

## Auction Compliance Disclosures

The following information is being posted voluntarily by Southern Companies in conjunction with the Energy Auction and in an effort to keep participants informed about the implementation and operation of the Energy Auction. Participants should continue to direct requests for more information, as well as questions, comments or complaints, to the Auction Administrator or the Independent Auction Monitor utilizing the links provided on the previous page.

- On March 19, 2024, Southern was notified by the Independent Auction Monitor of a failed offer submission for 3/18/2024 HE 20. Southern has researched the issue and determined that there was an unanticipated outage to several systems during a scheduled network change event. The root cause has been identified and a solution is being developed. No auctions were impacted as a result of the incident. (Posted 4/15/2024)
- On February 28, 2024, Southern became aware that an hourly trader entered into one, one-hour, into SOCO sale transaction inside the Hour-Ahead Energy Auction window on December 24, 2023. The sale was for HE 15 (110 MW). Actions have been implemented to mitigate the risk of future occurrences of such an oversight. (Posted 4/15/2024)
- On January 26, 2024, the Independent Auction Monitor notified Southern of failed offer submissions in the Hour-Ahead Auction for 1/17/2024 HB 9-13. Upon investigation, it was determined that manual overrides to the offer curve submissions in response to extreme winter load conditions and system operations had not been removed once circumstances moderated. Southern has implemented process controls in an effort to avoid any such event in the future. (Posted 4/15/2024)
- On January 26, 2024, the Independent Auction Monitor notified Southern of a failed offer curve for 1/20/2024 HB 20. Upon investigation, it was determined that a network switch failure resulted in an unplanned outage for several applications, including the Auction software. This event did not affect the outcome of the auction in question due to the absence of third-party bids. The network switch failure was identified and corrected prior to the next Auction. (Posted 4/8/2024)
- On February 28, 2024, Southern was notified by the Independent Auction Monitor of certain data errors in annual reference data. In researching the matter, Southern determined that operating modes for several units did not reflect the annual updates. As a result, outdated ratings were used in the determination of available capacity. In the Day-Ahead Auction, the seller offer cap was exceeded on 11 flowdates between 1/18/2024 and 1/29/2024 by a maximum of 11.67%, affecting one Day-Ahead Auction. In the Hour-Ahead Auction, the seller offer cap was exceeded in a total of 56 auctions between 1/3/2024 HB 0 and 2/8/2024 HB8, by a maximum of 224%. No Hour-Ahead Auctions were affected. The root cause of this issue has been identified (human oversight) and addressed. (Posted 3/6/2024)

- On January 30, 2024, Southern was notified by the Independent Auction Monitor of a potential discrepancy in determination of unit availability in the Day-Ahead Auction. Southern has researched the issue and has determined that a programming error caused certain units to be inadvertently excluded from the auction, resulting in offers exceeding the cost cap that would have been set had the units been included on five flowdates between 1/15/2024 and 1/29/2024. One auction was impacted. The root cause has been identified and corrected. (Posted 2/20/2024)