

NOTICE OF SPECIFIED PENALTY

Date of Issue: May 9, 2017		Payment Due Date: June 9, 2017	
MSA File Number	RS 2017-005 and RS 2017-006	Specified Penalty Amount	\$7,500
Registered Entity Name	Oldman 2 Wind Farm Ltd.		
Reliability Standard	VAR-002-AB-3	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirements	R1, R3	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	February 10, 2017	Date of Contravention	May 4, 2016 to May 6, 2016

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2016-2018 audit schedule, the AESO conducted a scheduled Q4/2016 compliance monitoring audit of Oldman 2 Wind Farm Ltd. The applicable audit period with respect to VAR-002-AB-3 extended from April 1, 2016 to September 30, 2016. Based upon AESO audit findings, VAR-002-AB-3 was contravened as follows:

1. From May 4, 2016 until May 6, 2016, Oldman 2 Wind Farm Ltd. did not operate its aggregated generating facility with the voltage regulating system in service and in voltage control mode.

R1 of VAR-002-AB-3 states:

The operator of a generating unit and the operator of an aggregated generating facility must, while a generating unit or aggregated generating facility is electrically connected to the transmission system, operate the generating unit or aggregated generating facility with its automatic voltage regulator or voltage regulating system in service and in voltage control mode unless:

- a) exempted by the ISO;
- b) the operator of the generating unit or operator of the aggregated generating facility provides voice notification to the ISO of its intention to operate the generating unit or aggregated generating facility otherwise;
- c) the generating unit or aggregated generating facility is being operated in start-up or shutdown mode in accordance with the procedure of the operator of a generating unit or operator of an aggregated generating facility; or
- d) the operator of a generating unit or the operator of an aggregated generating facility has previously obtained approval from the ISO allowing the generating unit or aggregated generating facility to be in a testing mode

M1 of VAR-002-AB-3 states: Evidence of operating the generating unit or aggregated generating facility in automatic voltage control mode as required in requirement R1 exists. Evidence may include, but is not limited to, exemption letters, data files, start-up or shut-down procedures, operator logs, voice recordings, e-mail, or other equivalent evidence.

2. On May 4, 2016 Oldman 2 Wind Farm Ltd. failed to notify the ISO within 30 minutes after a voltage regulating system change in status.

R3 of VAR-002-AB-3 states:

Each operator of a generating unit and operator of an aggregated generating facility must notify the ISO within thirty (30) minutes after a status change of the automatic voltage regulator, voltage regulating system or alternative voltage controlling device and power system stabilizer, as applicable, on any generating unit or aggregated generating facility.

R3.1 If the status has been restored within thirty (30) minutes of such change, then the operator of a generating unit or operator of an aggregated generating facility is not required to notify the ISO of the status change.

R3.2 If a generating unit or an aggregated generating facility is in testing, start-up, shut-down or offline mode, requirement R3 does not apply.

M3 of VAR-002-AB-3 states:

Evidence of notifying the ISO within thirty (30) minutes of any status change as required in requirement R3 exists. Evidence may include, but is not limited to, data logs, SCADA logs, voice recordings or operator logs.

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-3, requirements R1 and R3.

MATERIAL FACTS

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

1. AESO Alberta Reliability Standards Compliance Monitoring Audit Report dated February 10, 2017 based upon findings of the AESO Q4/2016 reliability compliance audit of Oldman 2 Wind Farm Ltd.
2. Mitigation plan submitted by Oldman 2 Wind Farm Ltd. on May 2, 2017.

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: 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 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.

SIGNATURE

Signature	"Original Signed"	Signature Date	May 9, 2017
Name	Doug Doll	Title	Director, Compliance and Corporate Services