

## NOTICE OF SPECIFIED PENALTY

Date of Issue: May 29, 2017		Payment Due Date: June 29, 2017	
MSA File Number	RS2017-023/024	<b>Specified Penalty Amount</b>	<b>\$5,000</b>
Registered Entity Name	City of Lethbridge		
Reliability Standard	PRC-001-AB1-1	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirements	R6, R7.3	Accepted Mitigation Plan	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Date of Referral/Self Report	May 5, 2017	Date of Contravention	March 1, 2014 – March 31, 2014

### EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2017-2019 audit schedule, the AESO conducted a scheduled Q1/2017 compliance monitoring audit of the City of Lethbridge. The applicable audit period with respect to PRC-001-AB1-1 extended from January 1, 2014 to April 30, 2015. Based upon the AESO's audit findings, PRC-001-AB1-1 was contravened as follows:

- In March 2014 there was insufficient evidence submitted by the City of Lethbridge to demonstrate that the City of Lethbridge coordinated all protection systems including existing, new and modified protection systems with the ISO.

**R6** of PRC-001-AB1-1 states: Each legal owner of a transmission facility must coordinate all protection systems including existing, new and modified protection systems with each adjacent legal owner of a transmission facility, affected legal owner of a generating unit, affected legal owner of an aggregated generating facility, affected interconnected transmission operators and the ISO.

**MR6** of PRC-001-AB1-1 states: Evidence exists that could include, but is not limited to, revised fault analysis study, letters of agreement on settings, notifications of changes, that meets the requirements as specified in requirement R6.

- In March 2014 there was insufficient evidence submitted by the City of Lethbridge to demonstrate that the City of Lethbridge provided reasonable prior notice to the ISO of proposed protection system changes.

**R7.3** of PRC-001-AB1-1 states: Each operator of a transmission facility must identify changes in any of its transmission, load or operating conditions that may require changes in protection systems of others, and provide reasonable prior notice to the ISO and each affected operator of a transmission facility and adjacent interconnected transmission operator of such proposed changes.

**MR7.3** of PRC-001-AB1-1 states: Evidence exists and shows that all changes requiring protection changes were made as specified in requirement R7.3.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard PRC-001-AB1-1, requirements R6 and R7.3.

### MATERIAL FACTS

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

- AESO Alberta Reliability Standards Compliance Monitoring Audit Report dated May 4, 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	May 29, 2017
Name	Doug Doll	Title	Director, Compliance and Corporate Services