



## NOTICE TO MARKET PARTICIPANTS AND STAKEHOLDERS

Date: February 26, 2014

**Re: Notice of Request for Hearing**

The Market Surveillance Administrator yesterday lodged a [Notice](#) with the Alberta Utilities Commission requesting a hearing before the Commission. The Notice alleges that TransAlta Corporation (TransAlta), its direct and indirect subsidiaries and certain current and former employees undermined the integrity of the Alberta wholesale electric energy market by engaging in anticompetitive conduct in 2010 and 2011.

The MSA has authority under the *Alberta Utilities Commission Act* (AUCA) to investigate contraventions of the *Electric Utilities Act* and the *Fair, Efficient and Open Competition Regulation* and conduct that does not support the fair, efficient and openly competitive operation of the electricity market.

The investigation into TransAlta's activities commenced in March 2011 and as a result of the evidence obtained the MSA has decided to formally apply to the Commission for adjudication of the matter. The Notice is the first step in this process. Related to this matter, complaints about the MSA have been filed with the Commission and are available on its website.

Alberta has a well-designed governance framework for monitoring, investigating and referring matters (including complaints about the MSA) for decision to the Alberta Utilities Commission, an independent, quasi-judicial tribunal with expertise in the power sector. This structure underpins the protection and promotion of the fair, efficient and openly competitive operation of the Alberta electricity market that remains one of the best performing organized electricity markets in the world. As this matter is now before the Commission the MSA will not be commenting on it further outside of the confines of the Commission.

Yours truly,

*/s/ Harry Chandler*

Market Surveillance Administrator