

## NOTICE OF SPECIFIED PENALTY

Date of Issue: October 15, 2021		Payment Due Date: November 15, 2021	
MSA File Number	RS2021-154	<b>Specified Penalty Amount</b>	<b>\$3,750</b>
Registered Entity Name	ATCO Electric Ltd.		
Reliability Standard	PRC-004-AB1-1/PRC-004-AB2-1 <sup>1</sup>	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	July 16, 2021	Date of Contravention	July 30, 2018 to June 29, 2021

### 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 ATCO Electric Ltd. (ATCO Electric). The applicable audit period with respect to PRC-004-AB1-1/PER-004-AB2-1 extended from April 1, 2018 to December 31, 2020. The MSA finds that PRC-004-AB1-1/PRC-004-AB2-1 was contravened as follows:

From July 30, 2018 to June 29, 2021 ATCO Electric did not implement the corrective action plan pertaining to a misoperation that occurred on July 30, 2018 within a timeframe that was reasonable to avoid future misoperations of a similar nature.

PRC-004-AB1-1 R1 states, in part:

**R1** Each *legal owner of a transmission facility, legal owner of a generating unit and legal owner of an aggregated generating facility* must analyze its *protection system misoperations* and develop and implement a *corrective action plan* to avoid future *misoperations* of a similar nature.

**MR1** Evidence exists and shows analysis was completed and *corrective action plans* were implemented as specified in requirement R1.

PRC-004-AB2-1 R1 states, in part:

**R1** Each **legal owner** of a **transmission facility, legal owner of a generating unit and legal owner of an aggregated generating facility** must analyze **misoperations** of its **protection systems** affecting the **reliability** of the **bulk electric system**, and develop and implement a corrective action plan to avoid future **misoperations** of a similar nature.

**MR1** Evidence of analyzing **misoperations**, and developing and implementing a corrective action plan as required in requirement R1 exists. Evidence may include reports that include analysis and corrective action plans, emails, work orders, or other equivalent evidence.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard PRC-004-AB1-1/PRC-004-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 July 16, 2021, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report regarding the AESO Q1-2021 Compliance Monitoring Audit of ATCO Electric Ltd.
2. Mitigation Plan submitted by ATCO Electric to the MSA dated August 5, 2021.
3. Completed Mitigation Plan submitted by ATCO Electric to the MSA dated September 29, 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).

<sup>1</sup> PRC-004-AB1-1 was in effect from January 2, 2013 – March 31, 2019 and PRC-004-AB2-1 became effective on April 1, 2019.

**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 15, 2021
Name	Andrew Wilkins	Title	Director, Compliance