

NOTICE OF SPECIFIED PENALTY

Date of Issue: January 30, 2024		Payment Due Date: February 29, 2024	
MSA File Number	RS2023-150	Specified Penalty Amount¹	\$ 3,750
Market Participant Name	City of Lethbridge		
Reliability Standard	PRC-005-AB2-6	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	July 14, 2023	Date of Contravention	January 1, 2020

MSA FINDINGS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2021 to 2023 audit schedule, the AESO conducted the Q1/2023 compliance monitoring audit of City of Lethbridge (Lethbridge). The applicable audit period with respect to this standard extended from October 13, 2020, to December 31, 2022. The Market Surveillance Administrator (MSA) finds that PRC-005-AB2-6 R3 was contravened as follows:

1. From April 1, 2020, to December 31, 2022, as there was insufficient evidence to demonstrate that Lethbridge completed battery related maintenance at least every 4 months.
2. From October 1, 2021, to December 31, 2022, as there was insufficient evidence to demonstrate that Lethbridge completed the initial 18-month battery load testing by October 1, 2021, for 6 substations.
3. From July 19, 2022, to December 31, 2022, as there was insufficient evidence to demonstrate that Lethbridge completed the second load test at one substation within the 18-month maximum maintenance interval.
4. From October 13, 2020, to December 31, 2022, as there was insufficient evidence to demonstrate that Lethbridge's monitoring of relays meets the requirements in tables 1-1, 3, to allow Lethbridge to extend the maintenance intervals to 12 years as indicated in their maintenance program.
5. From October 13, 2020, to October 1, 2021, as there was insufficient evidence to demonstrate that Lethbridge completed maintenance on 30% of the identified components with a maximum allowable interval of 6 calendar years by October 1, 2021.

PRC-005-AB2-6 states, 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.

The MSA is satisfied that the conduct was a contravention of Reliability Standard PRC-005-AB2-6, requirement R3.

DELIVERY OF PAYMENT

Payment can be made by electronic funds transfer (EFT). Please reach out to compliance@albertamsa.ca for instructions. When submitting the EFT, please send an email to AU.FinOps@gov.ab.ca, compliance@albertamsa.ca and enforcement@auc.ab.ca noting the dollar amount, date of the EFT, market participant name and the MSA File #. Questions can be directed to compliance@albertamsa.ca.

NOTICE

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

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 an Alberta 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.

APPROVED BY

Mark Nesbitt, Director, Enforcement on January 29, 2024.