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From: Duke, Rob <RDuke@surety.org>
Sent: Tuesday, March 17, 2015 11:34 AM
To: Watson, Sam
Subject: Surety Bonds - Docket E-100, Sub 101

FILED

MAR 17 2015

Clerk's Office
N.C. Utilities Commission

Dear Mr. Watson:

The Surety & Fidelity Association of America ("SFAA") is a non-profit corporation whose member companies collectively write the majority of surety and fidelity bonds in the United States. SFAA is a licensed rating or advisory organization in all states and is designated by state insurance departments as a statistical agent for the reporting of fidelity and surety experience. The vast majority of bonds that secure licensing and regulatory obligations are provided by SFAA members. We understand that the Utilities Commission currently is considering certain modifications of interconnection standards under the captioned docket. In addition, we understand that there was some discussion at the Technical Conference on February 23, 2015, regarding whether a surety bond should be retained as a permissible form of financial security under Section 6.3 of the Interconnection Agreement.

SFAA is not seeking to intervene in this matter and is not taking a particular position before the Commission. Rather, we offer SFAA as a resource for information regarding surety bonds, including their underwriting and scope and nature of coverage. This information will allow the Commission to make an informed decision regarding whether to retain the surety bond option.

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