

COMPLAINTS HANDLING PROCESSES AND TOOLS OF THE ENERGY REGULATORY COMMISSION

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Presentation Layout

- Mandate of the Energy Regulatory Commission (ERC)
- Overview of the Commission
- Handling of Complaints by ERC
- How ERC works with Utilities in complaint handling
- Enhanced Capacity in handling complaints and other processes
- Conclusion

Mandate of the Energy Regulatory Commission

The Commission/ERC is a single sector regulatory agency responsible for economic and technical regulation of Electric Power, Renewable Energy and Downstream Petroleum sub-sectors. This includes tariff setting and review, licensing, enforcement of standards, **complaints and dispute resolution** as well as approval of power purchase agreements and network service contracts.

Vision and Mission Statements

VISION

To be a globally respected regulator enabling access to energy for socio-economic transformation

MISSION

To facilitate access to efficient and sustainable energy through enabling regulation that will contribute to better quality of life in Kenya

Overview of the Commission (2)

The Commission has 3 major departments, i. e. Renewable Energy, Electricity and Petroleum, which are responsible, *inter alia*, for-

- Licensing, monitoring of performance of licensees
- Enforcement of standards and regulations
- Collecting and maintaining data,
- Preparing national energy plans,
- Developing regulations
- Providing information and statistics to the Minister

Overview of the Commission (3)

To enable the smooth running of its functions, ERC;

- (i) Has prepared departmental ISO procedures for handling of its functional activities, with timelines on how long any activity should take from initiation to completion.
- (ii) Established a Regulatory Management Information System (RMIS) to track flow of activities, produce reports, manage internal and external communication. This helps cut down on time and resources.
- (iii) Ensures that every licensee prepares and submits for its approval a Customer Charter that includes Complaint Handling Procedures.

Handling of Complaints by ERC

- ERC uses two tools to handle customer complaints, i.e. :
 - The Energy(Complaints and Dispute Resolutions) Regulations 2012 backed by the Energy Act 2006.
 - ISO procedure for Resolution of Complaints and Disputes (WI)
- The regulations require that:
 - all complaints shall be handled by the respective licensee and are only referred to the Commission when parties fail to reach an amicable resolution.

Handling of complaints by ERC (2)

- Utilities establish procedures or customer charters which shall be approved by the Commission for handling of complaints
- Utilities submit a monthly report regarding all complaints received and resolved
- In the event a complaint is not resolved to their satisfaction, any party can declare a dispute and refer the complaint to the Commission.

Types of Complaints

- Billing
- Power Interruptions
- Wrongful disconnection
- Way leaves infringement
- New connections
- Power factor surcharge
- Faulty meters
- Tariff
- Equipment damage etc

How ERC works with Licensees to Resolve Complaints

- The Distribution and Supply licensee (KPLC) has an approved procedure for handling of customer complaints. [KPLC Complaints handling procedure.pdf](#)
- Where a complaint is not resolved to the satisfaction of either party, it may be referred to the Commission.
- The Commission encourages the two parties to amicably resolve complaints even when they appear at the Commission through mediation.
- Where mediation fails, the dispute resolution process set out in [Complaints and Dispute Resolution Procedures \(2\).docx](#) is invoked.

How ERC works with Licensees to Resolve Complaints (2)

- ERC carries out Technical Audits of the Licensees' works in which processes for handling complaints are audited.
- Records of complaints are scrutinized to establish how long they have taken to resolve.
- This also helps establish those complaints that have not been reported to the Commission and why.
- If any party is dissatisfied with a decision of the Commission, they may appeal to the Energy Tribunal.

Capacity Development in Handling of Complaints and Customer Service

- Initially complaints were received and recorded in a register and later transferred to an excel worksheet.
- This meant a lot of human intervention in following up to have the complaint resolved.
- After reviewing whether they are rightly with the Commission, they were acknowledged and both parties informed through writing.
- Timelines for response was given e.g. 14 to 30 days.

Capacity Development in Handling of Complaints and Customer Service (2)

- If the Complainant had not exhausted the Licensee's procedures, he/she would be referred back to the Licensee.
- The public were also not aware of where and how to seek redress in case their complaints were not resolved to their satisfaction, and many of customers were referred back to the Licensee

Challenges

Ended up with unresolved complaints

ERC looked like an extension of the Licensee

Customers lost confidence in ERC

Took long times to have complaint resolved

Capacity Development in Handling of Complaints and Customer Service (3)

- ERC established a Regulatory Management Information System which helps fast track complaints and other processes e.g. licensing . [Online application guidelines.pdf](#)
- Technical Staff handling complaints have been trained on Customer Service Delivery.
- The establishment and use of ISO procedures ensures timely response to complaints
- ERC is in the process of establishing an Automated system which will link some of its processes to those of the Licensee where data will be accessed without having to exchange emails, phones and or letters.

Capacity Development in Handling of Complaints and Customer Service (4)

In its efforts to build complaint handling and customer service capacity , ERC;

- Conducts customer awareness through road shows, open air discussions and through the print and electronic media
- Carried out customer survey to establish the following;
 - **Communication**
 - Sensitization of all customers on ERC functions and mandate
 - Improvement of accessibility of ERC

Capacity development in complaints handling & Customer Service

– Understanding the Customer

- Efforts at better understanding the mandates of the customers
- Partnering with other institutions with regional branches to provide means of information exchange between ERC and their customers

– Technical Competence

- Capacity Building of technical staff at ERC
- Enhance customer feedback mechanism system at ERC

Capacity Development in Handling of Complaints and Customer Service (5)

- **Reliability**
 - Turn around time in place for responding to customer queries
 - Enhance monitoring mandate of the Commission to ensure no category of customer benefits at the others expense
- **Credibility**
 - Develop communication strategy to enhance positive publicity

Capacity Development in Handling of Complaints and Customer Service (6)

- Develop media strategy to initiate media partnerships in disseminating information on ERC
- **Responsiveness**
 - Have staff in place to solely deal with complaints of customers
- **Courtesy**
 - Training sessions of Customer Service Staff on customer relationship

Challenges

- Utilities are a profit making organizations and many times not willing to disclose some information
- Slow response in complaints handling. In some cases there are delays resulting from staff who do not wish to make decisions especially where the Company stands to loose.
- Legal battles which end up in costly resolutions to parties when parties involve lawyers
- The independence of the Regulator is sometimes jeopardized by powerful government appointees.

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