

NOTICE OF SPECIFIED PENALTY

Date of Issue: February 14, 2023		Payment Due Date: March 17, 2023	
MSA File Number	RS2022-247	Specified Penalty Amount	\$2,500
Registered Entity Name	Cenovus Energy Inc.		
Reliability Standard	PRC-005-AB2-6	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement	R3	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Referral/Self Report	October 13, 2022	Date of Contravention	June 10, 2022 to October 26, 2022

EVENT DETAILS

From June 10, 2022, to October 26, 2022, Cenovus Energy Inc. (Cenovus) did not maintain its protection systems, automatic reclosing, and sudden pressure relaying components, relating to three UPS systems at one facility in accordance with the required maintenance activities intervals. PRC-005-AB2-6 states, in part:

R3 Each legal owner of a transmission facility, legal owner of a generating unit, and legal owner of an aggregated generating facility that uses time-based maintenance program(s) must maintain its protection system, automatic reclosing, and sudden pressure relaying components that are included within the time-based maintenance program in accordance with the minimum maintenance activities and maximum maintenance intervals prescribed within Tables 1-1 through 1-5, Table 2, Table 3, Tables 4-1 through 4-3, and Table 5 of Appendix 1.

MR3 Evidence of maintaining protection system, automatic reclosing, and sudden pressure relaying components in accordance with the minimum maintenance activities and maximum maintenance intervals as required in requirement R3 exists. Evidence may include, but is not limited to, dated maintenance records, dated maintenance summaries, dated check-off lists, dated inspection records, or dated work orders or other equivalent evidence.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of Reliability Standard PRC-005-AB2-6, requirement R3.

MATERIAL FACTS

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

1. Self-Report submitted by Cenovus Energy Inc. (Cenovus) to the MSA dated October 13, 2022.
2. Mitigation Plan submitted by Cenovus to the MSA dated October 14, 2022.
3. Completed Mitigation Plan submitted by Cenovus to the MSA dated November 28, 2022.

DELIVERY OF PAYMENT

Payment by cheque or certified funds is to be made payable to the "General Revenue Fund c/o Minister of Finance", and delivered to Alberta Energy at: 9945 – 108 Street NW, Edmonton, Alberta, T5K 2G6. The payment should reference this Notice of Specified Penalty and related MSA File #. Electronic copies of the payment and confirmation of delivery should be sent by email to compliance@albertamsa.ca and enforcement@auc.ab.ca. Questions can be directed to 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 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	February 14, 2023
Name	Andrew Wilkins	Title	Director, Compliance