

## NOTICE OF SPECIFIED PENALTY

Date of Issue: January 20, 2025		Payment Due Date: February 20, 2025	
MSA File Number	RS2024-232 / 233 / 234	<b>Specified Penalty Amount<sup>1</sup></b>	<b>\$ 2,500</b>
Market Participant Name	City of Medicine Hat		
Reliability Standard	PRC-001-AB3-1.1(ii)	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement	R2.1, R2.2, R2.3	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Self Report	October 30, 2024	Date of Contravention	March 11, 2024

### MSA FINDINGS

The City of Medicine Hat contravened R2 of PRC-001-AB3-1.1(ii) on March 11, 2024, in the four instances of protection failure at MHS-06 and MH138-620, as follows:

- R2.1 as no notification was provided to the ISO, and to each directly affected operator of a transmission facility, directly affected operator of a generating unit, directly affected operator of an aggregated generating facility and directly affected interconnected transmission operator as soon as possible, but no longer than twenty-four (24) hours after becoming aware of a failure identified in requirements R2(a), R2(b) and R2(d), and no longer than forty-eight (48) hours after becoming aware of a failure identified in requirement R2(c)
- R2.2 as no return-to-service date was provided
- R2.3 as there is no evidence to demonstrate that the failures were corrected as soon as possible.

PRC-001-AB3-1.1(ii) states, in part:

R2 Each operator of a transmission facility, operator of a generating unit and operator of an aggregated generating facility must take the actions listed in requirements R2.1 through R2.3 after becoming aware of the failure of any of the following protection systems or teleprotection communication channels under its authority:

(a) a protection system, other than a related teleprotection communication channel referred to in requirement R2(c) or R2(d), that protects a transmission facility operated at a nominal voltage greater than 200 kV, whether or not a functionally equivalent protection system remains in service;

(b) a protection system, other than a related teleprotection communication channel referred to in requirement R2(c) or R2(d), that protects a transmission facility that is part of the bulk electric system where a functionally equivalent protection system is not available;

(c) a teleprotection communication channel, that is part of a protection system for a transmission facility operated at a nominal voltage greater than 200 kV, where there is an equivalent backup teleprotection communication channel, and where the failure lasts for more than twenty-four (24) continuous hours; or

(d) a teleprotection communication channel, where there is no equivalent backup teleprotection communication channel, and where the failure lasts for more than ten (10) consecutive minutes.

R2.1 Provide notification to the ISO, and to each directly affected operator of a transmission facility, directly affected operator of a generating unit, directly affected operator of an aggregated generating facility and directly affected interconnected transmission operator as soon as possible, but no longer than twenty-four (24) hours after becoming aware of a failure identified in requirements R2(a), R2(b) and R2(d), and no longer than forty-eight (48) hours after becoming aware of a failure identified in requirement R2(c), regardless of whether or not the transmission facility is removed from service following the awareness of such failure, that includes the following information:

(a) the identification of the protection system or teleprotection communication channel(s) that failed;

(b) when the protection system or teleprotection communication channel(s) failed or when such failure was first discovered; and

(c) an estimate of the date when the protection system or teleprotection communication channel(s) will be returned to service.

R2.2 Where the protection system or teleprotection communication channel(s) are not returned to service by the estimated return to service date identified in requirement R2.1, provide a new estimate of the return to service date up to five (5) days

after the previous estimated return to service date to the entities that received the notification in accordance with requirement R2.1.

R2.3 Correct the failure as soon as possible.

[...]

The MSA is satisfied that the conduct was a contravention of Reliability Standard PRC-001-AB3-1.1(ii), requirement R2.1, R2.2, & R2.3.

#### DELIVERY OF PAYMENT

Payment can be made by electronic funds transfer (EFT). Please reach out to [compliance@albertamsa.ca](mailto:compliance@albertamsa.ca) for instructions. When submitting the EFT, please send an email to [AU.FinOps@gov.ab.ca](mailto:AU.FinOps@gov.ab.ca), [compliance@albertamsa.ca](mailto:compliance@albertamsa.ca) and [enforcement@auc.ab.ca](mailto:enforcement@auc.ab.ca) noting the MSA file #, market participant name, name as appears on bank account, payment amount and the date of the payment. Questions can be directed to [compliance@albertamsa.ca](mailto:compliance@albertamsa.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 Alberta 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 receipt of confirmation of payment from the Commission 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](mailto:compliance@albertamsa.ca).

#### APPROVED BY

Mark Nesbitt, Director, Enforcement on January 20, 2025

---

<sup>1</sup> Specified penalty amount conditional on the completion of the accepted Mitigation Plan.