

NOTICE OF SPECIFIED PENALTY

Date of Issue: July 13, 2026		Payment Due Date: August 13, 2026	
MSA File Number	RS2026-087 RS2026-088	Specified Penalty Amount¹	\$11,250
Market Participant Name	Fort Hills Energy Corporation		
Reliability Standard	COM-002-AB-4	Self-Report	☐ YES ☒ NO
Requirement	R4	Accepted Mitigation Plan	☒ YES ☐ NO
Date of Referral/Self Report	May 20, 2026	Date of Contravention	April 1, 2025 to April 30, 2026

MSA FINDINGS

COM-002-AB-4 R4 States:

The ISO and each operator of a transmission facility shall at least once every 12 months:

R4.1 assess adherence to the documented communications protocols in requirement R1 by its operating personnel that issue or receive operating instructions, including directives, provide feedback to those operating personnel, and take corrective action, as deemed appropriate by the entity, to address deviations from the documented protocols; and

R4.2 assess the effectiveness of its documented communications protocols in requirement R1 for its operating personnel that issue or receive operating instructions, include directives, and modify its documented communication protocols, as necessary.

As per the Alberta Electric System Operation Suspected Contraventions identified in the Fort Hills Energy Corporation (FHEC) audit report date May 20, 2026:

- FHEC has not demonstrated compliance with R4.1, as it did not provide evidence of assessing, at least once every 12 months, adherence to its documented communication protocols.
- FHEC has not demonstrated compliance with R4.2, as it did not provide evidence of assessing, at least once every 12 months, the effectiveness of its documented communication protocols.

The MSA is satisfied that the conduct was a contravention of COM-002-AB-4, Requirement R4 from April 1, 2025, to April 30, 2026, as FHEC did not provide evidence of assessing, at least once every 12 months, either adherence to or the effectiveness of its documented communication protocols.

The MSA determined that the contravention was a High severity due to the duration of the contravention.

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

Johanne Poirier Mouallem, Advisor, Alberta Reliability Standards on July 13, 2026

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