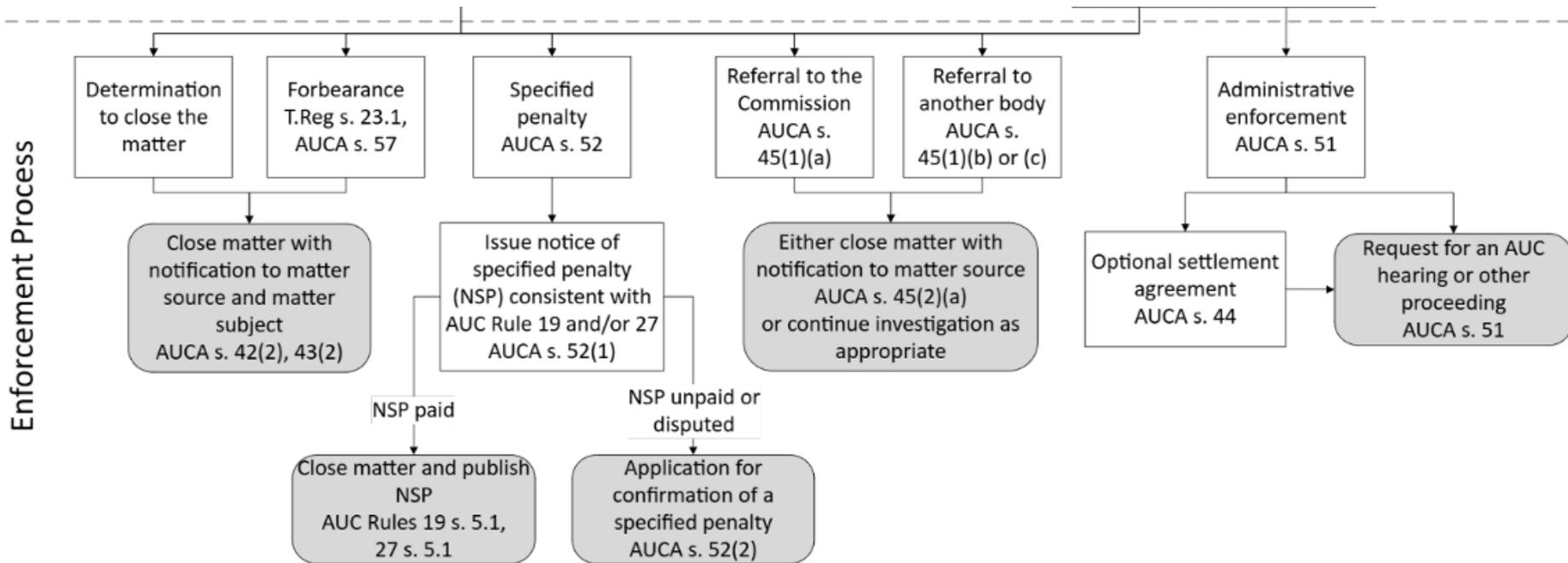
MSA Investigation and Enforcement Process



Flowchart: investigation process



Flowchart: enforcement process



Changes to matter sourcing and issue assessment (IEP ss. 4 and 5)

4.1: Self-reports

4.1: Self Reports

- No material changes



4.1: Self-reports (continued)

4.1.1: MSA forms and submission procedures

- No material changes (continued obligation to copy the compliance monitor on self-reports for ISO rule and ARS contraventions)

4.1: Self-reports (continued)

4.1.2: Additional guidance on self-report content (originally published in the 2025 Q3 Enforcement report)

Recommended content to avoid information requests: (matters that are missing this content will likely have delayed processing and may trigger the expanded investigation process)

- Start and end dates of the contravention, the number of distinct contravention events within the period
- For reliability standards, the both the standard and the requirement contravened; if applicable, list multiple standards and requirements
- For O&P reliability standards, list the affected facilities as well as the impacted devices, facilities, and/or personnel; where applicable, reference the percentage of the total population

4.1: Self-reports (continued)

4.1.2: Additional guidance on self-report content

Recommended content to avoid information requests:

- For CIP reliability standards, list the facilities, BES cyber assets, BES cyber systems, PACS, EACMS, and/or protected cyber assets
- Description of the actual or potential impact and any mitigating internal controls
- Root cause and any contributing causes (if not available, then provide it following the notice of investigation)

4.1: Self-reports (continued)

4.1.3: Self-reports during compliance processes

- Section 6.3 of the Compliance Process specified that self-reports filed after the commencement of a compliance audit would not be recognized by the MSA
- Section 4.1.3 of the IEP encourages self-reporting of contraventions at any time (consistent with the approach taken in the rest of WECC)
- The MSA will confirm receipt of self-reports during a compliance process, but hold processing those matters until the audit report has been received from the compliance monitor
- The self-report discount will be applied if the requirements in the applicable AUC rules have been met

4.1: Self-reports (continued)

4.1.4: Mitigation Plans

- Content broadly consistent with section 6.4 of the Compliance Process
- Additional guidance on mitigation plan content if there are upgrades required for assets currently in operation:
 - The implementation of preventative, detective and mitigating controls prior to full implementation of the plan;
 - the number of sites or assets that are impacted by the required mitigation; and
 - whether any regulatory approval is required for a mitigation activity (including with respect to cost), whether the required approval has been obtained or the dates upon which regulatory approval will be sought and is expected to be obtained.

4.2: Compliance monitor referrals

4.2.1: Collaboration between ISO and MSA

- No material changes

4.2: Compliance monitor referrals (continued)

4.2.2: Collaboration between WECC and MSA

- No material changes

4.2: Compliance monitor referrals (continued)

4.2.3: Initial point of content where the issue identified by the ISO

- No material changes (continued requirement for the compliance monitor to copy the market participant on referrals)

4.2: Compliance monitor referrals (continued)

4.2.4: Opportunity to provide information to the MSA

- Period to provide additional information specified on the notice of investigation following the referral (rather than a set timeline specified in the IEP which will allow the process to scale for the scope of the referral)

4.2: Compliance monitor referrals (continued)

4.2.5: Additional guidance on referral content

Recommended content to avoid information requests: (similar list to what the MSA wants included on self-reports to handle via the summary process)

- Start and end dates of each suspected contravention
- For reliability standards, the both the standard and the requirement contravened; if applicable, list multiple standards and requirements
- For O&P reliability standards, list the affected facilities as well as the impacted devices, facilities, and/or personnel; where applicable, reference the percentage of the total population

4.2: Compliance monitor referrals (continued)

4.2.5: Additional guidance on referral content

Recommended content to avoid information requests:

- For CIP reliability standards, list the facilities, BES cyber assets, BES cyber systems, PACS, EACMS, and/or protected cyber assets
- The sample size utilized to determine the suspected contravention
- A copy of the final audit report and any applicable reliability standard audit worksheets (RSAW) and evidence

4.3: Complaints

- No material changes



4.4: Surveillance by the MSA

- No material changes



5: Issue assessment

- Once a matter is identified, the MSA will assess whether:
 - the MSA has jurisdiction over the issue (all conduct in relation to ISO rule and reliability standard contraventions are in the MSA's mandate)
 - the issue is frivolous, vexatious or trivial or otherwise does not warrant investigation (currently applied to investigations stemming from complaints and MSA surveillance, expanding the same considerations to ISO rule and reliability standard matters)
 - The issue should proceed to an investigation or be handled through some other means

5: Issue assessment (continued)

- The matter source will be notified in the event the MSA declines to investigate. If the matter subject has been previously engaged (copied on a referral or the MSA requested information), then the subject would also be notified of the decision not to investigate
- Prior to sending a notice of investigation, the MSA will decide whether the matter can be handled via the summary process where the primary consideration will be whether the matter record is sufficiently complete to understand the contravention

Break

Changes to investigation process (IEP ss. 6)

6.1: Common investigation components

6.1.1: Notice of Investigation

- A notice of investigation will be sent for all enforcement matters that the MSA decides to investigate
- Communicates the scope of conduct that is under investigation
- The notice of investigation will indicate whether the matter will be addressed via the summary or expanded process

6.1: Common investigation components (continued)

6.1.2: Expansion to investigation scope

- No material changes

6.1: Common investigation components (continued)

6.1.3: Referral of matters to another body

- Referrals of matters to other bodies now includes requests for spot audits by the compliance monitor as a potential outcome

6.1: Common investigation components (continued)

6.1.4: Termination of investigations

- Adds a public interest test to the ongoing requirement to consider whether to continue an investigation

6.1: Common investigation components (continued)

6.1.5: Communication with person who made complaint or referral

- Clarification that, where the investigation results in specified penalties, the notice posted on the MSA website will serve as notification of the result to party that made the complaint or referral

6.1: Common investigation components (continued)

6.1.6: Meetings during an investigation

- New section setting out the terms for meetings with the subject of an investigation following the notice of investigation (at the MSA's discretion, but can be at the request of the party under investigation)
- Contemplates meetings to discuss the conduct at issue and information request scope and timelines (with the intent of helping narrow the scope of information requests, but not replacing them)
- Specifies that all communications are considered on the record and that the MSA can rely on information shared at the meetings in its findings and in subsequent processes
- Any changes to content or deadlines discussed in meetings are only effective if confirmed by the MSA in writing

6.1: Common investigation components (continued)

6.1.7: Information and record gathering

- Clarification that a party under investigation can voluntarily provide relevant information or records during the investigation
- Clarification that the MSA is not required to and will generally not provide notice to or otherwise involve the party under investigation when it gathers information or records from persons whose conduct is not under investigation
- Confirmation that the MSA will generally not provide information or records to the party under investigation while the investigation is ongoing, but will provide copies of any records referenced in the summary of findings to the party under investigation

6.1: Common investigation components (continued)

6.1.7 (1): Information Requests

- Specifies expected content in requests for extensions to information request deadlines and changes the extension request deadline to 5 business days prior to the deadline rather than 2 business days prior
- Specifies that the MSA may seek orders compelling response in the case of incomplete submission or missed deadlines
- Commits the MSA to publish formatting requirements for responses to information requests on its website

6.1: Common investigation components (continued)

6.1.7 (2): Interviews

- Language related to the provision of transcripts was removed from this section, but is covered by the addition in the opening section of 6.1.7 that records relied upon in the summary of findings will be provided to the party under investigation

6.1: Common investigation components (continued)

6.1.7 (3): Searches

- No material changes

6.1: Common investigation components (continued)

6.1.7 (4): Court orders

- No material changes

6.1: Common investigation components (continued)

6.1.8: Privilege Claims

- Simplified the language to better align with Section 50 of the AUCA

6.1: Common investigation components (continued)

6.1.9: Use of information during investigation

- No material changes

6.1: Common investigation components (continued)

6.1.10: Return of records

- No material changes

6.1: Common investigation components (continued)

6.1.11: Internal MSA records not disclosed

- No material changes

6.1: Common investigation components (continued)

6.1.12: Settlement agreements

- Sets out the process for settlement discussions at all stages of an investigation
- Clarifies the components of a settlement agreement:
 - understand, accept, and admit their conduct contravened an enactment
 - be prepared to commit to specific remedial measures to prevent recurrence of the conduct at issue; and
 - be willing and able to pay an agreed upon penalty and costs.
- Discusses the general requirements for filing a settlement with the Commission
- Provides for without prejudice communications where agreed to by the MSA in writing in advance

6.2: Summary investigation process

6.2.1: Notice of investigation (NOI)

- The NOI will be a form letter indicating the scope of the investigation including actions, events and time-periods reasonably connected to or proximate to the events described in the self-report or referral
- Explains the option for the MSA to combine multiple self-reports or referrals into a single investigation or separate a single self-report or referral into multiple investigations

6.2: Summary investigation process (continued)

6.2.1: Notice of investigation (NOI)

- Affords at least a 30 days period to voluntarily provide additional information following the notice of investigation prior to the MSA reaching a determination
 - Timeline example: if a party self-reports a contravention 30 days after the event, the MSA takes 10 days to complete the issue assessment, and the notice of investigation gives 30 days to provide additional information, then the total time following the event to complete a root cause analysis and prepare a mitigation plan would be 70 days

6.2: Summary investigation process (continued)

6.2.2: Opportunity to voluntarily provide additional information

- Extension requests to the period for voluntary disclosures must be made 2 business days prior to the deadline and include the reason for the request (the extension request process is intentionally less onerous than the process for extension requests for MSA information requests)
- Clarification that the intent in the summary process is not to issue information requests prior to reaching a determination (having to issue information requests does not mean a matter is moving to the expanded process; if a matter is being changed to the expanded process there would be a notice of investigation explaining the change)

6.2: Summary investigation process (continued)

6.2.3: Notice of determination

- Clarifies that most cases will result in a disposition of a specified penalty, forbearance, or no contravention
- Notes that dispositions are final subject only to review before the AUC in accordance with the AUCA
- If the MSA pursues administrative enforcement following a summary investigation process, it would be required to provide a summary of findings to the party under investigation and afford opportunity to respond consistent with section 6.3.4 of the expanded investigation process

6.3: Expanded investigation process

6.3.1: Notice of investigation (NOI)

- Option to combine multiple self-reports or referrals into a single investigation or separate a single self-report into multiple investigations

6.3: Expanded investigation process (continued)

6.3.2: Opportunity to voluntarily provide additional information

- Specifies that a party under investigation can voluntarily provide information at any time during an investigation (up to the deadline specified following the summary of findings) and that information provided early may narrow the scope of future information requests (this overall structure is different from the summary investigation process)

6.3: Expanded investigation process (continued)

6.3.3: Information gathering

- Clarifies that the MSA can employ some or all of the approaches specified in the common investigation components
- Specifies that if the MSA takes other steps or employs other processes permitted under the AUCA, it will provide notice to the party under investigation

6.3: Expanded investigation process (continued)

6.3.4: Sharing summary of findings

- Requires the MSA to share a summary of findings for any expanded investigation prior to reaching a determination (the Compliance Process only required a summary of findings if the MSA pursued administrative enforcement)
 - Exceptional circumstances may require the MSA to proceed without a summary of findings (where time is of the essence)
- Requires the MSA to provide copies of records relied upon in reaching its findings, including extracts of interview transcripts where applicable
- Affords an opportunity for the party under investigation to provide a written response by a given deadline that the MSA will consider prior to taking enforcement action

6.3: Expanded investigation process (continued)

6.3.5: Notice of determination

- No material changes

Changes to enforcement actions and forbearance (IEP ss. 7 and 8)

7.1: Specified penalties

7.1: Specified penalties

- No material changes



7.1: Specified penalties (continued)

7.1.1: Contraventions subject to penalty

- Consistent with the AUCA section 52(1), the MSA is obligated to reach conclusions of fact and law in order to be satisfied that a specified penalty should be issued (this obligation is applied currently; the addition to the document does not represent a change in process)
- The specific factual issues to be determined are set out by the relevant rule or standard, including the assets related to the contraventions and the dates and times on which contraventions occurred
- The MSA considers the language of the applicable rule(s) or reliability standard(s), the information obtained through its investigation and decides whether it is satisfied a contravention(s) has occurred (the grouping of contraventions in a self-report or referral does not change the MSA's obligation reach conclusions about the contraventions subject to penalties)

7.1: Specified penalties (continued)

7.1.2: Self-report discount

- No material changes



7.1: Specified penalties (continued)

7.1.3: Reliability standard contravention severity

- Specifies factors that the MSA considers when determining contravention severity including, without limitation:
 - information provided in any self-report or referral
 - available facts about the non-compliant performance
 - the relative continuum of conduct that would result in a finding of low, moderate, high, or severe
 - whether the percentage, rather than count, is a better indication of contravention severity when considering a party's conduct
 - The duration of the conduct at issue relative to the timeframe, if any, defined in the requirement
 - The Alberta risk rating of the standard and requirement

7.1: Specified penalties (continued)

7.1.4: Acceptance of mitigation plans

- The Compliance Process and current forbearance notifications are silent on the enforcement treatment during the implementation of mitigation plans
- Section 7.1.4 clarifies that the MSA can forbear from enforcement of contraventions of ISO rule or reliability standards for the duration of the mitigation plan **(the application of this to ISO rules is new)**
- Such conditional forbearance will be described in the MSA's notice of specified penalty **(or as part of a forbearance notification)**
- Failure to complete a mitigation plan may result in the MSA commencing a proceeding before the Commission

7.1: Specified penalties (continued)

7.1.4: Acceptance of mitigation plans (continued)

- Factors considered prior to accepting a mitigation plan: (based on AUC Rule 027)
 - Whether the mitigation plan provides all the required information from Section 4.1.4;
 - Whether the mitigation plan is designed to correct the contravention;
 - Whether the mitigation plan correctly identifies and addresses the root cause(s) such that a repeat of the same circumstance would be unlikely to result in a contravention;
 - Whether the mitigation plan will be implemented in a timely fashion with justification for longer duration plans relative to the scope being implemented; and
 - Whether extended mitigation plan timelines have interim measures to protect reliable operations during implementation.

7.2: Administrative enforcement process

- Moved much of the administrative enforcement content in the Compliance Process to the common investigation components, such as meetings with the party under investigation, responses to the summary of findings, and negotiated settlements
- Confirmation that in appropriate circumstances, the MSA may request a hearing from the Commission prior to the conclusion of an investigation and, subject to the applicable rules of practice, may do so without notice to the party under investigation

8: Forbearance

Maintained forbearance criteria:

- The conduct is non-serious. This may include an assessment of the impact, duration and extent of conduct.
- The conduct did not result in a material financial gain.
- The conduct did not jeopardize the reliability of the interconnected electric system.
- The conduct is not part of a recurring problem.

8: Forbearance (continued)

Changed forbearance criteria:

- The market participant or the ISO has considered and implemented actions to correct and prevent recurrence, as appropriate, which may include a mitigation plan submitted to the MSA. **(made generic to ISO rules and reliability standards)**
- The conduct is described in a self-report submitted to the MSA in accordance with section 4.1. **(simplified the language)**
- The length of time between the conduct at issue and the self-report to the MSA. **(replaced the requirement to self-report with 30 days)**
- The market participant or the ISO has an internal compliance program in effect. **(specified 'internal compliance program' to differentiate from the program administered by the Compliance Monitor)**

9: Public reporting

- At its discretion, consistent with the MSR section 6(2), the MSA may publish information about the matter that was investigated
- The MSA will consider improvements to quarterly and annual enforcement reports following the implementation of the IEP (the MSA also makes statistical information available from our data portal)

Open discussion

Next steps

Activity	Timeline
Comments and suggestions related to draft IEP due	April 16, 2026
Publish revised IEP and MSA decision	June 5, 2026

- The MSA welcomes stakeholder comments and suggestions by April 16, 2026, to stakeholderconsultation@albertamsa.ca. All submissions will be made public on the MSA's website shortly thereafter.