

NOTICE OF SPECIFIED PENALTY

Date of Issue: March 5, 2020		Payment Due Date: April 6, 2020	
MSA File Number	2019-564	Specified Penalty Amount	\$2,500
Registered Entity Name	Mercer Peace River Pulp Ltd.		
Asset ID (if applicable)	DAI1	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule Section	203.3	Date of Contravention	June 19, 2019
Date of Referral/Self Report	December 19, 2019	This is the second contravention by this asset for this section of the ISO rules within a rolling 12 month period.	

EVENT DETAILS

On June 19, 2019, at approximately 01:01, Mercer Peace River Pulp Ltd. submitted a MW restatement redistributing the MW offered from the DAI1 asset, for HE 02 and HE 03, within two hours of the start of the affected settlement intervals. Information available to the MSA indicates that an available capability restatement alone could have accommodated the operating state of DAI1. Section 203.3 of the ISO rules states, in part:

- 4(1) A pool participant that submits an offer may submit a MW restatement prior to two (2) hours before the start of a settlement interval.
- (2) A pool participant that submits an offer must submit a MW restatement redistributing the MW to represent the operating state of the source asset, as soon as reasonably practicable, if the source asset cannot comply with the current offer as a result of:
- (a) either
- (i) an acceptable operational reason; or
 - (ii) an operational deviation and such restatement is required under subsection 5(3) of section 203.4 of the ISO rules, *Delivery Requirements for Energy*, and an available capability restatement under subsection 2 cannot reasonably accommodate the source asset's operating state; or
- (b) carrying out either one (1) or both of commissioning and testing under section 505.3 of the ISO rules, *Coordinating Synchronization, Commissioning, WECC Testing and Ancillary Services Testing* or under section 505.4 of the ISO rules, *Coordinating Operational Testing*.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of section 203.3 of the ISO rules.

MATERIAL FACTS

- The material facts relied upon by the MSA include the following:
1. AESO available capability, dispatch, generation and offer data for DAI1 for June 19, 2019.
 2. AESO information request issued to Mercer Peace River Pulp Ltd., dated December 2, 2019.
 3. Mercer Peace River Pulp Ltd.'s response to the AESO information request, dated December 10, 2019.
 4. Referral from the AESO to the MSA dated December 19, 2019.

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	March 5, 2020
Name	Andrew Wilkins	Title	Director, Compliance