

## NOTICE OF SPECIFIED PENALTY

Date of Issue: October 10, 2018		Payment Due Date: November 9, 2018	
MSA File Number	2018-248	<b>Specified Penalty Amount</b>	<b>\$10,000</b>
Registered Entity Name	Morgan Stanley Capital Group Inc.		
Asset ID (if applicable)	MOMT	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule	203.6	Date of Contravention	February 25, 2018
Date of Referral/Self Report	June 20, 2018	This is the fourth contravention by this asset for this rule within a rolling 12 month period.	

### EVENT DETAILS

On February 24, 2018 at approximately 22:14, an offer was submitted for asset MOMT to import 0 MW in the hour ending (HE) 01 settlement interval on February 25, 2018. However, the sum of the e-tag import volumes for the start of the HE 01 settlement interval on February 25, 2018 was 200 MW. Section 203.6 of the ISO rules states, in part:

5(1) Notwithstanding subsection 3.5.2 of the ISO rules, Submission Timing, a pool participant with an import or export energy interchange transaction must submit through the Energy Trading System the import offer or export bid for the interchange transaction, as applicable, no later than two (2) hours prior to the start of the settlement interval in order for the interchange transaction to be included in the energy market merit order.

[...]

6(3) A pool participant must submit one (1) or more e-tags for an energy interchange transaction such that the final total amount in MW agrees with the available capability of the single source asset:

- (a) as stated two (2) hours prior to the start of the settlement interval; or
- (b) as may be restated in accordance with the provisions of this section 203.6, but in any event the final total amount in MW must not exceed the available capability of the single source asset as stated at two (2) hours prior to the start of the settlement interval.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO rule 203.6.

### MATERIAL FACTS

The material facts relied upon by the MSA include the following:

1. E-tag data and AESO import offer data for MOMT for February 25, 2018.
2. AESO information request issued to Morgan Stanley Capital Group Inc. dated May 11, 2018.
3. Morgan Stanley Capital Group Inc.'s response to the AESO information request dated May 30, 2018.
4. Referral from the AESO to the MSA dated June 20, 2018.
5. Additional information provided by Morgan Stanley Capital Group Inc. to the MSA dated June 25, 2018.

### DELIVERY OF PAYMENT

Payment by cheque or certified funds is to be made out to the "General Revenue Fund c/o Minister of Finance", and delivered to the Alberta Utilities Commission (AUC) at: 1400, 600 – 3rd Avenue S.W., Calgary, Alberta, T2P 0G5. Questions in respect of delivery of payment should be directed to the AUC. The payment should reference this notice and related MSA File #. Delivery of payment should also be confirmed by email to [compliance@albertamsa.ca](mailto:compliance@albertamsa.ca), with copy to the following AUC personnel: Jeremy Smith (Financial Accountant) [Jeremy.Smith@auc.ab.ca](mailto:Jeremy.Smith@auc.ab.ca), and Greg Andrews (Investigator) [Greg.Andrews@auc.ab.ca](mailto:Greg.Andrews@auc.ab.ca).

## NOTICE

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. Specified penalties are set out in AUC Rule 019.

In accordance with the relevant enactments and rules, a dispute regarding the issuance of a Notice of Specified Penalty or failure to pay the specified penalty in accordance with this notice will result in a hearing or other proceeding before the AUC.

In accordance with s. 5(1) of AUC Rule 019 this Notice of Specified Penalty will be made public no earlier than receipt of confirmation of payment from the Commission and no later than 45 days after issuance. The MSA will, if applicable, also post on its website the link to any decision of the AUC respecting the 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 the MSA compliance team at [compliance@albertamsa.ca](mailto:compliance@albertamsa.ca).

## SIGNATURE

Signature	"Original Signed"	Signature Date	October 10, 2018
Name	Doug Doll	Title	Director, Corporate Services and Compliance