

NOTICE OF SPECIFIED PENALTY

Date of Issue: July 13, 2026		Payment Due Date: August 13, 2026	
MSA File Number	2025-518	Specified Penalty Amount	\$250.00
Market Participant Name:	TransAlta Generation Partnership		
Asset ID (if applicable)	KH3	Self-Report	Yes: ☒ No: ☐
ISO Rule Section	205.4	Date of Contravention:	December 10, 2025
Date of Referral/Self Report	December 18, 2025	This is the 1st contravention by this asset for this section of the ISO rules within a rolling 12-month period.	

MSA FINDINGS

Section 205.4 of the ISO rules states, in part:

5(1) A pool participant must ensure that, following the receipt of a dispatch to provide regulating reserve, one or more regulating reserve resources of the pool asset are positioned for the regulating reserve range indicated in the dispatch.

(2) A pool participant must ensure that each regulating reserve resource being used to provide regulating reserve meets the requirements set out in subsection 5(1) beginning at:

(a) the time stated in the dispatch, for a dispatch with a time more than 15 minutes from the time the pool participant receives the dispatch; or

(b) the time stated in the dispatch or as soon as possible thereafter, but in any event, not more than 15 minutes after receiving the dispatch, for a dispatch with a time (15 minutes or less from the time the pool participant receives the dispatch.

(3) A pool participant must ensure that, after positioning each regulating reserve resource being used to provide regulating reserve in accordance with subsection 5(1), the regulating reserve control status is sent to the ISO:

(a) indicating that the regulating reserve resource is enabled to provide regulating reserve; and

(b) identifying the high and low limits of the regulating reserve range.

On December 10, 2025, the KH3 asset received a dispatch at 4:43 AM for 20 MW of regulating reserve effective at 05:00. Information available to the MSA indicates that the KH3 automatic generation control (AGC) was not activated until 05:38.

The MSA is satisfied that the conduct was a contravention of Section 205.4 of the ISO rules.

DELIVERY OF PAYMENT

Payment can be made by electronic funds transfer (EFT). Please reach out to compliance@albertamsa.ca (<mailto:compliance@albertamsa.ca>) for instructions. When submitting the EFT, please send an email to AU.FinOps@gov.ab.ca (<mailto:AU.FinOps@gov.ab.ca>), compliance@albertamsa.ca (<mailto:compliance@albertamsa.ca>) and enforcement@auc.ab.ca (<mailto:enforcement@auc.ab.ca>) noting the MSA file #, market participant name, name as appears on bank account, payment amount and the date of the payment. 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>).

APPROVED BY

Mike Morganton, Executive Director, Enforcement on July 13, 2026