

NOTICE OF SPECIFIED PENALTY

Date of Issue: March 24, 2020		Payment Due Date: April 27, 2020	
MSA File Number	RS2018-304	Specified Penalty Amount	\$3,750
Registered Entity Name	Cenovus Energy Inc.		
Reliability Standard	PRC-001-AB2-1	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	October 25, 2018	Date of Contravention	July 1, 2015 to September 30, 2017

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2018–2020 Audit Schedule, the AESO conducted a scheduled Q3/2018 compliance monitoring audit of Cenovus Energy Inc. The applicable audit period with respect to PRC-001-AB2-1 extended from July 1, 2015 to September 30, 2017. Based upon the AESO’s Audit findings and MSA determination, PRC-001-AB2-1 was contravened as follows:

Between July 1, 2015 and September 30, 2017, with durations from 287 to 792 days, Cenovus Energy Inc. failed to demonstrate that three operating personnel were familiar with the purpose and limitations of protection system schemes applied in its area. PRC-001-AB2-1 states, in part:

R1 The operating personnel of each of the ISO, the operator of a transmission facility, the operator of a generating unit and the operator of an aggregated generating facility must be familiar with the purpose and limitations of protection system schemes applied in its area.

MR1 Training records are available that indicate training of staff who operate the system in protection system schemes and any remedial action scheme applicable within their system.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard PRC-001-AB2-1, requirement R1.

MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated October 25, 2018, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report on the AESO Q3/2018 compliance monitoring audit of Cenovus Energy Inc.
2. Completed Mitigation Plan submitted by Cenovus Energy Inc. to the MSA dated October 18, 2019.

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: 1400, 600 – 3rd Avenue S.W., Calgary, Alberta, T2P 0G5. Questions in respect of delivery of payment should be directed to the 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		Signature Date	March 23, 2020
Name	Anders Renborg	Title	Director, Critical Infrastructure