

**WASHINGTON GAS LIGHT COMPANY**  
**GAS SUPPLIER APPLICATION AND AGREEMENT**

**A. APPLICANT INFORMATION**

Applicant Name \_\_\_\_\_  
(Legal Name Under Which Business Is Licensed)

Business Trade Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone Number \_\_\_\_\_ Tax ID Number \_\_\_\_\_

Type of Business \_\_\_\_\_

Application to deliver gas to customers in (mark all that apply):

- ◆ DC
- ◆ MD
- ◆ VA

**B. CREDIT INFORMATION**

**As of the date of this application, the Applicant states that it meets the following standards:**

1. The Applicant is licensed as a gas supplier through the Maryland Public Service Commission (to provide service in Maryland) or the Virginia State Corporation Commission (to provide service in Virginia). The Applicant must provide a copy of each certification when submitting this Application/Agreement.
2. The Applicant has enclosed the financial information requested in Attachment 1, "Washington Gas Credit Policy and Procedures for Energy Supply Companies," which is part of this Agreement.
3. The Applicant has enclosed evidence that it has met the credit requirements of at least one unaffiliated Interstate Pipeline Company that is also a pipeline supplier of Washington Gas Light Company.

List the interstate pipeline companies with which the Applicant has met credit requirements. Provide documentation supporting the credit qualifications of at least one of the pipeline companies below:

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List of interstate pipeline companies with which Applicant is affiliated:

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**C. TARIFFS AND GENERAL SERVICE PROVISIONS**

Applicant agrees to comply with the provisions of Washington Gas Light Company's currently effective rate schedules including, but not limited to, Rate Schedule No. 9 --- Firm Delivery Service Pilot Program Gas Supplier Agreement, and the General Service Provisions on file and approved by the appropriate Public Utility Commissions, as they may be amended or superceded by those regulatory authorities, and which are hereby incorporated into this Application / Agreement by reference. Applicant acknowledges that Washington Gas Light Company converted to daily balancing for supplier nomination of gas deliveries effective April 1, 2001 and that it is subject to tariffs effective on and after that date.

**D. AUTHORIZATION, REPRESENTATION AND ACCEPTANCE**

The Applicant represents that all information and documentation provided with respect to this Application / Agreement is true, accurate and complete in all respects. Applicant agrees to comply with the federal and state requirements to supply natural gas, to comply with the tariffs regulating operations on the Washington Gas system, to comply with the operating procedures of Washington Gas and to provide all required financial information. Applicant authorizes Washington Gas to contact trade references and financial institutions regarding the operations of the Applicant.

ACCEPTED:

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Authorized Officer, Member or General Partner of Applicant (please type or print)

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Signature of Authorized Person

Title

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Date

If the application is accepted, Applicant will receive a copy signed by WG, confirming that all required information has been submitted and that Applicant has been accepted to deliver gas to customers. If the application is denied, Applicant may request a statement of the reason for such action, provided that such request is made within sixty (60) days of notification by Washington Gas Light Company.

## Washington Gas Credit Policy and Procedures for Energy Supply Companies

### Policy Statement:

Washington Gas requires each energy supply company serving customers on its system to provide evidence that it has met state and federal requirements to supply commodity; that it has the ability to deliver commodity continuously in sufficient amounts to meet its customers' requirements; and that it has sufficient resources to remain a going concern through a 12 month supply cycle. Financial information provided by the energy supply company will be used solely for the purpose of evaluating the company's financial strength to serve customers on the Washington Gas system and will be held in strict confidence by the Office of the Treasurer of Washington Gas.

1. Objectives of the policy:
  - a. To support competition on our system.
  - b. To provide for an uninterrupted transition to full competition.
  - c. To provide secure and uninterrupted service to our customers.
  - d. To protect the financial condition of the regulated utility.
  
2. This information shall be required from all energy supply companies:

Annually, at the time of application to be a supplier on the Washington Gas system:

- a. Audited financial statements, including income statements, balance sheets and statements of cash flows for the two most recent fiscal years.
- b. Statement from an authorized officer of the energy supply company that it has contracted for firm delivery of supply sufficient to serve its customers on the Washington Gas system.
- c. Three trade references (contact and company name, title, address and phone number) and one bank reference (contact and bank name, title, address and telephone number), including a statement from an officer of the bank verifying the amount of any credit facility provided to the company by that bank.

Quarterly within 60 days of the end of the supplier's fiscal quarter:

- a. Unaudited comparative income statements, balance sheets, and statements of cash flows accompanied by an attestation by the company's CFO (or other authorized officer of the company) that the information submitted is true, correct and a fair representation of the company's financial position. If independent public accountants reviewed the company's quarterly financial statements, the attestation by the CFO (or other authorized officer of the company) may be replaced by the corresponding auditor's report.
  - b. Statement from an authorized officer that the energy supply company is not insolvent, has not filed an application for bankruptcy protection, has no major litigation pending, is not in default on any material obligations, and that the contract(s) for firm delivery of natural gas to serve customers on the Washington Gas system is(are) still in effect.
3. Credit review will be based on the information submitted by the energy supply company, trade and bank references, and any other information available to Washington Gas. Sources may

include credit evaluation services such as Standard & Poor's, Moody's, Fitch or Dun & Bradstreet; and analysts' reports on the energy supply company and its affiliates.

4. The energy supply company shall provide a statement from an authorized officer of the company that it has contracted for firm delivery of supply sufficient to serve its customers on Washington Gas' system. In addition, the energy supply company shall include a reference from a trade representative attesting to the supplier's ability to secure gas.
5. Washington Gas may require the energy supply company to provide credit security in an amount determined by Washington Gas, in a form listed below:
  - a. A surety bond from an insurance company rated A or higher by A. M. Best.
  - b. An irrevocable letter of credit from a financial institution acceptable to Washington Gas.
  - c. A guarantee in a form acceptable to Washington Gas from an affiliate of the energy supply company whose long-term debt securities are rated no less than BAA2 by Moody's, BBB by Standard & Poor's and BBB Fitch.