

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 19, 2026		Payment Due Date: September 21, 2026	
MSA File Number	RS2025-172	Specified Penalty Amount ¹	\$12,500.00
Market Participant Name:	Syncrude Canada Ltd.		
Reliability Standard	FAC-003-AB1-1	Self-Report	Yes: ☒ No: ☐
Requirement	R1.2	Accepted Mitigation Plan	Yes: ☒ No: ☐
Date of Referral / Self Report	September 29, 2025	Date of Contravention:	June 14, 2024 - July 20, 2025

MSA FINDINGS

Requirements R1 and R1.2 of FAC-003-AB-1 state:

R1 Each legal owner of a transmission facility must prepare a TVMP. This program is to be updated at least annually. The TVMP must include the objectives, practices, approved procedures, and work specifications 1 of the legal owner of a transmission facility.

R1.2 The TVMP must identify and document clearances between vegetation and any overhead ungrounded supply conductors, taking into consideration transmission line voltage, the effects of ambient temperature on conductor sag under maximum design loading, and the effects of wind velocities on conductor sway. Specifically, the legal owner of a transmission facility must establish clearances to be achieved at the time of vegetation management work identified herein as Clearance 1, and must also establish and maintain a set of clearance requirements identified herein as Clearance 2 to prevent flashover between vegetation and overhead ungrounded supply conductors.

Based on the information provided by Syncrude Canada Ltd., the MSA is satisfied that a contravention of R1.2 of FAC-003-AB1-1 occurred between June 14, 2024, and July 20, 2025, as vegetation clearances from overhead ungrounded supply conductors did not comply with the requirements set out in the Transmission Vegetation Management Plan.

The MSA accepted the mitigation plan, in accordance with section 4.9(c) of AUC Rule 027, as the actions correct the contravention and are intended to prevent recurrence of the root cause.

DELIVERY OF PAYMENT

Payment can be made by electronic funds transfer (EFT). Please reach out to compliance@albertamsa.ca (<mailto:compliance@albertamsa.ca>) for instructions. When submitting the EFT, please send an email to AU.FinOps@gov.ab.ca (<mailto:AU.FinOps@gov.ab.ca>), compliance@albertamsa.ca (<mailto:compliance@albertamsa.ca>) and enforcement@auc.ab.ca (<mailto: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 (<mailto: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 unless it qualifies for the public reporting exception for critical infrastructure protection (CIP) contraventions in s. 5.3 of AUC Rule 027. 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 (<mailto:compliance@albertamsa.ca>).

APPROVED BY

Daniela Cismaru, Advisor, Alberta Reliability Standards on August 19, 2026

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