

NOTICE OF SPECIFIED PENALTY

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|----------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| Date of Issue: December 11, 2023 | | Payment Due Date: January 10, 2024 | |
| MSA File Number | 2023-175 | Specified Penalty Amount | \$250 |
| Market Participant Name | EPCOR Distribution & Transmission Inc. | | |
| Asset ID (if applicable) | | Self-Report | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| ISO Rule Section | 502.4 | Date of Contravention | July 11, 2021 through October 30, 2023 |
| Date of Referral/Self Report | April 27, 2023 | This is the first contravention for this section of the ISO rules within a rolling 12-month period. | |

MSA FINDINGS

Information available to the MSA indicates that between July 11, 2021 and October 30, 2023, the primary direct access telephone connection between the market participant's control room and the ISO coordination centre was not designed and built in a way that avoided degradation by any other communication or data transfer activities. Furthermore, there was no automatic forwarding to another number when the primary number was busy. Section 502.4 of the ISO rules states in part:

5(1) If there is a requirement under this section 502.4 for one (1) or more primary direct access telephone connections to the ISO coordination centre from a market participant control room, then the connection must be dedicated for the exclusive use of the ISO and the market participant, and must not be degraded by any other communication or data transfer activities if there is any shared equipment or functionality associated with the connection.

[...]

(3) Each primary direct access telephone number must be a primary number with automatic forwarding to another number if the primary number is busy or otherwise not available, and the use of voice mail is prohibited.

[...]

The MSA is satisfied that the conduct was a contravention of section 502.4 of the ISO rules.

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 dollar amount, date of the EFT, market participant name and the MSA File #. 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 ISO rule. Specified penalties are set out in AUC Rule 019.

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 019 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

Mark Nesbitt, Director, Enforcement on December 11, 2023