

Subj: **[retaillectric-suis] Yvette Camp's Comments on Draft 5**
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File: **YCampCommentsonDraft5.doc** (32768 bytes) DL Time (45333 bps): < 1 minute
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Enclosed is a shortened version of Creditworthiness Draft # 5, showing Yvette Camp's one comment (on item 1.1.1.6).

"Camp, Yvette S." wrote:

> <<Credit Draft5.doc>> Hope you get this -- My one comment is on page
> one -- Section 1.1.1.6.
>
> Thanks Bill.
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1 Creditworthiness

1.1 Principles

1.1.1 Overall

- 1.1.1.1 Credit risks should not be shifted between a Supplier and Distribution Company without mutual agreement, appropriate compensation, or both.
- 1.1.1.2 Procedures for a Supplier and Distribution Company to establish creditworthiness with one another should be published so that applicants know the requirements prior to applying for credit.
- 1.1.1.3 Creditworthiness procedures for implementing retail access, [determination of risk exposure](#), evaluation of creditworthiness and granting of credit should be performed in a non-discriminatory manner, consistent with standard commercial practices. [\(Change eliminates need for non-discrimination principle under “Determination of Risk Exposure”\)](#)
- 1.1.1.4 Creditworthiness procedures should be efficient to minimize the time and effort required by the parties to start/maintain a working relationship.
- [1.1.1.5 The Creditor should be prepared to provide the rationale for its determinations of risk exposure and Applicant’s level of unsecured creditworthiness. \(Eliminates need for two principles that were under “Determination of Risk Exposure”\)](#)
- ~~1.1.1.51.~~ [1.1.6](#) The evaluation process and methodology for determining credit limits and risk exposure should be ~~approved~~ [decided upon](#) by the Applicable Regulatory Authority and clearly stated in the appropriate Governing Document

1.1.2 Determination of Risk Exposure

- ~~1.1.2.1 Creditors may not unreasonably deny credit to an Applicant. (Covered in 1.1.1.3 above)~~
- ~~1.1.2.2 The Creditor should not unduly discriminate in extending credit to Applicants. Similarly situated Applicants should receive similar credit limits (Covered in 1.1.1.3, above).~~
- ~~1.1.2.3 The Creditor should be prepared to provide the rationale for its determination of the Applicant’s level of unsecured creditworthiness. (Covered in 1.1.1.5, above)~~
- ~~1.1.2.4 The Creditor should be prepared to provide the rationale for its determination of the risk exposure associated with the Applicant. (Covered in 1.1.1.5, above)~~

1.1.3 Determination of Initial Unsecured Credit Limit

- ~~1.1.3.1 The Creditor should be prepared to provide the rationale for its determination of the Applicant’s level of unsecured credit limit. (Covered in 1.1.1.3 above)~~