

NOTICE OF SPECIFIED PENALTY

Date of Issue: September 4, 2020		Payment Due Date: October 7, 2020	
MSA File Number	RS2020-022, RS2020-023 and RS2020-024	Specified Penalty Amount	\$7,500
Registered Entity Name	Oldman 2 Wind Farm Limited		
Reliability Standard	VAR-002-AB-3	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement	R1, R3 and R4	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	February 11, 2020	Date of Contravention	March 1, 2017 to September 30, 2019

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2019–2021 Audit Schedule, the AESO conducted a scheduled Q4/2019 compliance monitoring audit of Oldman 2 Wind Farm Limited. The applicable audit period with respect to VAR-002-AB-3 extended from October 1, 2016 to September 30, 2019. Based upon the AESO's audit findings, the MSA finds that VAR-002-AB-3 was contravened as follows:

- 1) From March 1, 2017 to September 30, 2019, Oldman 2 Wind Farm Limited did not operate the Wintering Hills aggregated generating facility with the voltage regulating system in voltage control mode as required by requirement R1.
- 2) From September 15, 2019 at 20:27 to September 16, 2019 at 15:58, Oldman 2 Wind Farm Limited did not operate the Oldman 2 aggregated generating facility with the voltage regulating system in service and in voltage control mode as required by requirement R1.

VAR-002-AB-3 R1 states, in part:

R1 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 shut-down 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.

MR1 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.

- 3) On September 15, 2019, Oldman 2 Wind Farm Limited operator failed to notify the ISO within thirty minutes after the voltage regulating system change in status as required by R3. VAR-002-AB-3 R3 states, in part:

R3 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.

MR3 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.

4) On May 19, 2018, Oldman 2 Wind Farm Limited was unable to provide evidence to demonstrate that the Oldman 2 Wind Farm Limited operator notified the ISO within thirty minutes after becoming aware of a change in reactive capability for their reactive compensation equipment as required by R4. VAR-002-AB-3 R4 states, in part:

R4 Each operator of a generating unit and operator of an aggregated generating facility must notify the ISO within thirty (30) minutes after becoming aware of a change in reactive capability due to factors other than a status change described in requirement R3.

R4.1 If the capability has been restored within thirty (30) minutes of the operator of a generating unit or operator of an aggregated generating facility becoming aware of such change, then the operator is not required to notify the ISO of the change in reactive capability.

R4.2 If a generating unit or an aggregated generating facility is in testing, start-up, shut-down or offline mode, requirement R4 does not apply.

MR4 Evidence of notifying the ISO within thirty (30) minutes of becoming aware of a change in capability as required in requirement R4 exists. If the capability has been restored within the first thirty (30) minutes of the operator of a generating unit or operator of an aggregated generating facility becoming aware of such change, no evidence of notification is necessary. Evidence may include, but is not limited to, 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, requirement R1, R3 and R4.

MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated February 11, 2020, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report on the AESO Q4/2019 compliance monitoring audit of Oldman 2 Wind Farm Limited.
2. Mitigation Plan submitted on August 10, 2020 by Oldman 2 Wind Farm Limited to the MSA.

DELIVERY OF PAYMENT

Payment by cheque or certified funds is to be made payable to the "General Revenue Fund c/o Minister of Finance", and delivered to Alberta Energy at: 9945 – 108 Street NW, Edmonton, Alberta, T5K 2G6. The payment should reference this Notice of Specified Penalty and related MSA File #. Electronic copies of the payment and confirmation of delivery should be sent by email to compliance@albertamsa.ca and enforcement@auc.ab.ca. Questions can be directed to compliance@albertamsa.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	September 4, 2020
Name	Andrew Wilkins	Title	Director, Compliance