

## NOTICE OF SPECIFIED PENALTY

Date of Issue: September 15, 2025		Payment Due Date: October 15, 2025	
MSA File Number	RS2025-072	<b>Specified Penalty Amount<sup>1</sup></b>	<b>\$ 5,000</b>
Market Participant Name	Milner Power II Limited Partnership by its General Partner, Milner Power II Inc.		
Reliability Standard	PRC-019-AB-2	Self-Report	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Requirement	R1	Accepted Mitigation Plan	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date of Self Report	May 13, 2025	Date of Contravention	October 24, 2023

### MSA FINDINGS

Requirement R1 of PRC-019-AB-2 states, in part:

R1 Each legal owner of a transmission facility, legal owner of a generating unit and legal owner of an aggregated generating facility must, by the effective date of this reliability standard and at a maximum of every 5 calendar years, coordinate the voltage regulating system controls, including in-service limiters and protection functions, with the applicable equipment capabilities and settings of the applicable protection system devices and functions, assuming normal automatic voltage regulator control loop and steady-state system operating conditions, by verifying the following coordination items for each applicable facility:

(a) the in-service limiters are set to operate before the protection system of the applicable facility in order to avoid disconnecting the generating unit or synchronous condenser unnecessarily; and

(b) the applicable in-service protection system devices are set to operate to isolate or de-energize equipment in order to limit the extent of damage when operating conditions exceed equipment capabilities or stability limits.

The MSA is satisfied that Milner Power II Limited Partnership by its General Partner Milner Power II Inc. contravened requirement R1 of PRC-019-AB-2 from October 23, 2023, to September 15, 2025 as not all voltage regulating system controls at Steam Turbine Generator (STG-M1) were coordinated within 5 years calendar years.

The MSA determined this contravention to be at a Moderate severity level since the configuration changes made to the generator units should have been made while ensuring and/or maintaining compliance with applicable reliability standards and in consideration of the specific circumstances following the plant commissioning.

### 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 Alberta Reliability Standard. Specified penalties are set out in AUC Rule 027.

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 027 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).

<b>APPROVED BY</b>
Daniela Cismaru - Advisor, Reliability Standards, on September 11, 2025.

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<sup>1</sup> Specified penalty amount conditional on the completion of the accepted Mitigation Plan.