

# FTR Undiversified Credit Policy Suggestions

Credit Subcommittee

June 10, 2014

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- Three suggestions provided for undiversified FTR portfolios
  - Require undiversified adder to be a minimum as well as an adder
  - Reduce undiversified adder for FTRs sourcing or sinking at hubs and zones
  - Lower undiversified adder however increase minimum participation requirements
    - Reduce undiversified adder from 2x/3x to 1x
    - Increase minimum participation requirement
      - E.g. \$2 million
    - Provides a floor for undiversified portfolios
- Analysis/data gathering ongoing for each