

## NOTICE OF SPECIFIED PENALTY

Date of Issue: March 1, 2021		Payment Due Date: March 31, 2021	
MSA File Number	2020-429	<b>Specified Penalty Amount</b>	<b>\$750</b>
Market Participant Name	Hut 8 Holdings Inc.		
Asset ID (if applicable)	BFDH	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ISO Rule Section	205.3	Date of Contravention	September 12, 2020
Date of Referral/Self Report	December 11, 2020	This is the second contravention by this asset for this section of the ISO rules within a rolling 12 month period.	

### EVENT DETAILS

On September 12, 2020, the load asset BFDH was dispatched to provide 9 MW of supplemental reserve (SUP) beginning at 07:00. During settlement intervals HE 13 through HE 15, information available to the MSA indicates BFDH was no longer able to deliver the MW set out in the offer, and did not submit a restatement for SUP to represent the operating state of the pool asset. Section 205.3 of the ISO rules states in part:

3(4) A pool participant that submits an offer must, as soon as reasonably practicable, submit a restatement to represent the operating state of the pool asset if:

- (a) the pool asset is no longer able to deliver the MW set out in the offer; or
- (b) the pool participant is not able to meet the requirements set out in Section 205.4 of the ISO rules, Regulating Reserve Technical Requirements and Performance Standards, Section 205.5 of the ISO rules, Spinning Reserve Technical Requirements and Performance Standards or Section 205.6 of the ISO rules, Supplemental Reserve Technical Requirements and Performance Standards, as applicable.

### FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of section 205.3 of the ISO rules.

### MATERIAL FACTS

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

1. AESO dispatch, load and offer data for BFDH for September 12, 2020.
2. Self-report submitted by URICA Energy Real Time Ltd. on behalf of Hut 8 Holdings Inc. to the MSA dated December 11, 2020.

### 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](mailto:compliance@albertamsa.ca) and [enforcement@auc.ab.ca](mailto:enforcement@auc.ab.ca). Questions can be directed to [compliance@albertamsa.ca](mailto: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 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 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](mailto:compliance@albertamsa.ca).

**SIGNATURE**

Signature	"Original Signed"	Signature Date	March 1, 2021
Name	Andrew Wilkins	Title	Director, Compliance