

## NOTICE OF SPECIFIED PENALTY

Date of Issue: August 7, 2013

Payment Due Date: September 9, 2013

MSA File Number:	2013-250	<b>Specified Penalty Amount:</b>	\$ 500
Market Participant Name:	Milner Power Limited Partnership by its General Partner Milner Power Inc.		
Asset ID (if applicable):	HRM	Self Report	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
ISO Rule:	3.6.2	Date of Contravention:	April 16, 2013
Date of Referral/Self Report:	July 12, 2013	This is the first contravention by this asset for this rule within a rolling 12 month period.	

### EVENT DETAILS

On April 15<sup>th</sup> at 19:27, HRM restated AC and MSG to 60 MW for HE 03 and HE 04 on April 16<sup>th</sup> in preparation to conduct required mill maintenance. HRM was contracted to provide active spinning reserves (SR) for the off-peak period from HE 24 on April 15<sup>th</sup> through HE 07 on April 16<sup>th</sup>, accordingly, on April 15<sup>th</sup> at 22:23, HRM was dispatched for 35 MW of SR effective at 23:00. On April 16<sup>th</sup> at 01:42, HRM received and accepted an energy dispatch to 25 MW effective at 02:00. Beginning at 02:00 until 02:58, HRM was dispatched for 25 MW of energy and 35 MW of SR however, during this period HRM maintained a generation level at or about 60 MW. Accordingly, given that AC was declared as 60 MW and generation remained at or about 60 MW between 02:00 and 02:58, HRM was not capable of providing the 35 MW of SR during this period. ISO rule 3.6.2 states that ancillary services providers are required to submit an initial declaration for each asset and thereafter are required to restate changes in the capability of the asset to deliver the service.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO Rule 3.6.2

### MATERIAL FACTS

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

1. AESO referral to the MSA dated July 12, 2013.
2. AESO generation, available capability, minimum stable generation, and dispatch data for HRM for April 16<sup>th</sup>, 2013.

### 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:	August 7, 2013
Name:	Doug Doll	Title:	Manager, Compliance and Corporate Services