

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 31, 2022		Payment Due Date: October 3, 2022	
MSA File Number	RS2022-079	Specified Penalty Amount¹	\$3,750
Registered Entity Name	TransCanada Energy Ltd.		
Reliability Standard	PRC-005-AB1-6 PRC-005-AB2-6 ²	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	April 28, 2022	Date of Contravention	April 1, 2020 until Mitigation Plan complete

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2021-2023 Audit Schedule, the AESO conducted a scheduled Q4/2021 compliance monitoring audit of TransCanada Energy Ltd. (TCE). The applicable audit period with respect to PRC-005-AB2-6 extended from October 1, 2019 to September 30, 2021. The MSA finds that PRC-005-AB1-6 and PRC-005-AB2-6 were contravened from April 1, 2020 until the applicable mitigation plan activity is completed, as TCE did not maintain its protection systems, automatic reclosing, and sudden pressure relaying for two assets in accordance with the maintenance activities intervals prescribed by Table 1-4 of Appendix 1 of PRC-005-AB1-6 and PRC-005-AB2-6. PRC-005-AB1-6 and PRC-005-AB2-6 state, in part:

R3 Each legal owner of a transmission facility, legal owner of a generating unit, and legal owner of an aggregated generating facility that uses time-based maintenance program(s) must maintain its protection system, automatic reclosing, and sudden pressure relaying components that are included within the time-based maintenance program in accordance with the minimum maintenance activities and maximum maintenance intervals prescribed within Tables 1-1 through 1-5, Table 2, Table 3, Tables 4-1 through 4-3, and Table 5 of Appendix 1.

MR3 Evidence of maintaining protection system, automatic reclosing, and sudden pressure relaying components in accordance with the minimum maintenance activities and maximum maintenance intervals as required in requirement R3 exists. Evidence may include, but is not limited to, dated maintenance records, dated maintenance summaries, dated check-off lists, dated inspection records, or dated 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-005-AB1-6/PRC-005-AB2-6, requirement R3.

MATERIAL FACTS

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

1. Referral from the AESO to the MSA dated April 28, 2022, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report on the AESO Q4/2021 compliance monitoring audit of TransCanada Energy Ltd. (TCE).
2. Mitigation Plan submitted by TCE to the MSA dated May 19, 2022.
3. Additional information provided by TCE to the MSA dated June 24, 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 and enforcement@auc.ab.ca. Questions can be directed to compliance@albertamsa.ca.

¹ Specified penalty amount conditional on the completion of the accepted Mitigation Plan.

² PRC-005-AB1-6 was in effect from October 1, 2019 – October 12, 2020 and PRC-005-AB2-6 became effective on October 13, 2020.

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	August 31, 2022
Name	Andrew Wilkins	Title	Director, Compliance