

Transportadora de Gas Internacional S.A. E.S.P. 'BBB-' Ratings Affirmed, Outlook Still Stable

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- Colombia-based natural gas transportation company TGI is a core subsidiary of its parent, EEB.
- We're affirming our 'BBB-' corporate credit rating on TGI.
- The stable outlook on TGI reflects that of its parent.

MEXICO CITY (S&P Global Ratings) Dec. 22, 2016--S&P Global Ratings affirmed its 'BBB-' corporate credit and senior unsecured ratings on Transportadora de Gas Internacional S.A. E.S.P. (TGI). The outlook remains stable.

The rating on TGI reflects its status as a core subsidiary of its parent, Empresa de Energia de Bogota S. A. E. S. P. (EEB; BBB-/Stable/--). This reflects our view that TGI is integral to the group's current and future strategy; therefore, EEB is committed to support its subsidiary under any circumstance. In addition, because there are no meaningful regulatory mechanisms or other structural barriers that restrict EEB's access to TGI's assets and cash flow, we align the credit rating on TGI with that on the parent.

In turn, TGI's 'bbb-' stand-alone credit profile (SACP) incorporates Colombia's favorable institutional and regulatory framework, which together with TGI's contract profile, contributes to the stability and predictability of the company's cash-flow stream. TGI's contracts are set with creditworthy counterparties and have an average remaining term of 10 years. In addition, 96% of TGI's revenues (of which 85% are fixed and 70% are denominated in dollars) come from regulated tariffs that are reviewed at least every five

years. Our analysis also incorporates the company's strong competitive position, as seen in TGI's ownership of almost 60% of the national gas pipeline network and transportation of 48% of the gas consumed in Colombia. On the other hand, business and client fairly narrow diversification partly offset the company's credit strengths.

RELATED CRITERIA

- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- Criteria - Corporates - General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria - Corporates - Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria - Corporates - General: Corporate Methodology: Ratios And Adjustments, Nov. 19, 2013
- Criteria - Corporates - General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Methodology For Linking Short-Term And Long-Term Ratings For Corporate, Insurance, And Sovereign Issuers, May 07, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- General Criteria: Stand-Alone Credit Profiles: One Component Of A Rating, Oct. 01, 2010
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Corporates - General: 2008 Corporate Criteria: Rating Each Issue, April 15, 2008

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com and at www.spcapitaliq.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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