

June 2, 2008

Delivered

Syncrude Canada Ltd.
P.O. Bag 4009, M.D. 0019
Fort McMurray, Alberta
T9H 3L1

Attention: Mr. Marc Theriault
Vice-President Production

Dear Mr. Theriault:

Re: MSA File # 2008-008
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Re: Dispatch Variance – SCL1 (December 27, 2007)

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a notice of specified penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On December 27, 2007 the Syncrude SCL1 unit was observed to be in non-compliance with Rule 6.6 (Dispatch Variance) for approximately 27 minutes between 00:00 and 00:26 at variances of up to 72 MW during the period.

Process

As part of its compliance monitoring the AESO obtained information regarding the event and provided an opportunity for your organization to bring forward information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include as set out in the following:

1. December 27, 2007 AESO data for dispatch and generation for SCL1;
2. March 25, 2008 e-mail response from Syncrude to AESO Information request

Specified Penalty

The Level of Non-Compliance for this specific circumstance is assessed to be Level 1 per the specified penalties matrix contained in AUC Rule 019. The MSA understands that this event constitutes the fourth contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization was issued notifications occurred on March 7, 2007, June 23, 2007, and September 13, 2007. These were addressed respectively by an AESO issued Non-Compliance letter dated December 10, 2007, an AESO issued Non-Compliance letter dated March 18, 2008, and an AESO issued Administrative Penalty dated May 30, 2008.

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$4,000.00 is appropriate for this specific contravention of ISO rule 6.6.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than July 2, 2008.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the “Alberta Utilities Commission”, and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice). Delivery of payment should also be confirmed in writing or by email to Doug Doll, the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst, MSA, at (403) 233-6497 or doug.doll@albertamsa.ca.

In accordance with the relevant enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the *Notice re: ISO Rules Compliance* on the MSA website (link <http://www.albertamsa.ca/735.html>). It may also be useful to refer to the MSA Investigation Procedures, found on the MSA website under *Processes*.

Yours truly,
Market Surveillance Administrator

“Original Signed”

Douglas Wilson
Legal Counsel.

Copy to: Sherry Sellick - AUC

June 2, 2008

Delivered

Suncor Energy Inc.
P.O. Box 38
112 – 4th Avenue S.W.
Calgary, Alberta
T2P 2V5

Attention: Ms. Janice Odegaard
Vice-President & Corporate Secretary

Dear Ms. Odegaard:

Re: MSA File # 2008-018
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Re: Dispatch Variance – SCR1 (January 12, 2008)

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a notice of specified penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On January 12, 2008 the Suncor Poplar Creek (SCR1) unit was observed to be in non-compliance with Rule 6.6 (Dispatch Variance) for approximately 64 minutes between 08:08 and 09:11 at variances of up to 33 MW during the period.

Process

As part of its compliance monitoring the AESO obtained information regarding the event and provided an opportunity for your organization to bring forward information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include as set out in the following:

1. January 12, 2008 AESO data for dispatch and generation for SCR1;
2. February 26, 2008 e-mail from TransAlta to AESO
3. Event was Self-Reported by TransAlta (agent)

Specified Penalty

The Level of Non-Compliance for this specific circumstance is assessed to be Level 1 per the specified penalties matrix contained in AUC Rule 019. The MSA understands that this event constitutes the Sixth contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization was issued notifications occurred on March 19, 2007, April 11, 2007, June 29, 2007, November 28, 2007, and December 7, 2007. These were addressed respectively by an AESO issued Warning letter dated February 14, 2008, an AESO issued Non-Compliance letter dated February 21, 2008, an AESO issued Non-Compliance letter dated March 18, 2008, an MSA issued notice of specified penalty dated March 7, 2008, and an MSA issued notice of specified penalty dated May 7, 2008.

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$5,000.00 is appropriate for this specific contravention of ISO rule 6.6. This penalty amount was reduced in recognition that this contravention was self-reported.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than July 2, 2008.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the "Alberta Utilities Commission", and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice). Delivery of payment should also be confirmed in writing or by email to Doug Doll, the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst, MSA, at (403) 233-6497 or doug.doll@albertamsa.ca.

In accordance with the relevant enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the *Notice re: ISO Rules Compliance* on the MSA website (link <http://www.albertamsa.ca/735.html>). It may also be useful to refer to the MSA Investigation Procedures, found on the MSA website under *Processes*.

Yours truly,
Market Surveillance Administrator

“Original Signed”

Douglas Wilson
Legal Counsel.

Copy to: Sherry Sellick - AUC
 Dale Mitchell - Suncor

March 7, 2008

TransCanada Energy Ltd.
450 – 1st Street SW
Calgary, Alberta
T2P 5H1

Attention: Mr. Ken Kunz
Vice-President, Western Power

Dear Mr. Kunz:

Re: MSA File # 2008-001
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Re: Dispatch Variance – MacKay River (November 30, 2007)

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a Notice of Specified Penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On November 30, 2007 the MacKay River (MKRC) unit was observed to be in non-compliance with Rule 6.6 (Dispatch Variance) for approximately 42 minutes between 02:19 and 03:00 at variances of up to 31 MW during this period.

Process

The event was identified as a potential contravention of ISO rule 6.6 and your organization was notified accordingly. As part of its compliance monitoring the AESO obtained information regarding the event and provided an opportunity for your organization to bring forward

information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA concurs that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include the following:

1. November 30, 2007 AESO data for energy dispatch and generation for MacKay River.
2. February 8, 2008 response by TransCanada to AESO Information Request and explanation of circumstances therein.

Specified Penalty

The Level of Non-Compliance for this specific circumstance is assessed to be Level 1 per the specified penalties matrix contained in AUC Rule 019. The MSA understands that this event constitutes the third contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization has been issued notifications occurred on January 6, 2007 and April 8, 2007. These were addressed respectively by an AESO Warning letter dated November 29, 2007 and by an AESO Non-Compliance letter dated March 7, 2008.

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$2,000.00 is appropriate for this specific contravention of ISO rule 6.6.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than April 7, 2008. The payment should reference this Notice of Specified Penalty.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the "Alberta Utilities Commission", and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice).

Delivery of payment should also be confirmed in writing or by email to the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst,

MSA, at (403) 233-6497 or doug.doll@albertamsa.ca. In accordance with the relevant enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the Notice re: ISO Rules Compliance on the MSA website (link <http://www.albertamsa.ca/735.html>).

Yours truly,
Market Surveillance Administrator

Per: Mike Nozdryn-Plotnicki
Manager, Market Monitoring

Cc: Sherry Sellick - AUC

March 7, 2008

Suncor Energy Inc.
P.O. Box 38
112 – 4th Avenue S.W.
Calgary, Alberta
T2P 2V5

Attention: Ms. Janice Odegaard
Vice-President & Corporate Secretary

Dear Ms. Odegaard:

Re: MSA File # 2008-002
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Re: Dispatch Variance – SCR1 (November 28, 2007)

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a Notice of Specified Penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On November 28, 2007 the Suncor Poplar Creek (SCR1) unit was observed to be in non-compliance with Rule 6.6 (Dispatch Variance) for approximately 60 minutes between 23:00 and 23:59 at variances of up to 33 MW during the period.

Process

The event was self-reported as a potential contravention of ISO rule 6.6 by TransAlta Energy Marketing Corporation, the submitting agent for SCR1. As part of its compliance monitoring the

AESO obtained information regarding the event and provided an opportunity for your organization to bring forward information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include the following:

1. Event information provided by TransAlta Energy Marketing Corporation.
2. Self-disclosure of the event and circumstances.
3. November 28, 2007 AESO data for dispatch and generation for SCR1.

Specified Penalty

The Level of Non-Compliance for this specific circumstance is assessed to be Level 1 per the specified penalties matrix contained in AUC Rule 019. The MSA understands that this event constitutes the third contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization was issued notifications occurred on March 19, 2007 and April 11, 2007. These were addressed respectively by an AESO issued Warning letter dated February 14, 2008 and an AESO issued Non-Compliance letter dated February 21, 2008.

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$1,000.00 is appropriate for this specific contravention of ISO rule 6.6.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than April 7, 2008. The payment should reference this Notice of Specified Penalty. Questions in respect of delivery of payment should be addressed to the AUC.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the "Alberta Utilities Commission", and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice).

Delivery of payment should also be confirmed in writing or by email to the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst, MSA, at (403) 233-6497 or doug.doll@albertamsa.ca. In accordance with the relevant enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the Notice re: ISO Rules Compliance on the MSA website (link <http://www.albertamsa.ca/735.html>).

Yours truly,
Market Surveillance Administrator

Per: Mike Nozdryn-Plotnicki
Manager, Market Monitoring

Copy to: Sherry Sellick - AUC
Marcy Cochlan – TransAlta
Joanna Luong-Tran - Transalta

March 7, 2008

EPCOR PPA Management Inc.
8th Floor, 505 – 2nd Street SW
Calgary, Alberta
T2P 1N8

Attention: Mr. Gord Barr
Vice-President, Merchant Business

Dear Mr. Barr:

Re: MSA File # 2008-004
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Dispatch Variance – Sundance #5 – November 29, 2007

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a Notice of Specified Penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On November 29, 2007 Sundance #5 (SD5) was observed to be in Non-Compliance with ISO Rule 6.6 (Dispatch Variance) for approximately 53 minutes between 02:56 and 03:48 at a variance of up to 64 MW from dispatch during this period.

Process

The event was identified as a potential contravention of ISO rule 6.6 and your organization was notified accordingly. As part of its compliance monitoring the AESO obtained information regarding the event and provided an opportunity for your organization to bring forward

information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include the following:

1. November 29, 2007 AESO data for dispatch and generation of the SD#5 unit.
2. January 31, 2008 written response from EPCOR to AESO Information Request

Specified Penalty

The Level of Non-Compliance is assessed to be Level 1 in this specific circumstance. The MSA understands that this event constitutes the third contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization was issued notifications occurred on April 7, 2007, and November 8, 2007. These were addressed respectively by a Warning letter from AESO dated February 14, 2008 and a Non-Compliance letter from the MSA dated March 7, 2008.

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$2,000.00 is appropriate for this specific contravention of ISO rule 6.6.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than April 7, 2008. The payment should reference this Notice of Specified Penalty.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the "Alberta Utilities Commission", and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice).

Delivery of payment should also be confirmed in writing or by email to the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst, MSA, at (403) 233-6497 or doug.doll@albertamsa.ca. In accordance with the relevant

enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the Notice re: ISO Rules Compliance on the MSA website (link <http://www.albertamsa.ca/735.html>).

Yours truly,
Market Surveillance Administrator

Per: Mike Nozdryn-Plotnicki
Manager, Market Monitoring

Cc: Sherry Sellick - AUC

May 7, 2008

Delivered

Suncor Energy Inc.
P.O. Box 38
112 – 4th Avenue S.W.
Calgary, Alberta
T2P 2V5

Attention: Ms. Janice Odegaard
Vice-President & Corporate Secretary

Dear Ms. Odegaard:

Re: MSA File # 2008-006
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Re: Dispatch Variance – SCR1 (December 7, 2007)

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a notice of specified penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On December 7, 2007 the Suncor Poplar Creek (SCR1) unit was observed to be in non-compliance with Rule 6.6 (Dispatch Variance) for approximately 60 minutes between 12:00 and 12:59 at variances of up to 50 MW during the period.

Process

As part of its compliance monitoring the AESO obtained information regarding the event and provided an opportunity for your organization to bring forward information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include as set out in the following:

1. December 7, 2007 AESO data for dispatch and generation for SCR1;
2. March 7, 2008 letter from Suncor.

Specified Penalty

The Level of Non-Compliance for this specific circumstance is assessed to be Level 1 per the specified penalties matrix contained in AUC Rule 019. The MSA understands that this event constitutes the fifth contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization was issued notifications occurred on March 19, 2007, April 11, 2007, June 29, 2007, and November 28, 2007. These were addressed respectively by an AESO issued Warning letter dated February 14, 2008, an AESO issued Non-Compliance letter dated February 21, 2008, an AESO issued Non-Compliance letter dated March 18, 2008, and an MSA issued notice of specified penalty dated March 7, 2008.

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$8,000.00 is appropriate for this specific contravention of ISO rule 6.6.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than June 6, 2008.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the "Alberta Utilities Commission", and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice). Delivery of payment should also be confirmed in writing or by email to Doug Doll, the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst, MSA, at (403) 233-6497 or doug.doll@albertamsa.ca.

In accordance with the relevant enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the *Notice re: ISO Rules Compliance* on the MSA website (link <http://www.albertamsa.ca/735.html>). It may also be useful to refer to the MSA Investigation Procedures, found on the MSA website under *Processes*.

Yours truly,
Market Surveillance Administrator

“Original Signed”

Per: Douglas Wilson
Legal Counsel.

Copy to: Sherry Sellick - AUC
Dale Mitchell - Suncor

June 23, 2008

Delivered via e-mail

Syncrude Canada Ltd.
P.O. Bag 4009, M.D. 0019
Fort McMurray, Alberta
T9H 3L1

Attention: Mr. Marc Theriault
Vice-President Production

Dear Mr. Theriault:

Re: MSA File # 2008-026
Contravention of ISO rule 6.6 – Notice of Specified Penalty
Re: Dispatch Variance – SCL1 (February 18, 2008)

As you will be aware, your organization is a market participant governed by the ISO rules established by the Alberta Electric System Operator (AESO).

The Market Surveillance Administrator (MSA) is granted the power and authority under s. 52 of the *Alberta Utilities Commission Act* to issue a notice of specified penalty where the MSA is satisfied that a person has contravened an ISO rule. The range of specified penalties is set out in Rule 019 of the Alberta Utilities Commission (AUC).

In accordance with the relevant enactments and rules, the MSA is hereby issuing to your organization a notice of specified penalty for non-compliance with ISO rule 6.6. A summary of other relevant particulars is set out below, for your information.

Event

On February 18, 2008 the Syncrude SCL1 unit was observed to be in non-compliance with Rule 6.6 (Dispatch Variance) for approximately 2 hours and 24 minutes between 00:00 and 02:23 at variances of up to 60 MW during the period.

Process

As part of its compliance monitoring the AESO obtained information regarding the event and provided an opportunity for your organization to bring forward information it considered relevant to the matters at issue. Information obtained by the AESO was provided to the MSA for use in respect of its mandate.

Findings

Based upon the information obtained by the AESO and provided to the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

In this regard, the material facts which were relied upon by the MSA include as set out in the following:

1. February 18, 2008 AESO data for dispatch and generation for SCL1;
2. May 16, 2008 response from Syncrude to April 22, 2008 AESO Information request

Specified Penalty

The Level of Non-Compliance for this specific circumstance is assessed to be Level 1 per the specified penalties matrix contained in AUC Rule 019. The MSA understands that this event constitutes the fifth contravention of ISO rule 6.6 by your organization in the past 12 month period (calculated on a rolling basis). Previous contraventions within this time frame for which your organization was issued notifications occurred on March 7, 2007, June 23, 2007, September 13, 2007, and December 27, 2007. These were addressed respectively by an AESO issued Non-Compliance letter dated December 10, 2007, an AESO issued Non-Compliance letter dated March 18, 2008, an AESO issued Administrative Penalty dated May 30, 2008, and an MSA issued Notice of Specified Penalty dated June 2, 2008 .

For these reasons, and in accordance with AUC Rule 019, the MSA has determined that a penalty in the amount of \$8,000.00 is appropriate for this specific contravention of ISO rule 6.6.

Specified Penalty Due Date

The penalty is due and payable to the AUC not later than July 23, 2008.

Delivery of Payment

Payment by cheque or certified funds is to be made out to the "Alberta Utilities Commission", and delivered to: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File # (see first page of notice). Delivery of payment should also be confirmed in writing or by email to Doug Doll, the MSA contact person noted below.

Failure to Pay Specified Penalty

Failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

Dispute re Notice of Specified Penalty

If your organization disputes the issuance of this notice of specified penalty, or if you have any other questions or comments regarding this matter, please contact Doug Doll, Senior Analyst, MSA, at (403) 233-6497 or doug.doll@albertamsa.ca.

In accordance with the relevant enactments and rules, a dispute regarding the issuance of a notice of specified penalty will be addressed by an AUC hearing or other proceeding.

Notice of Specified Penalty Public

In accordance with AUC Rule 019, the MSA will make public this notice of specified penalty by posting a copy of this notice on its website, on or after 30 days from the date of issuance of the notice. The MSA also reserves the right to make information pertaining to the notice public through other means, in accordance with relevant enactments and rules (including rules applicable to a hearing or other proceeding before the AUC).

The MSA is committed to working with your organization and other market participants on compliance related matters, including re: the ISO rules. For further information regarding the monitoring, investigation and enforcement of ISO rules, we would refer you to the *Notice re: ISO Rules Compliance* on the MSA website (link <http://www.albertamsa.ca/735.html>). It may also be useful to refer to the MSA Investigation Procedures, found on the MSA website under *Processes*.

Yours truly,
Market Surveillance Administrator

“Original Signed”

Douglas Wilson
Legal Counsel.

Copy to: Sherry Sellick - AUC