

NOTICE OF SPECIFIED PENALTY

Date of Issue: November 29, 2012

Payment Due Date: December 29, 2012

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| MSA File Number: | 2012-377 | Specified Penalty Amount: | \$ 750 |
| Market Participant Name: | Powerex Corp. | | |
| Asset ID (if applicable): | FNG1 | Self Report | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| ISO Rule: | 3.5.3 | Date of Contravention: | September 6, 2012 |
| Date of Referral/Self Report: | November 16, 2012 | This is the second contravention by this asset for this rule within a rolling 12 month period. | |

EVENT DETAILS

On September 6, 2012 at 8:55 MDT, the FNG1 asset experienced a reduction in its available capacity from 60 MW to 39 MW. However, the AC for the asset was not restated to the reduced level for the applicable hours until 11:16 MDT. Section 3.5.3.2 (b) of ISO Rule 3.5.3 states "A pool participant who has submitted an offer must submit an energy restatement restating the available capability of the source asset for the applicable hours in the trading day, as soon as reasonably practicable, if there is a change to the available capability."

FINDINGS

Based upon the information obtained by the MSA, the MSA is satisfied that the event was a contravention of ISO Rule 3.5.3.

MATERIAL FACTS

The material facts relied upon by the MSA include the following:

1. AESO available capability, generation, and dispatch data for the FNG1 asset for September 6, 2012.
2. Powerex Corp. November 16, 2012 self-report.

DELIVERY OF PAYMENT

Payment by cheque or certified funds is to be made out to the "General Revenue Fund c/o Minister of Finance", and delivered to the Alberta Utilities Commission (AUC) at: 4th Floor, 425 - 1st Street S.W., Calgary, Alberta, T2P 3L8. Questions in respect of delivery of payment should be addressed to the Director of Finance, AUC. The payment should reference this notice and related MSA File #. Delivery of payment should also be confirmed by email to compliance@albertamsa.ca, with copy to the following AUC personnel: Sabi Ghavami (Director, Finance) sabi.ghavami@auc.ab.ca, and Darin Lowther (Director, Market Rules) darin.lowther@auc.ab.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 30 days 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.

SIGNATURE

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| Signature: | "Original Signed" | Signature Date: | November 29, 2012 |
| Name: | Doug Doll | Title: | Manager Compliance |