

NOTICE OF SPECIFIED PENALTY

Date of Issue: December 17, 2018		Payment Due Date: January 16, 2019	
MSA File Number	2018-435	Specified Penalty Amount	\$250
Registered Entity Name	Cenovus Energy Inc.		
Asset ID (if applicable)	EC04	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ISO Rule	203.1	Date of Contravention	October 27, 2018
Date of Referral/Self Report	October 30, 2018	This is the first contravention by this asset for this rule within a rolling 12 month period.	

EVENT DETAILS

On October 26, 2018 at approximately 20:02, the declared available capability (AC) of generating asset EC04 was restated from 98 MW to 10 MW for hour ending (HE) 01 to 24 on October 27, 2018. At approximately 23:40 on the same day, EC04 received and accepted an energy dispatch for 10 MW effective for 00:00 on October 27, 2018. AC was restated on October 26 at approximately 23:42 to 77 MW and restated again on October 27 at approximately 01:01 to 78 MW impacting the October 27 HE 03 to 24 settlement intervals. AC was restated to 78 MW on October 27 at approximately 01:15 impacting the October 27 HE 02 settlement interval. However, from approximately 00:00 to 01:15 EC04 generated approximately 78 MW during this period while the declared AC was 10 MW. Subsection 5 of section 203.1 states:

A pool participant that submits an offer must also submit the available capability, in MW, for each source asset which such available capability must equal the maximum capability of the source asset unless the pool participant has submitted an acceptable operational reason with the offer.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO rule 203.1.

MATERIAL FACTS

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

1. AESO available capability, dispatch, and generation data for EC04 for October 27, 2018.
2. Self-report submitted by Cenovus Energy Inc. to the MSA dated October 30, 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, with copy to the following AUC personnel: Jeremy Smith (Financial Accountant) Jeremy.Smith@auc.ab.ca, and Greg Andrews (Investigator) 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.

SIGNATURE

Signature	"Original Signed"	Signature Date	December 17, 2018
Name	Doug Doll	Title	Director, Corporate Services and Compliance