

## NOTICE OF SPECIFIED PENALTY

Date of Issue: March 30, 2022		Payment Due Date: May 2, 2022	
MSA File Number	RS2022-020	<b>Specified Penalty Amount<sup>1</sup></b>	<b>\$2,250</b>
Registered Entity Name	Imperial Oil Resources Limited		
Reliability Standard	FAC-008-AB-3	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	January 24, 2022	Date of Contravention	January 1, 2020 until mitigation complete

### EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2021-2023 Audit Schedule, the AESO conducted a Q3/2021 compliance monitoring audit of Imperial Oil Resources Limited (IOR). The applicable audit period with respect to FAC-008-AB-3 extended from January 1, 2020 to June 30, 2021. The MSA finds that FAC-008-AB-3 was contravened as follows:

From January 1, 2020 until the appropriate mitigation plan is complete, IOR's documented methodology did not include any evidence required by requirements R3.2, R3.3 and R3.4.

FAC-008-AB-3 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;

**R3.3** a statement that a **facility rating** must not exceed the most limiting applicable **equipment rating** of the individual equipment that comprises that facility; and

**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.

<sup>1</sup> Specified Penalty Amount conditional on the completion of the accepted Mitigation Plan.

## 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.

## MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated January 24, 2022, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report regarding the Q3-2021 Compliance Monitoring Audit of Imperial Oil Resources Limited.
2. Additional information provided by the AESO to the MSA on February 15, 2022 and February 17, 2022.
3. Mitigation Plan submitted by Imperial Oil Resources Limited to the MSA dated March 2, 2022.

## 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	March 30, 2022
Name	Derek Olmstead	Title	Administrator & CEO