

## NOTICE OF SPECIFIED PENALTY

Date of Issue: October 7, 2020		Payment Due Date: November 9, 2020	
MSA File Number	RS2020-071	<b>Specified Penalty Amount</b>	<b>\$1,500</b>
Registered Entity Name	Canadian Natural Resources Limited		
Reliability Standard	FAC-003-AB1-1	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement	R3	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	March 18, 2020	Date of Contravention	Q3/2017, Q1/2018, Q2/2018 and Q3/2019

### 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 Canadian Natural Resources Limited. The applicable audit period with respect to FAC-003-AB1-1 extended from October 1, 2016 to September 30, 2019. Based upon the AESO's audit findings, the MSA finds that FAC-003-AB1-1 was contravened as follows:

For four quarters (Q3/2017, Q1/2018, Q2/2018 and Q3/2019) Canadian Natural Resources Limited failed to submit the sustained outage quarterly reports by the date specified by the ISO. FAC-003-AB1-1 states, in part:

**R3** Each *legal owner of a transmission facility* must report quarterly to the *ISO, sustained outages* to its transmission lines determined by the *legal owner of a transmission facility* to have been caused by vegetation.

**MR3** Quarterly reports are submitted to the *ISO* by the dates specified by the *ISO*. Quarterly reports contain all sustained outages caused by vegetation for that reporting period. Quarterly reports contain the specific information in the requirement.

### 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 R3.

### MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated March 18, 2020, including the AESO Reliability Standards Compliance Monitoring Audit Report on the Q4-2019 compliance monitoring audit of Canadian Natural Resources Limited.
2. Completed Mitigation Plan submitted by Canadian Natural Resources Limited to the MSA dated April 17, 2020.

### 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](mailto:compliance@albertamsa.ca) and [enforcement@auc.ab.ca](mailto:enforcement@auc.ab.ca). Questions can be directed to [compliance@albertamsa.ca](mailto: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](mailto:compliance@albertamsa.ca).

### SIGNATURE

Signature	"Original Signed"	Signature Date	October 7, 2020
Name	Andrew Wilkins	Title	Director, Compliance