

## NOTICE OF SPECIFIED PENALTY

Date of Issue: May 11, 2011

Payment Due Date: June 13, 2011

MSA File Number:	2011-078	<b>Specified Penalty Amount:</b>	\$ 2,500
Market Participant Name:	Cenovus FCCL Ltd.		
Asset ID (if applicable):	EC04	Self Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule:	6.6	Date of Contravention:	January 24, 2011
Date of Referral/Self Report:	April 4, 2011	This is the second contravention by this asset for this rule within a rolling 12 month period.	

### EVENT DETAILS

On January 24, 2011 at approximately 00:04 the EC04 asset accepted an energy dispatch to move from 40 MW to 82 MW for immediate effect. The EC04 asset did move directionally towards the new dispatch level but failed to reach generating asset steady state due to a unit trip. AESO data indicates that the declared ramp rate in ETS for EC04 was 4 MW/min. The allowable dispatch variance (ADV) for the EC04 asset is 5 MW. Based on the calculation within section 6.6.3(b) of ISO Rule 6.6, the EC04 asset was required to be generating within the ADV of its dispatch by 00:30. The EC04 asset was out compliance until the available capability was restated at approximately 01:01. Section 6.6.3(b) of ISO Rule 6.6 requires that, in accordance with an energy market dispatch issued to a pool participant, the output of a generating asset must reach generation asset steady state within a calculated time period which takes into account the declared ramp rate of the asset and the incremental energy market dispatch quantity.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO rule 6.6.

### MATERIAL FACTS

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

1. AESO available capability, generation and dispatch data for the EC04 asset for January 24, 2011.
2. AESO Information Request to Cenovus Energy Inc. dated March 2, 2011.
3. Cenovus Energy Inc. March 15, 2011 response to AESO information request.
4. AESO letter to Cenovus Energy Inc. dated April 4, 2011 notifying the 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](mailto:compliance@albertamsa.ca), with copy to the following AUC personnel: Sabi Ghavami (Director, Finance) [sabi.ghavami@auc.ab.ca](mailto:sabi.ghavami@auc.ab.ca), and Darin Lowther (Director, Market Rules) [darin.lowther@auc.ab.ca](mailto: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](mailto:compliance@albertamsa.ca).

### SIGNATURE

Signature:	"Original Signed"	Signature Date:	May 11, 2011
Name:	Doug Doll	Title:	Manager Compliance