

## NOTICE OF SPECIFIED PENALTY

Date of Issue: October 21, 2016

Payment Due Date: November 21, 2016

MSA File Number:	RS2016-078	<b>Specified Penalty Amount:</b>	\$ 2,250
Registered Entity Name:	Nexen Energy ULC		
Reliability Standard :	COM-001-AB1-1.1	Self Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement:	R3	Accepted Mitigation Plan:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report:	August 25, 2016	Date of Contravention:	October 1, 2013 to March 31, 2016

### EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2016-2018 audit schedule, the AESO conducted a scheduled Q2/2016 compliance monitoring audit of Nexen Energy ULC. The applicable audit period with respect to COM-001-AB1-1.1 extended from April 1, 2013 to March 31, 2016. Based upon AESO audit findings, COM-001-AB1-1.1 was contravened as follows:

- From October 1, 2013 to February 23, 2014, there was no evidence to demonstrate that alternate voice and message telecommunication facilities were tested at the Long Lake Plant. Furthermore, from October 1, 2013 to March 31, 2016, there was insufficient evidence to demonstrate that Nexen managed its alternate voice and message telecommunications facilities at the Long Lake plant.

**R3** of the standard states:

**R3** The ISO and each operator of a transmission facility must manage and test its alternate voice and message telecommunication facilities.

**MR3** Evidence of managing and testing its alternate voice and message telecommunication facilities as required in requirement **R3** exists. Evidence may include:

- a list identifying each telecommunication facility as determined to be alternate;
- documented procedures describing how to manage and test its alternate telecommunication facilities; and
- records of testing.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard COM-001-AB1-1.1, requirement R3.

### MATERIAL FACTS

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

- AESO Alberta Reliability Standards Compliance Monitoring Audit Report dated August 25, 2016 based upon findings of the AESO Q2/2016 reliability compliance audit of Nexen Energy ULC.
- Mitigation Plan from Nexen Energy ULC dated October 14, 2016.

### 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](mailto:compliance@albertamsa.ca), with copy to the following AUC personnel: Sabi Ghavami (Director, Finance) [sabi.ghavami@auc.ab.ca](mailto:sabi.ghavami@auc.ab.ca), and Andrew Davison (Senior Market Analyst) [andrew.davison@auc.ab.ca](mailto:andrew.davison@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](mailto:compliance@albertamsa.ca).

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### SIGNATURE

Signature:	"Original Signed"	Signature Date:	October 21, 2016
Name:	Doug Doll	Title:	Director Corporate Services and Compliance