

NOTICE OF SPECIFIED PENALTY

Date of Issue: August 31, 2026		Payment Due Date: September 30, 2026	
MSA File Number	RS2026-043	Specified Penalty Amount¹	\$18,750.00
Market Participant Name:	TransCanada Energy Ltd.		
Reliability Standard	PRC-001-AB3-1.1(ii)	Self-Report	Yes: ☐ No: ☒
Requirement	R3	Accepted Mitigation Plan	Yes: ☒ No: ☐
Date of Referral / Self Report	February 27, 2026	Date of Contravention:	May 01, 2022 - April 30, 2025

MSA FINDINGS

PRC-001-AB3-1.1(ii) R3 states:

R3 Each legal owner of a generating unit and legal owner of an aggregated generating facility must coordinate all new protection systems and all protection system changes with each affected interconnecting legal owner of a transmission facility and notify the ISO that such coordination has occurred.

Based on the information contained in the AESO's referral, the MSA is satisfied TC Energy Ltd. (TCN) contravened PRC-001-AB3-1.1 Requirement R3, as TCN failed to coordinate four protection system changes during the audit period of May 1, 2022, to April 30, 2025, with the affected legal transmission facility owner and notify the ISO of such coordination.

The MSA assessed this contravention as Severe given the duration of the contraventions, the number of protection system changes involved, and the heightened risk to the reliability of the Alberta Interconnected Electric System resulting from TCN's failure to coordinate its protection system.

The MSA accepted the mitigation plan, in accordance with section 4.9(c) of AUC Rule 027, as the actions correct the contravention and are intended to prevent reoccurrence of the root cause.

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 unless it qualifies for the public reporting exception for critical infrastructure protection (CIP) contraventions in s. 5.3 of AUC Rule 027. 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

Johanne Poirier Mouallem, Advisor, Alberta Reliability Standards on August 31, 2026

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