

NOTICE OF SPECIFIED PENALTY

Date of Issue: May 14, 2025		Payment Due Date: June 14, 2025	
MSA File Number	RS2023-158	Specified Penalty Amount	\$5,000
Market Participant Name	Alberta Electric System Operator (AESO)		
Reliability Standard	BAL-005-AB-1	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement	R3 and R5	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Self Report	July 25, 2023	Date of Contraventions	January 1, 2023, to December 31, 2023

MSA FINDINGS

From June 29, 2023, at 15:31 to July 5, 2023, at 08:20, the Alberta Electric System Operator (AESO) frequency monitoring equipment was unavailable. Accordingly, the AESO contravened requirement R3.1 of BAL-005-AB-1 as the frequency monitoring equipment was not available for a minimum of 99.95% of the calendar year 2023. Further, the AESO contravened R5 as the system used to calculate reporting area control error was not available for a minimum of 99.5% of the calendar year 2023. This is a consolidated Notice of Specified Penalty for both R3 and R5 for the calendar year 2023.

Requirement R3 of BAL-005-AB-1 states:

The ISO must use frequency metering equipment for the calculation of reporting area control error:
R3.1 that is available a minimum of 99.95% for each calendar year; and
R3.2 with a minimum accuracy of 0.001 Hz.

Requirement R5 of BAL-005-AB-1 states:

The ISO must ensure the system it uses to calculate reporting area control error is available a minimum of 99.5% of each calendar year.

The MSA is satisfied that the conduct was a contravention of Reliability Standard BAL-005-AB-1, requirements R3 and R5. Given the extent of the contravention, the MSA is satisfied that the contravention was severe.

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. 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

Johanne Poirier Mouallem, Advisor, Alberta Reliability Standards on May 14, 2025