

NAESB Creditworthiness Standards Development
Proposed Standard by Duke Energy Gas Transmission

Work Plan Item:

II. H. Maximum Level of Credit Alternatives Credit

Except as to a Service Requester (SR) that subscribes to service in connection with construction, expansion, acquisition or lease of new facilities, the Transportation Service Provider's tariff should specify the amount of alternative credit assurance that will be required of a SR that is not creditworthy.

Notes:

Requiring the TSP to state objectively in its tariff the amount of credit assurance required will ensure that:

- the requirements can readily be determined by referring to the tariff,
- the criteria remain the same from customer to customer, so the pipeline does not act in an unduly discriminatory manner,
- the requirements have been reviewed and approved by the Commission, and
- the pipeline will have the flexibility to specify in its tariff an amount of credit assurance that is suitable to its particular financial requirements.