

NOTICE OF SPECIFIED PENALTY

Date of Issue: May 29, 2013

Payment Due Date: July 2, 2013

MSA File Number:	RS2012-051	Specified Penalty Amount:	\$ 2,500
Registered Entity Name:	Syncrude Canada Ltd.		
Reliability Standard :	PRC-001-AB-1	Self-Report:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement:	R3	Accepted Mitigation Plan:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report:	December 6, 2012	Date of Contravention:	January 5, 2012 to Present

EVENT DETAILS

On January 4, 2012 the secondary protection distance relay for the transmission line connecting Syncrude's D05 substation and the Aurora G01 substation failed. While the relay failure did not result in the loss of the transmission circuit, the protection system failure was not reported to the AESO in accordance with R3 of the standard. R3.1 and R3.2 of Alberta Reliability Standard PRC-001-AB-1 indicate that the ISO should have been notified of the failure within 24 hours of detecting such failure and to commence as soon as possible and proceed diligently to correct such failure unless otherwise directed by the ISO. In this case, the failure was confirmed as a reportable event in March 2012; however, the failure was not reported to the ISO or otherwise self-reported to the MSA until December 2012.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard PRC-001-AB-1, requirement 3.

MATERIAL FACTS

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

1. Syncrude Canada Ltd self-report submitted to the MSA on December 6, 2012.
2. MSA request for additional information issued to Syncrude Canada Ltd. on April 30, 2012.
3. Syncrude Canada Ltd. May 6, 2013 response to the MSA information request.
4. Syncrude Canada Ltd. mitigation plan submitted to the MSA on May 14, 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 a 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 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 29, 2013
Name:	Doug Doll	Title:	Manager Compliance and Corporate Services