

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 23, 2019		Payment Due Date: September 23, 2019	
MSA File Number	RS2018-195	Specified Penalty Amount	\$18,750
Registered Entity Name	ATCO Electric Ltd.		
Reliability Standard	FAC-003-AB1-1	Self-Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requirement	R1	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	July 27, 2018	Date of Contravention	January 1, 2015 to December 31, 2015

EVENT DETAILS

Pursuant to the Alberta Electric System Operator (AESO) Alberta Reliability Standards 2018–2020 audit schedule, the AESO conducted a scheduled Q1/2018 compliance monitoring audit of ATCO Electric Ltd. The applicable audit period with respect to FAC-003-AB1-1 extended from January 1, 2015 to December 31, 2017. Based upon the AESO’s audit findings, FAC-003-AB1-1 was contravened as follows:

From January 1, 2015 to December 31, 2015, ATCO Electric Ltd. did not perform Detailed Ground Patrol as identified in their 2015 schedule for 9L24, 9L29, and 9L46. FAC-003-AB1-1 states, in part:

- R1** Each legal owner of a transmission facility must prepare a TVMP. This program is to be updated at least annually. The TVMP must include the objectives, practices, approved procedures, and work specifications^[...] of the legal owner of a transmission facility.
 - R1.1** The TVMP must define a schedule for and the type (aerial or ground) of ROW vegetation inspections. This schedule must be flexible enough to adjust for changing conditions. The inspection schedule must be based on the anticipated growth of vegetation and any other environmental or operational factors that could impact the relationship of vegetation to the transmission facilities of the legal owner of a transmission facility. The legal owner of a transmission facility must perform vegetation inspections as identified in the schedule.
- MR1** A revision history of the TVMP is provided annually to the ISO. A TVMP exists and is provided in the format specified in the ISO TVMP template. The TVMP is provided within 30 days of request. The TVMP is complete and includes the required component sections specified in the template.
 - MR1.1** A vegetation inspection schedule exists in the TVMP. The schedule is completed in accordance with the ISO TVMP template. The schedule includes all applicable transmission lines. Documentation exists to show that the vegetation inspections have been performed.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard FAC-003-AB1-1, requirement R1.

MATERIAL FACTS

- The material facts relied upon by the MSA include the following:
1. Referral from the AESO to the MSA dated July 27, 2018, including the AESO Alberta Reliability Standards Compliance Monitoring Audit Report on the AESO Q1/2018 compliance monitoring audit of ATCO Electric Ltd.
 2. Completed Mitigation Plan submitted on October 17, 2019 by ATCO Electric Ltd. 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: 1400, 600 – 3rd Avenue S.W., Calgary, Alberta, T2P 0G5. Questions in respect of delivery of payment should be directed to the 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: Jeremy Smith (Financial Accountant) Jeremy.Smith@auc.ab.ca, and Greg Andrews (Investigator) Greg.Andrews@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 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.

SIGNATURE

Signature	"Original Signed"	Signature Date	August 23, 2019
Name	Anders Renborg	Title	Director, Compliance