



NOTICE TO MARKET PARTICIPANTS AND STAKEHOLDERS

Date: March 14, 2014

**Re: Court of Queen's Bench Proceedings
TransAlta Corporation and the Market Surveillance Administrator**

Background

In accordance with its mandate under the Alberta Electric Utilities Act the Market Surveillance Administrator ("MSA") had previously commenced an investigation in 2011 into certain conduct of TransAlta Corporation relating to the timing of outage and trading on non-public outage records. During the process of information requests and the provision of records through 2011 and 2012, TransAlta claimed privilege over approximately 850 records and withheld the records.

Queen's Bench Hearing

In order to resolve the dispute over these records, the MSA followed the statutorily mandated procedure set out in section 50 of the *Alberta Utilities Commission Act* ("Act") and on March 19, 2013 the MSA formally sought production of these records. Pursuant to the Act, a hearing was held on October 4, 2013 at the Alberta Court of Queen's Bench before the Honourable Madam Justice M. Erb.

A decision was issued by the Court of Queen's Bench on February 24, 2014 and was filed on March 11, 2014. In her decision, the Honourable Madam Justice Erb held that a significant portion of the documents sought by the MSA were not privileged and ordered the documents be released to the MSA "forthwith".

The [full decision](#) is available to be reviewed on the MSA website and is available from the Alberta Court of Queen's Bench.

Next Steps

The decision of the Honourable Madam Justice Erb has been appealed by TransAlta Corporation to the Alberta Court of Appeal and an interim stay of the release order was granted by the Court of Appeal on March 6, 2014 pending the hearing of the appeal.

The appeal is to be heard at the Alberta Court of Appeal on April 2, 2014.

Yours truly,

“Original Signed”

Market Surveillance Administrator

Per: Eeva White

Legal Counsel, Secretary & FOIP Coordinator