

PSC No: 16 - Gas  
Rochester Gas and Electric Corporation  
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Leaf No. 15  
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## GENERAL INFORMATION

### 2. HOW TO OBTAIN SERVICE (Cont'd)

#### A. APPLICATION FOR SERVICE (Cont'd)

##### (3) Retail Access Service (Cont'd)

##### (a) Creditworthiness (Cont'd)

- (bb) Rating of a 3A1 or 3A2, the unsecured credit will be thirty percent (30%) of a Marketer's equity, up to five percent (5%) of the Company's total monthly gas revenues for the applicable time period;
- (cc) Rating of a 2A1 or 2A2, the unsecured credit will be fifty percent (50%) of a Marketer's equity, up to \$500,000; or
- (dd) Rating of a 1A1 or 1A2, the unsecured credit will be fifty percent (50%) of a Marketer's equity, up to \$375,000.

The Company requires a Marketer or its guarantor, which has been qualified on the basis of a D&B rating, to provide two (2) years of audited financial statements; two (2) trade references, preferably those of other utilities; and one (1) bank reference. References must be from nonaffiliated companies. The Company will have the option to require a Marketer to post security to cover the Marketer's credit exposure in excess of the above limits.

- (iii) The Company may, reduce or eliminate security requirements if the Marketer is below the Minimum Rating and voluntarily provides additional financial information. The Company will determine the reduction or elimination of security on an equitable basis for all Marketers.
- (iv) The Company shall provide to the Marketer its rationale for its determination and the calculation supporting the credit limit and any resulting security requirement within ten (10) calendar days after receiving a completed application. The Company will perform its credit evaluation and associated security calculation in a non-discriminatory manner.

The creditworthiness standards described above shall be waived for a Direct Customer, provided that the Direct Customer's accounts are current and have been maintained current for twelve (12) months, and provided that the Direct Customer's long-term unsecured debt securities are, and remain, rated a minimum of BBB, Baa2, or BBB by S&P's, Moody's, or Fitch, respectively. If the Direct Customer's debt is not rated, its account with the Company must be current, and it must not have a poor payment history with the Company for the past twenty-four (24) months.

##### (b) Security

If the Marketer or Direct Customer meets the creditworthiness requirements as set forth above, no security may be required. If the security requirements are not met, security in an amount equal to the credit exposure may be sought and provided in a form as set forth herein.

(Continued on next leaf)

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