



# Electricity North West Limited

## Compliance Report – December 2023

### 1 Introduction

Electricity North West Limited (ENWL) holds an Electricity Distribution Licence granted by the Office of Gas and Electricity Markets (Ofgem). This enables it to undertake electricity distribution services to customers within its Distribution Services Area, which is broadly the North West of England.

Under *Standard Licence Condition 43* (SLC43) – Appointment of Compliance Officer, ENWL must appoint a competent person (known as the Compliance Officer) to facilitate compliance with the relevant requirements. The Licensee must produce and publish a report (the Compliance Report) on its compliance with the relevant requirements and its implementation of the practices, procedures and systems adopted in accordance with the *Compliance Statement* required under Standard Licence Condition 42 (SLC42)<sup>1</sup>.

In producing this Compliance Report, the relevant requirements are: -

- SLC42 – Independence of Distribution Business and restricted use of confidential information.
- Paragraph 9 of SLC4 – No abuse of the licensee's special position, which prohibits cross-subsidy between the licensee's Distribution Business and any other business of the licensee or an Affiliate or Related Undertaking of the licensee.
- Paragraph 1 of SLC19 – Prohibition of discrimination under chapters 4 and 5, which prohibits the licensee from discriminating between any person or class or classes of persons when providing use of system or connections or carrying out works for the purposes of connection.
- Paragraphs 1 and 3 of SLC41 – Prohibition of discrimination under Chapter 9, which prohibit the licensee from discriminating between any person or class or classes of persons when providing, respectively legacy metering equipment and data services.
- SLC43B – Prohibition on generating by licensee.
- SLC31F – requirements relating to electric vehicle charging points.

### 2 Compliance with obligations

The practices, procedures and systems set out within the published *Compliance Statement* are in place to enable ENWL to monitor and ensure that compliance is maintained. Since publication of our Compliance Statement in December 2019, ENWL has demonstrated compliance with the relevant requirements.

Throughout the year, compliance is routinely tested by the Compliance Officer and any issues identified are resolved or escalated to the Executive Leadership Team.

A copy of this Compliance Report has been provided to Ofgem.

### 3 Activities of the Compliance Officer

Accountability for compliance with ENWL's Independence of the Distribution Business and restricted use of Confidential Information Compliance Statement has been assigned to the Safety, Compliance & Markets

---

<sup>1</sup> [Link to ENWL Compliance Statement](#)

Director who is a member of the Executive Leadership Team. Responsibility has been delegated to the Head of Economic Regulation who acts as the Compliance Officer.

ENWL has in place managerial and operational systems to ensure the organisation can meet its regulatory obligations and the company has in place policies and procedures that employees are required to follow. All new employees undertake mandatory induction training to raise awareness of the regulatory environment in which ENWL operates and a refresher training programme is in place for those directly associated with regulatory reporting.

ENWL maintains a Table of Accountabilities which documents accountability and responsibility for each licence condition. Briefings are provided to managers named within the Table of Accountabilities to ensure they understand their responsibilities. In the event of personnel changes, we brief the new post holder of their regulatory accountabilities. Employees are made aware of the Table of Accountabilities through regulatory training.

Through the role of Compliance Officer during the year, the Head of Economic Regulation has carried out the following activities: -

- Provided a regulatory awareness e-learning training course, updated for the RIIO-ED2 price control.
- Input to a refreshed competition law e-learning training course available to all employees.
- Held a series of knowledge share sessions with the management team, highlighting new and amended licence requirements for the RIIO-ED2 Price Control period.
- Ensured that new employees are introduced to the regulatory regime through an induction briefing.
- Maintained the Table of Accountabilities throughout the period ensuring this accurately reflects ENWL's licence and commercial code obligations, that these are being discharged appropriately within the organisation and that routine briefings are completed as required.
- Through compliance assurance assessments, evaluated a sample of ENWL's business practices, procedures and systems, to test the effectiveness of controls.
- Actions resulting from the compliance assurance programme are tracked and progress is regularly reported to the Safety, Compliance & Markets Director.
- Overseen ENWL's input to the drafting of residual changes to the RIIO- ED2 licence.
- Held quarterly meetings of the Regulatory Compliance Steering Group, to track progress of assurance activities and review learnings from wider relevant industry enforcement investigations.
- Initiated a compliance project, to review and future-proof governance and controls relating to interactions between the NWEN's Group's regulated and unregulated businesses, to ensure continued compliance with the licence, as well as relevant competition and procurement law.

## 4 Complaints in relation to relevant requirements

Should any complaints be received in relation to the relevant requirements, these are referred to the Compliance Officer for investigation. The role of the Compliance Officer is to investigate and determine if there is any issue in relation to the relevant requirements and recommend any remedial action that the investigation has demonstrated to be necessary.

During the year the compliance officer engaged with one connection customer representative directly in connection with service delivery, which was not found to be a complaint in relation to relevant requirements. A second connection customer complaint was proactively investigated after internal referral to the compliance officer. This too was not found to be a complaint in relation to the relevant requirements.

As set out in our Compliance Statement, should additional support be required to assist the Compliance Officer in an investigation, this will be drawn from the appropriate teams across the organisation including the Economic Regulation Team and the Governance Services Team. If required, external third party organisations may be appointed to carry out assurance activities.

## 5 Managerial and Operational Controls

ENWL has an organisational structure consisting of a Chief Executive Officer supported by an Executive Leadership Team. These individuals have responsibility for ensuring compliance with the licence conditions including the relevant requirements set out in section 1 above.

The Chief Executive Officer and Chief Financial Officer are executive members of the ENWL Board. The Board includes both executive and non-executive directors.

## 6 Contact

Any queries in relation to this compliance report should be directed to the Head of Economic Regulation (Compliance Officer) using the details below.

Paul Auckland  
Head of Economic Regulation (Regulatory Compliance Officer)  
Electricity North West  
Hartington Road  
Preston  
PR1 8AF  
Email: [Paul.Auckland@enwl.co.uk](mailto:Paul.Auckland@enwl.co.uk)