



# CMP197 Amendment to Qualifying Guarantor





# Background

- Small supplier c.80,000 sites
- Business to business sector
- Entered market in 2002
- CUSC restricts Qualifying Guarantees to entities with an Approved Credit Rating



# Proposal

- Entities can provide Qualifying Guarantees using credit obtained by other methods
- i.e. Not just Approved Credit Rating
- E.g. 17% total credit
  - 10% allocated to the Entity itself
  - 7% remainder to provide guarantees



# Method

- Amend the definition of Qualifying Guarantor
- Precise definition of sum of guarantees may be required



# Case for change

- Fairer competition for small suppliers
- Already allowed under the DCUSA
- Does not adversely affect National Grid risk levels