

NOTICE OF SPECIFIED PENALTY

Date of Issue: December 16, 2025		Payment Due Date: January 16, 2026	
MSA File Number	RS2025-104	Specified Penalty Amount¹	\$1,500
Market Participant Name	Milner Power II Limited Partnership by its General Partner, Milner Power II Inc.		
Reliability Standard	VAR-501-WECC-AB-1	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 Referral/Self Report	June 30, 2025	Date of Contravention	Q4 2024

MSA FINDINGS

Requirement R1 of VAR-501-WECC-AB-1 states, in part:

R1 Each operator of a generating unit equipped with a power system stabilizer (PSS) must have the power system stabilizer in service ninety-eight (98%) of all operating hours except that the operating hours determined in accordance with requirements R 1.1 through 1.12 inclusive may be excluded to achieve the ninety-eight percent (98%) requirement.

The MSA is satisfied that Milner Power II Limited Partnership by its General Partner, Milner Power II Inc. has contravened requirement R1 of VAR-501-WECC-AB-1 as the power system stabilizer was not in service ninety-eight (98%) of all operating hours during Q4 of 2024.

The MSA determined that the contravention is at a Lower severity level.

DELIVERY OF PAYMENT

Payment can be made by electronic funds transfer (EFT). Please reach out to compliance@albertamsa.ca for instructions. When submitting the EFT, please send an email to AU.FinOps@gov.ab.ca, compliance@albertamsa.ca and 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.

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.

APPROVED BY

Daniela Cismaru - Advisor, Alberta Reliability Standards on December 12, 2025

¹ Specified penalty amount conditional on the completion of the accepted Mitigation Plan.