

NOTICE OF SPECIFIED PENALTY

Date of Issue: June 23, 2015

Payment Due Date: July 23, 2015

MSA File Number:	RS2015-004 & RS2015-021	Specified Penalty Amount:	\$ 1,500
Registered Entity Name:	ENMAX Energy Corporation		
Reliability Standard :	VAR-002-AB-1.1b	Self Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement:	R2, R3	Accepted Mitigation Plan:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report:	April 7, 2015	Date of Contravention:	February 12 to 19, 2014; March 13, 2014; and June 16, 2014

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2014-2016 audit schedule, the AESO conducted a scheduled Q4/2014 compliance monitoring audit of ENMAX Energy Corporation. The applicable audit period with respect to VAR-002 extended from October 1, 2013 to September 30, 2014. Based upon AESO audit findings, VAR-002 was contravened as follows:

- For February 12-19, March 13, and June 16, 2014, the voltage regulating system at the KHW1 asset was out of service without consent from the AESO. **R2** of the standard states:

R2 The operator of an aggregated generating facility, subject to requirement R3 and the ISO's consent to operate otherwise, must only operate such aggregated generating facility with the voltage regulating system in service, in voltage control mode and controlling voltage.

MR2 Evidence of operating as required in requirement R2 exists. Evidence may include operator logs or data files.

- For February 12-19, March 13, and June 16, 2014, the AESO was not notified when the voltage regulating system at the KHW1 asset went out of service. **R3** of the standard states:

R3 Each operator of a generating unit and operator of an aggregated generating facility must notify the ISO as soon as reasonably possible when the automatic voltage regulator or voltage regulating system is out of service.

MR3 Evidence of notifying the ISO as required in requirement R3 exists. Evidence may include operator logs or voice recordings.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard VAR-002-AB-1.1b, requirements R2 and R3.

MATERIAL FACTS

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

- Self-report from ENMAX Energy Corporation to the MSA dated January 21, 2015.
- AESO Alberta Reliability Standards Compliance Monitoring Audit Report dated April 7, 2015 based upon findings of the AESO Q4/2014 reliability compliance audit of ENMAX Energy Corporation.

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: 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 #. Delivery of payment should also be confirmed by email to compliance@albertamsa.ca, with copy to the following AUC personnel: Sabi Ghavami (Director, Finance) sabi.ghavami@auc.ab.ca, and Darin Lowther (Director, Markets) darin.lowther@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 a reliability standard. Specified penalties are set out in AUC Rule 027.

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 027 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.

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SIGNATURE

Signature:	"Original Signed"	Signature Date:	June 23, 2015
Name:	Doug Doll	Title:	Manager Compliance and Corporate Services