

NOTICE OF SPECIFIED PENALTY

Date of Issue: January 31, 2014

Payment Due Date: March 3, 2014

MSA File Number:	2013-430	Specified Penalty Amount:	\$ 500
Market Participant Name:	MEG Energy Corp.		
Asset ID (if applicable):	MEG1	Self Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule:	203.1	Date of Contravention:	August 26, 2013
Date of Referral/Self Report:	December 16, 2013	This is the first contravention by this asset for this rule within a rolling 12 month period.	

EVENT DETAILS

On August 26, 2013, from approximately 14:00 to 14:41 the declared available capability (AC) for the MEG1 generating asset was 0 MW while the unit generated at a level at or about 59 MW during this interval. ISO Rule 203.1 indicates that a pool participant that submits an offer must also submit the available capability, in MW, for each source asset which such available capability must equal the maximum capability of the source asset unless the pool participant has submitted an acceptable operational reason with the offer.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO Rule 203.1.

MATERIAL FACTS

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

1. AESO generation and available capability (AC) data for MEG1 for August 26, 2013.
2. AESO information requests issued to MEG1 on November 7, 14, and 29, 2013.
3. MEG1 responses provided to AESO on November 8, 18, and December 12, 2013.
4. AESO letter to MEG1 dated December 16, 2013 indicating referral of the matter 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:	January 31, 2014
Name:	Doug Doll	Title:	Manager, Compliance and Corporate Services