

NOTICE OF SPECIFIED PENALTY

Date of Issue: March 1, 2013

Payment Due Date: April 1, 2013

MSA File Number:	RS2013-005	Specified Penalty Amount:	\$ 7,500
Registered Entity Name:	Imperial Oil Resources		
Reliability Standard :	CIP-001-AB-1	Self Report:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement:	R3	Accepted Mitigation Plan:	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Date of Referral/Self Report:	February 7, 2013	Date of Contravention:	April 12, 2010 to March 31, 2012

EVENT DETAILS

A contravention of CIP-001-AB-1 (all requirements) was initially self-reported by Imperial Oil Resources (IOR) on June 30, 2010 together with a completed mitigation plan. The self-report indicated non-compliance from the effective date of the standard (April 12, 2010) to June 20, 2010. On the basis of the self-report and mitigation plan, the MSA issued a letter to Imperial Oil on July 29, 2010 indicating it would not be pursuing the matter further. Subsequently, the Alberta Electric System Operator conducted a scheduled Q2 2012 compliance monitoring audit of Imperial Oil Resources. The audit period extended from the effective date of the standard (April 12, 2010) to March 31, 2012. Compliance audit findings indicated that all operating personnel did not receive sabotage event response procedures in accordance with R3 of the standard. R3 of Alberta Reliability Standard CIP-001-AB-1 states "Each responsible entity must annually provide its operating personnel with sabotage event response procedures, including personnel to contact, for reporting sabotage events".

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard CIP-001-AB-1, requirement 3. Additionally no penalty reduction regarding the previously submitted mitigation plan was made in recognition of the audit results.

MATERIAL FACTS

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

1. Imperial Oil Resources self-report and mitigation plan dated June 30, 2010.
2. AESO referral dated February 7, 2013 including the AESO's Alberta Reliability Standards Compliance Monitoring Audit Report dated February 4, 2013 based upon audit testing of evidence collected by the AESO.
3. Written confirmation from the AESO that the IOR personnel listed in pages 7-9 of the audit report together with dates of initial R3 related training, were designated operating personnel as of April 12, 2010.

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:	March 1, 2013
Name:	Doug Doll	Title:	Manager Compliance and Corporate Services