

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 23, 2011

Payment Due Date: September 23, 2011

MSA File Number:	2011-143	Specified Penalty Amount:	\$ 500
Market Participant Name:	TransAlta Corporation		
Asset ID (if applicable):	ARD1/BTR1	Self Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule:	OPP 806	Date of Contravention:	March 17, 2011
Date of Referral/Self Report:	July 19, 2011	This is the first contravention by this asset for this rule within a rolling 12 month period.	

EVENT DETAILS

On March 17, 2011 at 10:57 the AESO's system controller (SC) issued the ARD1 and BTR1 assets a reliability directive to curtail their combined generation to 105 MW net to grid generation. Asset ARD1 and BTR1 could not meet did not meet the directive for approximately 179 minutes during the time the directive was in effect. The directive was in effect from 10:57 until 22:41 on March 17, 2011. Section 4.3 of OPP 806 states that the generation facility owners must comply with SC reliability directives immediately upon receipt, and respond in accordance with good electric practice.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO OPP 806.

MATERIAL FACTS

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

1. AESO available capability, generation, dispatch data and system controller shift log for the ARD1 and BTR1 assets for March 17, 2011.
2. AESO Information Request to TransAlta Corporation dated June 3, 2011.
3. TransAlta Corporation June 16, 2011 response to AESO information request.
4. AESO letter to TransAlta Corporation dated July 19, 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, 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:	August 23, 2011
Name:	Doug Doll	Title:	Manager Compliance