

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 6, 2013

Payment Due Date: September 6, 2013

MSA File Number:	2013-277	Specified Penalty Amount:	\$ 750
Market Participant Name:	Nexen Inc.		
Asset ID (if applicable):	NX02	Self Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ISO Rule:	203.4	Date of Contravention:	June 28, 2013
Date of Referral/Self Report:	July 18, 2013	This is the first contravention by this asset for this rule within a rolling 12 month period.	

EVENT DETAILS

On June 27, 2013 at approximately 19:15, the Long Lake facility (NX02) was islanded from the Alberta Interconnected Electric System (AIES) by an export restriction prompted by a transmission event on the system. Prior to this event, NX02 was dispatched to 160 MW. As a result of the event, NX02 promptly decreased generation output to approximately 85 MW based upon on-site requirements. At approximately 21:57, the export restriction islanding the facility was lifted, however, NX02 remained at an output level of 85 MW while dispatched to 160 MW until 01:10 on June 28, 2013. ISO rule 203.4 states that a pool participant must operate its generating source assets or cause them to be operated; and respond to dispatches from the ISO, using good electric industry practice, including the design, implementation, and use of reasonable dispatch protocols, together with personnel and software systems designed to detect and address errors or omissions in a timely fashion.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO Rule 203.4

MATERIAL FACTS

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

1. Self-report from Nexen ULC to the MSA on July 18, 2013.
2. AESO generation, dispatch, and Available Capability data for NX02 for June 27-28, 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:	August 6, 2013
Name:	Doug Doll	Title:	Manager, Compliance and Corporate Services