

## NOTICE OF SPECIFIED PENALTY

Date of Issue: May 26, 2021		Payment Due Date: June 25, 2021	
MSA File Number	RS2021-073 and RS2021-074	<b>Specified Penalty Amount<sup>1</sup></b>	<b>\$2,250</b>
Registered Entity Name	ENMAX Energy Corporation		
Reliability Standard	FAC-008-AB-3	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement	R3 and R6	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	April 9, 2021	Date of Contravention	January 1, 2020 until Mitigation Plan completed

### EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2020-2022 Audit Schedule, the AESO conducted a scheduled Q4-2020 compliance monitoring audit of ENMAX Energy Corporation. The applicable audit period with respect to FAC-008-AB-3 extended from January 1, 2020 to September 30, 2020. The MSA finds that FAC-008-AB-3 was contravened as follows:

1) From January 1, 2020 until the applicable mitigation plan activities are completed, ENMAX Energy Corporation's documented methodology did not include the underlying assumptions, design criteria, and methods to determine the equipment ratings identified in R3.1, including identification of how each of the following were considered:

- (a) equipment rating standard(s) used in development of this method;
- (c) ambient conditions (for particular or average conditions or as they vary in real time);
- (d) operating limitations; and
- (e) both summer and winter season operations, where summer is defined as May 1st at 12:01 AM Mountain Time to October 31st at 12:00 midnight Mountain Time and winter is defined as November 1st at 12:01 AM Mountain Time to April 30th at 12:00 midnight Mountain Time;

2) From January 1, 2020 until the applicable mitigation plan activities are completed, ENMAX Energy Corporation's documented methodology did not contain a process by which the equipment ratings of the equipment that comprises a facility are determined, specifically addressing the following sub-requirements:

- R3.4.1 the scope of equipment that comprises that facility did not include, conductors and relay protective devices; and
- R3.4.2 the scope of equipment ratings addressed did not include, emergency ratings, and
- R3.4.2.2 the emergency ratings for the transmission line were not specified for a ten (10) minute duration.

FAC-008-AB-3 R3 states, in part:

**R3** Each **legal owner** of a **transmission facility** must have a documented methodology for determining the **facility ratings** of its facilities (except for those facilities associated with a **generating unit** or **aggregated generating facility** addressed in requirements R1 and R2) that contains all of the following:

**R3.2** the underlying assumptions, design criteria, and methods used to determine the **equipment ratings** identified in requirement R3.1, including identification of how each of the following were considered:

- (a) **equipment rating** standard(s) used in development of this method;
- (b) ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications;
- (c) ambient conditions (for particular or average conditions or as they vary in);
- (d) operating limitations; and
- (e) both summer and winter season operations, where summer is defined as May 1st at 12:01 AM Mountain Time to October 31st at 12:00 midnight Mountain Time and winter is defined as November 1st at 12:01 AM Mountain Time to April 30th at 12:00 midnight Mountain Time;

<sup>1</sup> Specified penalty amount conditional on the completion of the accepted Mitigation Plan.

**R3.4** the process by which the **equipment ratings** of the equipment that comprises a facility are determined, where:

**R3.4.1** the scope of equipment that comprises the facility, addressed in accordance with requirement R3.4, must include, but not be limited to, conductors, transformers, relay protective devices, terminal equipment, and series and shunt compensation devices; and

**R3.4.2** the scope of **equipment ratings** addressed in accordance with requirement R3.4 must include, at a minimum, both **normal ratings** and **emergency ratings**, such that:

**R3.4.2.1** the **emergency ratings** for equipment comprising power transformers must be specified for a 30 minute duration and the next 3.5 hour duration; and

**R3.4.2.2** the **emergency ratings** for transmission lines must be specified for a ten (10) minute duration.

**MR3** Evidence of having a documented **facility ratings** methodology as described in requirement R3 exists.

3) From January 1, 2020 until the applicable mitigation plan activities are completed, ENMAX Energy Corporation was unable to demonstrate that manufacturer information was used to determine a transmission line rating according to its methodology.

FAC-008-AB-3 R6 states, in part:

**R6** Each **legal owner** of a **transmission facility**, **legal owner** of a **generating unit** and **legal owner** of an **aggregated generating facility** must have **facility ratings** for its facilities that are consistent with:

(a) the **facility ratings** methodology in accordance with requirements R2 or R3, for a **transmission facility**, a **generating unit** and an **aggregated generating facility**; and

(b) the documentation in accordance with requirement R1, for a **generating unit** and an **aggregated generating facility**.

**MR6** Evidence of having **facility ratings** that are consistent with the **facility ratings** methodology in accordance with requirements R2 and R3, and the documentation in accordance with requirement R1 exist.

#### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard FAC-008-AB-3, requirement R3 and R6.

#### MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated April 9, 2021, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report regarding the AESO Q4-2020 Compliance Monitoring Audit of ENMAX Energy Corporation.
2. Mitigation Plan submitted by ENMAX Energy Corporation to the MSA dated April 23, 2021.

#### 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	May 26, 2021
Name	Andrew Wilkins	Title	Director, Compliance