

NOTICE OF SPECIFIED PENALTY

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| Date of Issue: March 1, 2017 | | Payment Due Date: March 31, 2017 | |
| MSA File Number | 2017-018 | Specified Penalty Amount | \$1,500 |
| Registered Entity Name | Powerex Corp. | | |
| Asset ID (if applicable) | PWSR | Self Report | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| ISO Rule | 203.6 | Date of Contravention | October 31, 2016 |
| Date of Referral/Self Report | January 19, 2017 | This is the first contravention by this asset for this rule within a rolling 12 month period. | |

EVENT DETAILS

On October 31, 2016, the sum of the e-tag export energy volumes at the start of the hour ending (HE) 08 settlement interval was 13 MW, however, the declared available capability (AC) of the asset PWSR as stated two hours prior to the start of the HE 08 settlement interval was 0 MW. ISO rule 203.6 indicates that a pool participant must submit e-tags for an energy interchange transaction such that the sum of the e-tag volumes agrees with the available capability (AC) of the asset as stated two hours prior to the start of the settlement interval.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO Rule 203.6.

MATERIAL FACTS

- The material facts relied upon by the MSA include the following:
1. AESO available capability and e-tag data for PWSR for October 31, 2016.
 2. AESO information request issued to Powerex Corp. dated December 5, 2016.
 3. Powerex Corp.'s response to the AESO information request dated December 16, 2016.
 4. Referral from the AESO to the MSA dated January 19, 2017.
 5. Additional submission from Powerex Corp. to the MSA dated January 20, 2017.

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, with copy to the following AUC personnel: Sabi Ghavami (Director, Finance) sabi.ghavami@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 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 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

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| Signature | "Original Signed" | Signature Date | March 1, 2017 |
| Name | Doug Doll | Title | Director, Compliance and Corporate Services |