

NOTICE OF SPECIFIED PENALTY

Date of Issue: June 11, 2024		Payment Due Date: July 11, 2024	
MSA File Number	RS2024-077	Specified Penalty Amount¹	\$ 2,500
Market Participant Name	MEG Energy Corp.		
Reliability Standard	PRC-005-AB2-6	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement	R3	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Self Report	April 24, 2024	Date of Contravention	April 1, 2020

MSA FINDINGS

The components of the protection system station dc supply using VLA Batteries associated with the two generators at the Christina Lake facility were not identified as being subject to the standard, therefore the station dc supply voltage verification was not completed every 4 calendar months and the 18 months verifications and inspections were not performed. This is a contravention of PRC-005-AB2-6 requirement R3 (Table 1-4(a)) from April 1, 2020, to March 1, 2024. Additionally, the requirement was contravened as the maintenance activities of 30% of the components were not performed by October 1, 2021, and the maintenance activities of 60% of the components were not performed by October 1, 2023.

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.

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. 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 June 7, 2024.

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