

NOTICE OF SPECIFIED PENALTY

Date of Issue: July 17, 2025		Payment Due Date: August 18, 2025	
MSA File Number	RS2025-070 RS2025-071	Specified Penalty Amount¹	\$3,000
Market Participant Name	City of Medicine Hat		
Reliability Standard	EOP-008-AB-1	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement	R5, R7	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Self Report	May 8, 2024	Date of Contravention	March 27, 2025

MSA FINDINGS

EOP-008-AB-1 states, in part:

R5 The ISO and each operator of a transmission facility must annually review and approve its operating plan for backup functionality.

R5.1 An update and approval of the operating plan for backup functionality must take place within sixty (60) days of identifying any necessary changes to any part of the operating plan described in requirement R1.

[...]

R7 The ISO and each operator of a transmission facility must conduct and document results of an annual test of its operating plan that demonstrates:

R7.1 The transition time between the decision to transfer functionality to the backup control centre following the simulated loss of primary control centre functionality and the time to fully implement the backup functionality; and

R7.2 The backup functionality for a minimum of two (2) continuous hours.

City of Medicine Hat contravened requirement R5 of EOP-008-AB-1 from March 27, 2025, to May 1, 2025, as it did not annually review and approve its operating plan for backup functionality.

City of Medicine Hat contravened requirement R7 of EOP-008-AB-1 from March 27, 2025, to April 20, 2025, as it did not conduct and document results of an annual test of its operating plan that demonstrates R7.1 and R7.2.

The MSA is satisfied that the conduct was a contravention of Reliability Standard EOP-008-AB-1 Requirements 5 and 7. The MSA determined the contravention was lower severity.

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
Daniela Cismaru - Advisor, Reliability Standards, July 17, 2025.

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