

NOTICE OF SPECIFIED PENALTY

Date of Issue: June 5, 2020		Payment Due Date: July 6, 2020	
MSA File Number	2020-035	Specified Penalty Amount	\$1,250
Registered Entity Name	Balancing Pool		
Asset ID (if applicable)	KH2	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ISO Rule Section	203.4	Date of Contravention	December 9, 2019
Date of Referral/Self Report	January 30, 2020	This is the second contravention by this asset for this section of the ISO rules within a rolling 12 month period.	

EVENT DETAILS

On December 9, 2019, the KH2 generating asset received and accepted a dispatch for regulating reserve effective at 08:00. Between settlement intervals HE 09 and HE 12, KH2 delivered MWs in 10 minute clock periods that were less than the dispatch MW minus the allowable dispatch variance. Section 203.4 of the ISO rules states in part:

- 3(2) A pool participant that is supplying regulating reserve from a generating source asset must ensure that the MW delivered in any 10 minute clock period is:
- (a) not less than the dispatch MW minus the allowable dispatch variance; and
 - (b) not greater than the dispatch MW plus the regulating reserve plus the allowable dispatch variance.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of section 203.4 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 KH2 for December 9, 2019.
2. Self-report submitted by the Balancing Pool to the MSA dated January 30, 2020.

DELIVERY OF PAYMENT

Payment by cheque or certified funds is to be made payable to the "General Revenue Fund c/o Minister of Finance", and delivered to Alberta Energy at: 9945 – 108 Street NW, Edmonton, Alberta, T5K 2G6. The payment should reference this Notice of Specified Penalty and related MSA File #. Electronic copies of the payment and confirmation of delivery should be sent by email to compliance@albertamsa.ca and enforcement@auc.ab.ca. Questions can be directed to compliance@albertamsa.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	June 5, 2020
Name	Andrew Wilkins	Title	Director, Compliance