NOTICE OF SPECIFIED PENALTY

Date of Issue: March 17, 2011		Payment Due Date: April 18, 2011	
MSA File Number:	2011-057	**Specified Penalty Amount:**	$ 5,000
Market Participant Name:	Morgan Stanley Capital Group		
Asset ID (if applicable):	MOBC	Self Report	☐ YES ☒ NO
ISO Rule:	6.3.3	Date of Contravention:	October 11, 2010
Date of Referral/Self Report:	March 15, 2011	This is the 9th contravention by this asset for this rule within a rolling 12 month period.	

EVENT DETAILS

On October 11, 2010 the offer Available Capability (AC) value for MOBC import asset was 15 MW for HE 24. For this same hour, the sum of the import e-tag quantities was 0 MW. This was a discrepancy of 15 MW. Section 6.3.3 of the ISO rules requires, for an importer (exporter), that the AC be restated in accordance with rule 3.5.3.2 (3.5.4.2) prior to the settlement interval in which the offer (bid) is to take effect, to equal the sum of the importer's (exporter's) e-tag quantities for that interval.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.3.3.

MATERIAL FACTS

The material facts relied upon by the MSA include the following:

1. AESO metered and offered data for the MOBC asset for October 11, 2010.
2. AESO Information Request to Morgan Stanley Capital Group dated December 15, 2010.
3. Morgan Stanley Capital Group January 6, 2011 response to AESO information request.
4. AESO letter to Morgan Stanley Capital Group dated March 15, 2011 notifying the referral of the matter to the MSA.

DELIVERY OF PAYMENT

Payment by cheque or certified funds is to be made out to the "General Revenue Fund c/o Minister of Finance", and delivered to the Alberta Utilities Commission (AUC) at: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File #. Delivery of payment should also be confirmed by email to compliance@albertamsa.ca, with copy to the following AUC personnel: Sabi Ghavami (Director, Finance) sabi.ghavami@auc.ab.ca, and Darin Lowther (Director, Market Rules) darin.lowther@auc.ab.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 ISO rule. Specified penalties are set out in AUC Rule 019.

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 019 this Notice of Specified Penalty will be made public no earlier 30 days 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.

SIGNATURE

Signature:	"Original Signed"	Signature Date:	March 17, 2011
Name:	Doug Doll	Title:	Manager Compliance