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RE : State of North Carolina Utilities Commission
Docket No. E-100, Sub 101
Before The North Carolina Utilities Commission

In The Matter Of : Petition for Approval of Revisions to Generator Interconnection Standards
Technical Conference April 23, 2015

Specific Item : Removal of the Surety Option for Interconnection Security

Please allow me to introduce myself. I am a Senior Vice President with Wells Fargo Insurance Services specializing in surety. The above cited petition has just recently come to my attention and I wanted to share with the commission some background on the one of the topics being considered, 6.3 Financial Security Arrangements, and surety being removed as an option for interconnection security.

The five billion dollar surety industry provides project owners, and entities like utilities, with protection against loss from a default by providing initial qualification during the underwriting process and then to efficiently manage a default with expertise to mitigate the disruption. Surety bonds are well established and reliable financial products, issued under state and federal insurance regulations.

Surety products are widely used and flexible to meet the needs of both developers and utilities. Also, the industry is currently developing improved interconnection processes and procedures, including surety products and services tailored to the interconnection process.

The attached background report talks about the independent XBRL-CET¹ collaboration effort currently developing innovative risk management capabilities through open standards, enhanced data analytics and communications that will provide superior products and services, including surety. The objective is to further promote the development of clean energy by improving risk management, and providing all the nation's utilities with reliable financial products to protect them from loss, tailored to the utility requirements.

Before NCUC elects to remove the surety option we suggest deferring any decision specific to the acceptability of surety, and participate in a meeting scheduled for April 24th at the Department of Energy in Washington DC to learn about some exciting ideas where the surety product makes a positive contribution to development of the Smart Grid.

Respectfully submitted for consideration

K. Dixon Wright
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¹ XBRL-CET eXtensible Business Reporting Language - Construction Energy Transportation