

NOTICE OF SPECIFIED PENALTY

Date of Issue: February 9, 2024		Payment Due Date: March 11, 2024	
MSA File Number	RS2023-154	Specified Penalty Amount¹	\$ 3,750
Market Participant Name	The City of Red Deer		
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	April 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 The City of Red Deer (CRD). The applicable audit period with respect to this standard extended from April 1, 2020, to December 31, 2022. The Market Surveillance Administrator (MSA) finds that PRC-005-AB2-6 R3 was contravened as the maintenance of the station dc supply using Vented Lead-Acid (VLA) Batteries was not performed in accordance with the maximum maintenance intervals prescribed in Table 1-4(a) per Appendix 1 and the implementation plan per Appendix 5 as follows:

1. From April 1, 2020, to October 12, 2021, and from February 28, 2022, to December 31, 2022 - pertaining to the Maximum Maintenance Interval of 4 months.
2. From October 1, 2021, to October 12, 2021 - pertaining to the Maximum Maintenance Interval of 18 months.

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 MSA file #, market participant name, name as appears on bank account, payment amount and the date of the payment. MSA File #. 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 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 February 9, 2024.

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