

Note by PSIRU University of Greenwich on energy distribution monopolies covering Makerfield

12 June 2026

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As elsewhere Makerfield households pay energy supply companies, who pay the monopoly companies who own and run the electricity and gas distribution and transmission grids. So the costs of distribution are a real but indirect cost for households.

These monopoly grid companies, like the water companies, charge for distributing electricity or gas over their networks. And like the water companies, they take out dividends to pay the shareholders.

The companies with monopolies in the energy distribution grids in Makerfield are Cadent Gas and Electricity North-West. The table on page 2 shows that In the year ending March 2025:

- these monopolies paid out £57 in dividends for every household they control – over £1 per week. All this money was taken out of the system, not invested in the networks.
- the shareholders of both companies are based outside the UK, so this money is not even re-invested in the UK economy.
 - o Cadent Gas is owned by an international consortium of financial groups, including the Australian group Macquarieⁱ (26%) and the Chinese state group CIC (17%)ⁱⁱ
 - o Electricity North-West is 88% owned by the Spanish energy group Iberdrolaⁱⁱⁱ.
- The dividends paid out by Cadent Gas amounted to £38 per household in 2025 – 19% of the money collected from customer gas bills by the grid monopoly
- the dividends paid by Electricity N-W were £19 per household, equivalent to 7% of the money collected from electricity bills by the monopoly.
- In the year 2024/25 the chair of Cadent Gas was Sir Adrian Montague, who was paid £345,000. At the same time he was and is chair of Thames Water, which was and is a financial and environmental disaster, for which he was paid £350,000.

Under public ownership, this money would not be lost to the system, and could instead be used to reduce customer energy bills, or invest in the system. The compensation payable would be negotiated, there is no fixed formula under UK law. If it was based on returning to the shareholders the actual value of the share capital they have injected:

- Cadent Gas has just £0.169m. of shareholder capital on its balance sheet. This represents a tiny proportion of the dividend paid in 2025, so the cost of this level of compensation would be recovered in less than 4 hours by the savings from not paying dividends.
- The shareholders of Electricity N-W have £242.8m. of share capital on the balance sheet, equivalent to slightly over 5x the annual dividend. So the cost of this level of compensation would be recovered in less than 6 years.

Table: Cadent Gas and N-W electricity

Company	Cadent Gas	Electricity North West
Ultimate parent	Macquarie, CIC, et al	Iberdrola (Spain)
revenue £m. y/e 25	2172	654
Shareholder capital (shares+share premium) ^{iv}	0.169	242.8
Divis y/e 25 £m.	415	45.4
Customers /hholds m.	11.0	2.4
Divis per hh 25	38	19
Divis as % of revenue	19%	7%
S'holder capital as multiple of dividends	0.0004072	5.3

Sources: annual reports for 2024/25 of [Cadent Gas](#) and [Electricity North West](#)

Notes

ⁱ Macquarie has made big profits from the energy crises arising from the wars in the Middle East and Ukraine, and has been fined by regulators for over-paying huge executive bonuses and issuing misleading reports [FT 08 May 2026 Macquarie's commodities boss paid more than CEO as profits soar](#)

ⁱⁱ <https://www.ft.com/content/9fff56be-84d8-401a-8ae4-49943ff8f001?syn-25a6b1a6=1>

ⁱⁱⁱ Iberdrola is currently being investigated by the Spanish authorities for potential “serious breaches of the law” in relation to the total blackout suffered by Spain in 2025 [FT 17 April 2026 Spain probes grid operator over ‘very serious’ breaches linked to blackout](#)

^{iv} Cadent Gas reduced its capital by £5,458m. in 2018