

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 22, 2011

Payment Due Date: September 22, 2011

MSA File Number:	2011-141	Specified Penalty Amount:	\$ 5, 000
Market Participant Name:	Powerex Corp.		
Asset ID (if applicable):	PWBC	Self Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule:	6.3.3	Date of Contravention:	March 16, 2011
Date of Referral/Self Report:	July 18, 2011	This is the 4th contravention by this asset for this rule within a rolling 12 month period. See MSA files 2010-085, 2010-093 & 2010-094	

EVENT DETAILS

On March 16, 2011 an offer restatement was submitted for the PWBC asset at 17:54 for HE20 on March 16, 2011 which decreased the available capability (AC) for the asset within the T-2 window without an acceptable operating reason. This restatement had the effect of decreasing the AC value from 550 to 357 MW. At 18:22, for the same hour, an offer restatement was submitted for the PWBC asset which increased the AC from 357 MW to 374 MW. At 18:31, a third restatement was submitted for the PWBC asset which had the effect of decreasing the AC value from 374 MW to 373 MW. ISO rule 6.3.3 requires that the sum of the importer's (exporter's) e-tag quantities (MW) and importer's (exporter's) wheel-through interchange e-tag quantities (MW) for a single import source (sink) asset may only be less than the AC of such asset stated two hours before the start of the settlement interval if the importer (exporter) has an acceptable operational reason. Each importer (exporter) who offers (bids) energy must submit an energy restatement in accordance with rule 3.5.3.2 prior to the settlement interval in which the offer is to take effect, if the sum of the importer's (exporter's) e-tag quantities (MW) and importer's (exporter's) wheel-through interchange transaction e-tag quantities (MW) for such settlement interval is less than the AC. Unless otherwise requested by the system controller under rule 6.3.7, the sum of the e-tag quantities (MW) and importer's (exporter's) wheel through interchange transaction e-tag quantities (MW) cannot be greater than the AC offered two hours before the start of a settlement 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 restatement and available capability data for the PWBC asset for March 16, 2011.
2. AESO Information Request to Powerex Corp. dated May 2, 2011.
3. Powerex Corp. May 9, 2011 response to AESO information request.
4. AESO letter to Powerex Corp. dated July 18, 2011 notifying the referral of the matter to the MSA.
5. Powerex Corp. July 20, 2011 letter 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:	August 22, 2011
Name:	Doug Doll	Title:	Manager Compliance