

NOTICE OF SPECIFIED PENALTY

Date of Issue: September 11, 2013

Payment Due Date: October 14, 2013

MSA File Number:	RS2013-031	Specified Penalty Amount:	\$5,000
Registered Entity Name:	TransCanada Energy Ltd.		
Reliability Standard :	PRC-001-AB-1	Self Report:	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement:	R1	Accepted Mitigation Plan:	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Date of Referral/Self Report:	2013-07-26	Date of Contravention:	2011-01-13 – 2012-09-30

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2011 – 2014 Audit schedule, the AESO conducted a scheduled Q4 2012 compliance monitoring audit of TransCanada Energy Ltd. (TCE). The applicable audit period with respect to PRC-001-AB-1 ("the standard") extended from the effective date of the standard (January 13, 2011 per R1) to September 30, 2012. In respect of compliance measurement MR1 of the standard, the AESO randomly selected two operating personnel for verification of applicable training records. No evidence was presented by TCE to demonstrate that the selected personnel had received training in protection system schemes applied in its area. Furthermore, AESO audit findings determined that the training materials provided as evidence to support compliance with R1 did not cover the purpose and limitations of the protection schemes applied in its area. R1 of PRC-001-AB-1 states "The operating personnel of the ISO, TFO's and operators of generating units must each be familiar with the purpose and limitations of protection system schemes applied in its area."

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the events were contraventions of Reliability Standard PRC-001-AB1-1, requirement R1.

MATERIAL FACTS

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

1. The AESO's Alberta Reliability Standards Compliance Monitoring Audit Report dated September 27, 2012 based upon the audit evidence collected by AESO.

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:	September 11, 2013
Name:	Doug Doll	Title:	Manager, Compliance and Corporate Services