

NOTICE OF SPECIFIED PENALTY

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|---------------------------------|----------------------------------|--|---|
| Date of Issue: November 4, 2021 | | Payment Due Date: December 6, 2021 | |
| MSA File Number | 2021-250 | Specified Penalty Amount | \$1,500 |
| Market Participant Name | TransAlta Generation Partnership | | |
| Asset ID (if applicable) | KH1 | Self-Report | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| ISO Rule Section | 205.5 | Date of Contravention | January 13, 2021 |
| Date of Referral/Self Report | June 21, 2021 | This is the second contravention by this asset for this section of the ISO rules within a rolling 12 month period. | |

EVENT DETAILS

On January 13, 2021, at approximately 09:57, the KH1 asset received a directive to provide 20 MW of spinning reserve. From the first time KH1 achieved the required response to the time fifteen minutes following receipt of the directive, the asset was providing an average response less than the amount of real power set out in the directive. Section 205.5 of the ISO rules states, in part:

10(2) A pool participant must ensure that, from the first time its pool asset achieves the response set out in subsection 10(1) to the time fifteen (15) minutes following receipt of the directive, the pool asset is providing an average response equal to or greater than the amount of real power set out in the directive.

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of section 205.5 of the ISO rules.

MATERIAL FACTS

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

1. AESO available capability, dispatch, directive, generation and offer data for KH1 for January 13, 2021.
2. AESO information request issued to TransAlta Generation Partnership, dated May 27, 2021.
3. TransAlta Generation Partnership's response to the AESO information request, dated June 2, 2021.
4. Referral from the AESO to the MSA dated June 21, 2021.

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 and enforcement@auc.ab.ca. Questions can be directed to 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.

SIGNATURE

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|-----------|-------------------|----------------|----------------------|
| Signature | "Original Signed" | Signature Date | November 4, 2021 |
| Name | Andrew Wilkins | Title | Director, Compliance |