



Portsmouth Water

ALTERNATIVE CREDIT ARRANGEMENTS FOR NON- HOUSEHOLD RETAILERS

April 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.

- Investment Grade Status – up to 100% UCA
- Top Tier Credit Rating – up to 40%
- Middle Tier Credit Rating – up to 20%
- Small/New Entrants – please contact us to discuss your requirements.

The bespoke UCA, and any other bespoke arrangements, will be revoked following two late payments in a rolling 12-month period or two payments in that period via methods other than BACS or Direct Debit.

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 worthiness grade

Credit Worthiness Grade means the contracting retailer holds a Top Tier Credit Rating (Credit assessment score of 9 or 10) from at least two of the Designated Credit Reference Agencies and no less than a Second Tier Credit Rating (7 or 8) from the one remaining agency of the Designated Credit Reference Agencies.

Middle Tier Credit Rating is defines as credit assessment scores 7-8 from at least two credit reference agencies and 6 or above from a third.

Designated Credit Reference Agencies

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

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.