

## NOTICE OF SPECIFIED PENALTY

Date of Issue: June 16, 2017		Payment Due Date: July 17, 2017	
MSA File Number	RS2017-017	<b>Specified Penalty Amount</b>	<b>\$18,750</b>
Registered Entity Name	Canadian Natural Resources Ltd.		
Reliability Standard	FAC-003-AB1-1	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement	R1	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	April 19, 2017	Date of Contravention	October 1, 2013 to September 30, 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 Canadian Natural Resources Ltd. The applicable audit period with respect to FAC-003-AB1-1 extended from October 1, 2013 to September 30, 2016. Based upon the AESO's audit findings, FAC-003-AB1-1 was contravened as follows:

1. From November 14, 2014 to September 30, 2016, there was insufficient evidence to demonstrate that Canadian Natural Resources Ltd. had updated the Transmission Vegetation Management Program (TVMP) at least annually.
2. From October 1, 2013 to September 30, 2016, the TVMP did not include work specifications as specified in the ISO TVMP template.

**R1** of the standard states:

**R1** Each legal owner of a transmission facility must prepare a TVMP. This program is to be updated at least annually. The TVMP must include the objectives, practices, approved procedures, and work specifications of the legal owner of a transmission facility.

**MR1** A revision history of the TVMP is provided annually to the ISO. A TVMP exists and is provided in the format specified in the ISO TVMP template. The TVMP is provided within 30 days of request. The TVMP is complete and includes the required component sections specified in the template.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard FAC-003-AB1-1, requirement R1.

### MATERIAL FACTS

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

1. AESO Alberta Reliability Standards Compliance Monitoring Audit Report dated April 19, 2017 based upon findings of the AESO Q4/2016 compliance monitoring audit of Canadian Natural Resources Ltd.
2. Mitigation Plan from Canadian Natural Resources Ltd. dated June 12, 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](mailto:compliance@albertamsa.ca), with copy to the following AUC personnel: Jeremy Smith (Financial Accountant) [jeremy.smith@auc.ab.ca](mailto:jeremy.smith@auc.ab.ca), and Greg Andrews (Investigator) [greg.andrews@auc.ab.ca](mailto: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](mailto:compliance@albertamsa.ca).

**SIGNATURE**

Signature	"Original Signed"	Signature Date	June 16, 2017
Name	Doug Doll	Title	Director, Compliance and Corporate Services