

MSA File: 24-015

Sent via email (Gillian.Barnett@aeso.ca)

April 4, 2024

Alberta Electric System Operator
Calgary Place
2500 330 5th Avenue SW
Calgary AB T2P 0L4

Attention: Gillian Barnett
Vice President, Law, General Counsel & Corporate Counsel

Dear Ms. Barnett:

Re: Notice of Investigation – Market Surveillance Administrator (MSA) – Alberta Electric System Operator (AESO)

This Notice of Investigation is provided to the AESO in accordance with section 4.1 of the MSA Investigation Procedures.¹ Pursuant to subsections 39(1)(a) and (b) of the *Alberta Utilities Commission Act*, the MSA's investigation in this matter (Investigation) concerns surveillance of the transmission system, the impact of the AESO's conduct on the structure and performance of the electricity market, and possible contraventions by the AESO of sections 16 and 17 of the *Electric Utilities Act*, and the ISO rules, including ISO Rule 302.1² and ISO Rule 103.4.³ The scope of the Investigation currently includes:

- power flows, facilities, and congestion on the transmission system;
- transmission system capability, capacity, and utilization;
- the AESO's collection and management of data regarding the transmission system;
- the AESO's management of transmission constraints under ISO Rule 302.1 and pool price impacts of the AESO's conduct in respect of transmission constraints; and
- the AESO's evaluation of completed transmission projects and the impact of any such evaluations on transmission system planning.

Should the scope of the Investigation expand, the MSA will provide further notice. In carrying out this investigation, the MSA will follow the MSA Investigation Procedures, a copy of which is available on our [website](#).

¹ [MSA Investigation Procedures](#), August 11, 2016.

² ISO rules, section 302.1 Real Time Transmission Constraint Management (ISO Rule 302.1)

³ ISO rules, section 103.4 Power Pool Financial Settlement (ISO Rule 103.4)

The MSA intends to provide a reasonable opportunity for the AESO to make inquiries of the MSA regarding the scope of the investigation and the investigation process. Should the AESO wish to discuss these matters with the MSA, please contact us at the address listed below, and the MSA will endeavour to schedule a preliminary meeting at the earliest mutually convenient opportunity.

The MSA requests that the AESO provide a contact person at your earliest convenience to which future correspondence can be directed. Correspondence from the AESO to the MSA should reference MSA File 24-015 and be addressed to:

Daniel B.R. Johnson, Senior Legal Counsel
Market Surveillance Administrator
600, 440 – 2nd Avenue SW
Calgary, AB T2P 5E9
Email: daniel.johnson@albertamsa.ca

Additionally, the MSA Enforcement Inbox (enforcement@albertamsa.ca) should be copied on any correspondence to the MSA in relation to this matter.

The AESO is required to retain all records which may reasonably be considered to relate to the matters under investigation, set out above. "Record," for purposes of this Notice of Investigation, has the meaning set out s. 1(1)(rr) of the *Electric Utilities Act*.

Information provided to the MSA in relation to this investigation will be held according to our practice and the requirements of law. All such information may be used or disclosed by the MSA in accordance with its mandate and applicable law (including, without limitation, in connection with this investigation, any related investigation, hearing or other proceeding). All information provided, unless otherwise agreed by the MSA, should be considered on the record. Further, the undertaking of this investigation, its progress and completion may be publicly disclosed by the MSA.⁴

It is the intent and preference of the MSA that these matters be handled efficiently and expeditiously.

Sincerely,

Daniel B.R. Johnson
Senior Legal Counsel

CC: Andrew Wilkins, Director, Market Assessment, MSA
Derek Olmstead, Administrator and CEO, MSA

⁴ See s. 6(2)(b) of the *Market Surveillance Regulation*.