

NAESB Creditworthy Standards Development Process

Draft proposal by the representatives of the following:

Calpine

EnCana

Virginia Power Energy Marketing

Process Gas Consumers Group

Dominion E&P

Reliant Energy Services

II. C. Types of Credit Alternatives:

z13. If a Service Requester (SR) provides cash as the credit alternative(s) to Transportation Service Provider (TSP), pursuant to NAESB WGQ Standard [z11], the TSP should pay interest to the SR on the cash principal amount held by TSP on the total amount of the cash received by the TSP that exceeds one (1) month of TSP's service cost to the SR. At TSP's sole option, the TSP may allow the SR to choose to deposit a cash form of credit alternative(s) in an escrow account where the SR will receive the interest on such cash and the TSP will have access to the cash principal for the assurance of payments to the TSP for its services provided to the SR in the event the SR fails to make such payments.

z14. At any time after a Service Requester (SR) provides credit alternative(s) identified in NAESB WGQ Proposed Standard [Z11] to the Transportation Service Provider (TSP), the SR may initiate a credit status re-evaluation by the TSP, provided that the SR's reevaluation request cannot be made earlier than 30 days after the SR's previous request for a credit evaluation unless a substantial event, in the sole opinion of the SR, has occurred that would lead to a change in the SR's credit status.

z15. A Transportation Service Provider (TSP) should provide the Service Requester (SR) with written notification of its re-evaluated credit determination within [x] business days from the date of the SR's request. (NOTE – no more than the amount of time as TSP's initial creditworthiness evaluation process).