

NOTICE OF SPECIFIED PENALTY

Date of Issue: May 1, 2013

Payment Due Date: May 31, 2013

MSA File Number:	2013-089	Specified Penalty Amount:	\$ 250
Market Participant Name:	Nexen Inc.		
Asset ID (if applicable):	NX01	Self Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ISO Rule:	OPP 404	Date of Contravention:	March 1, 2013
Date of Referral/Self Report:	March 26, 2013	This is the first contravention by this asset for this rule within a rolling 12 month period.	

EVENT DETAILS

On March 1, 2013 NX01 was issued an advance dispatch instruction for effect at 02:00 to maintain a prior energy dispatch level of 39 MW and to reduce regulating reserves from 25 MW to 15 MW. NX01 rejected the dispatch instruction and continued to provide 25 MW of regulating reserves until approximately 02:30. OPP 404 indicates that when an ancillary services provider rejects an ancillary service dispatch, the participant is required to contact the system controller to provide a reason for rejecting the dispatch and to restate its ancillary services availability. In this case, the dispatch was rejected at approximately 01:41, however, the system controller was not contacted until approximately 02:28 and no reason was provided for NX01 to be unable to follow the dispatch to 15 MW of regulating reserves.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of OPP 404.

MATERIAL FACTS

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

1. AESO generation and dispatch data for NX01 for March 1, 2013
2. Self-report from Nexen Inc. to the MSA on March 26, 2013.

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:	May 1, 2013
Name:	Doug Doll	Title:	Manager, Compliance and Corporate Services