

Portsmouth Water

# ALTERNATIVE CREDIT ARRANGEMENTS FOR NON- HOUSEHOLD RETAILERS

May 2025

## Introduction

At Portsmouth Water we aim to deliver great services to all our retailers through a highly collaborative approach. Putting our customers first by building trust through respect, honesty, and transparency. We are committed to supporting the non-household market and delivering high-quality, resilient services to all our retail partners.

## Our bespoke credit arrangements

- We offer alternative credit security arrangements tailored to meet the needs and credit risks of our retailers.
- Our offerings are based on the additional credit risk Portsmouth Water is willing to share subject to the retailers risk profile and payment performance.
- Retailers with an equivalent risk and payment criterion are treated equally.
- The arrangements are based on risk profile and payment performance.
- Other bespoke arrangements will be considered in good faith.

## Unsecured Credit Allowance (UCA)

To access the unsecured credit allowance (UCA), a retailer must have at least twelve months of settlement charges (P1 or R1) paid to terms. This includes all reconciliation balances (R1, R2, R4 and RF) paid to terms.

UCA is available in the following tiers:

- Investment Grade Status – up to 100%
- Credit Rating Status – up to 40%
- Small/New Entrants – up to £10,000

Bespoke UCA arrangements may be revoked following two late payments in a rolling 12-month period.

## 1. Investment grade status

Investment Grade Status means a credit rating by one of the following credit rating agencies: Standard & Poor's, Fitch, or Moody's within the following listed credit grades:

Standard & Poor's	Fitch	Moody's
AAA	AAA	AAA
AA+	AA+	Aa1
AA	AA	Aa2
AA-	AA-	Aa3
A+	A+	A1
A	A	A2
A-	A-	A3
BBB+	BBB+	Baa1
BBB	BBB	Baa2
BBB-	BBB-	Baa3

Or direct or indirect majority ownership or control by the government of an EU member state, the government of a member state of the European Economic Area, the UK Government (or any devolved administration of the foregoing including the devolved Scottish, Welsh and Northern Ireland administrations).

## 2. Credit Rating Status

Credit Rating Status means the contracting retailer holds a Top Tier Credit Rating (Credit assessment score of 9 or 10) from at least two Credit Reference Agencies.

### Credit Reference Agencies Example

Credit Assessment Score	Dunn & Bradstreet	Equifax	Experian
	Comprehensive Report		Bronze, Silver or Gold Report
10	5A1/	A+	95-100
9	5A2/4A1	A/A-	90-94
8	5A3/4A2/3A1	B+	80-89
7	4A3/3A2/2A1	B/B-	70-79
6	3A3/2A2/1A1	C+	60-69
5	2A3/1A2/A1	C/C-	50-59
4	1A3/A2/B1	D+	40-49
3	A3/B2/C1	D/D-	30-39
2	B3/C2/D1	E+	20-29
1	C3/D2/E1	E/E-	10-19
0	Below E1	Below E-	Below 10

Other credit agencies will be considered.

## 3. Small business

Please contact us to discuss your individual needs.

Please get in touch with

**wholesaleservicedesk@portsmouthwater.co.uk** if you would like more information.