

NOTICE OF SPECIFIED PENALTY

Date of Issue: September 20, 2021		Payment Due Date: October 21, 2021	
MSA File Number	RS2021-148 and RS2021-149	Specified Penalty Amount	\$2,250
Registered Entity Name	MATL Canada L.P.		
Reliability Standard	FAC-008-AB-3	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement	R3.4 and R6	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	July 16, 2021	Date of Contravention	January 1, 2020 to December 31, 2020

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2021-2023 Audit Schedule, the AESO conducted a scheduled Q1-2021 compliance monitoring audit of MATL Canada L.P. (MATL). The applicable audit period with respect to FAC-008-AB-3 extended from January 1, 2020 to December 31, 2020. The MSA finds that FAC-008-AB-3 was contravened as follows:

1) From January 1, 2020 to December 31, 2020, MATL'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:

R3.4.2 the scope of equipment ratings addressed did not include, 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 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:

R3.4 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.

2) From January 1, 2020 to December 31, 2020, MATL facility ratings for one transmission line was not consistent with the facility rating methodology provided in R3.

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, requirements R3.4 and R6.

MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated July 16, 2021, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report regarding the AESO Q1-2021 Compliance Monitoring Audit of MATL.
2. Mitigation Plan for R3.4 submitted by MATL to the MSA dated July 27, 2021.
3. Mitigation Plan for R6 submitted by MATL to the MSA dated July 27, 2021.
4. Completed Mitigation Plan for R3.4 submitted by MATL to the MSA dated August 13, 2021.
5. Completed Mitigation Plan for R6 submitted by MATL to the MSA dated August 13, 2021.
6. Additional documents provided by MATL to the MSA dated August 13, 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 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 20, 2021
Name	Andrew Wilkins	Title	Director, Compliance