

# **Dispute Resolution & Mediation**

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New Jersey Board of Public Utility

Workshop on General Regulatory Issues  
October 2004  
Baku, Azerbaijan

# New Jersey Board of Public Utility Mission Statement

“We will ensure the provision of safe, adequate, and proper utility and regulated service at reasonable rates, while effectively managing the transition from protected monopoly franchise markets to competitive markets for the betterment of ratepayers”

# Managing the Market

- Managing the market means resolving the disputes that will inevitably arise.
- The Agency must set up mechanisms to resolve disputes between customers and providers and also between and among market participants.

# **Mechanisms established in the New Jersey BPU:**

## **Division of Customer Assistance**

- The Division of Customer Assistance provides the most visible direct communications link between the BPU and the customers of the utilities it regulates as well as licensed third party energy suppliers and resellers of telephone service.
- The Division assists customers in resolving service and billing problems as well as other disputes.
- The Division also participates in investigations and research activities related to emergencies and chronic service delivery problems.

# Division of Customer Assistance

## ■ Responsibilities:

- Day-to-day handling of customer complaints regarding all utilities regulated by the BPU (The Office of Cable Television has its own complaint/investigation Unit)
- Operates toll free phone lines and employs bi-lingual personnel to service customers.
- Handled over 106,000 calls in 2003

# *Division of Customer Assistance*



- In addition to maintaining local (973-648-2350) and toll free (800-624-0241) telephone numbers, the Division maintains an Electronic Data Interchange System, which enables major utilities to receive complaints instantaneously over high-speed data lines.
- Processing time is thus reduced and responses are provided faster.

# Division of Customer Assistance

- The Division has seen an increase of 27% in the number of customers assisted since 1996.
- For comparison, the Division assisted customers with 10,548 verbal and 3,265 written complaints in the year 1996.
- In the year 2003, the Division assisted customers with 17,984 verbal and 3,294 written complaints.
- In addition, the Division received 3,654 emails from customers requesting assistance or general information.
- The Division received 106,053 telephone inquiries in the year 2003.



# *Division of Customer Assistance*



- With the implementation of competition in the energy and telephone industry, other BPU Divisions, other governmental agencies, BPU Commissioners and customers rely on the Division to provide information as to how well these companies are serving customers.
- The Division has received inquiries regarding 952 different companies with which customers had expressed problems.



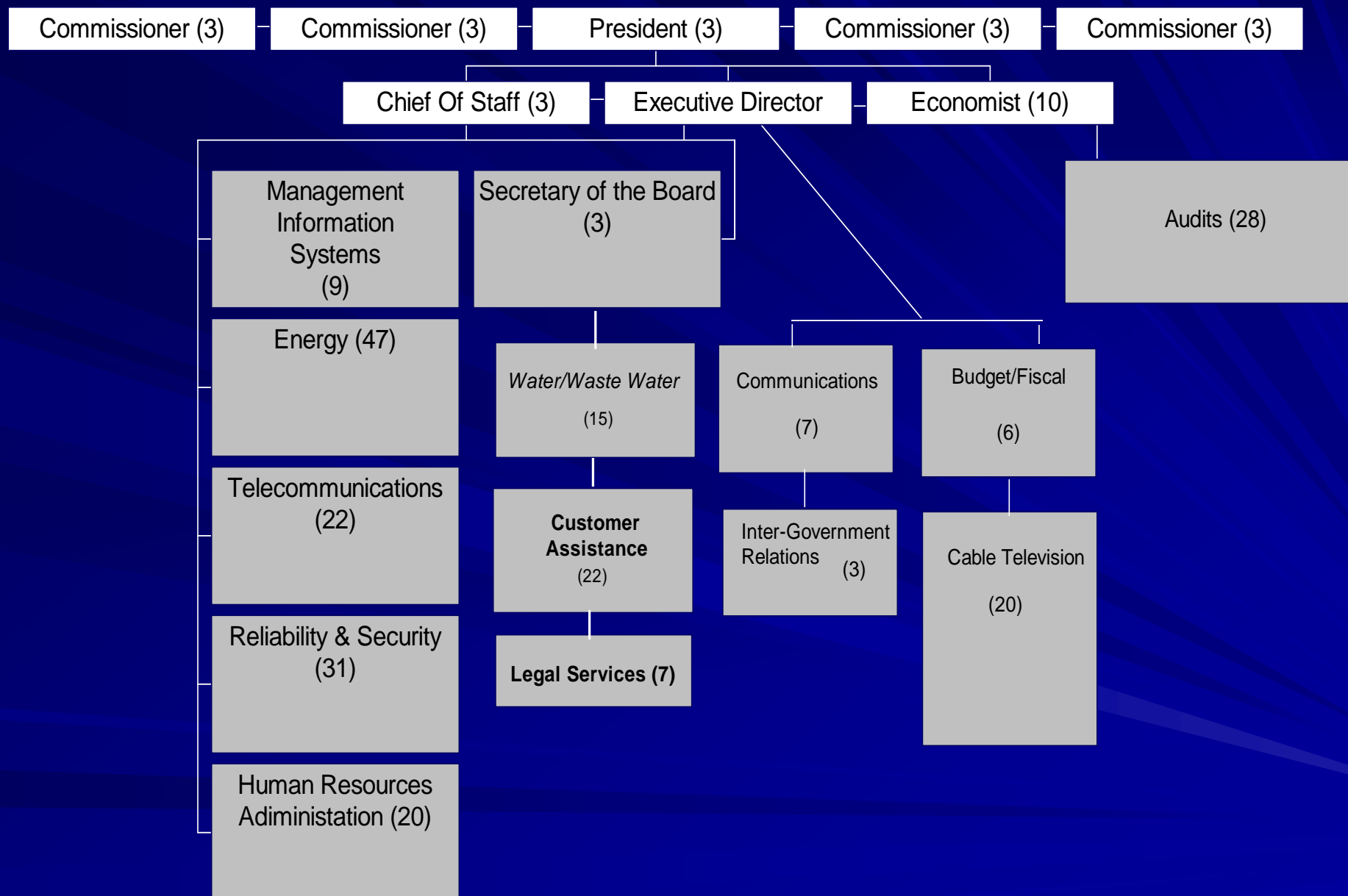
# Status Report to Commissioners – Provided monthly

Utilities	Number of Customers	Complaints			Top Two Complaint Categories	
		Verbals	Writtens	Total		
Electric Company						
Conectiv	517,329	145	7	152	Collections 128	Billing 12
JCP&L	1,051,290	172	9	181	Collections 90	Service 50
Rockland	62,372	2	0	2	Collections 2	
Gas Company						
New Jersey Resources	450,727	30	5	35	Collections 18	Billing 13
NUI	261,731	91	20	111	Billing 49	Collections 44
South Jersey Gas	306,938	72	6	78	Collections 47	Billing 16
Gas & Electric Company						
PSE&G	2,360,597	502	31	533	Collections 281	Billing 150
Third Party Energy						
Total Gas & Electric	N/A	1	1	2	Billing 2	

Utilities	Number of Customers	Complaints			Top Two Complaint Categories	
		Verbals	Writtens	Total		
Local Exchange Carriers						
United Telephone	151,110	9	2	11	Service 5	Billing 2
Verizon	2,767,580	322	58	380	Service 233	Billing 42
Long Distance Carriers						
AT&T	N/A	123	38	161	Service 72	Billing 66
MCI	N/A	62	8	70	Service 35	Billing 15
Sprint	N/A	9	2	11	Billing 7	Service 2
Resellers Telephone						
Cleartel Comm.	N/A	2	1	3	Billing 2	Collections 1
Capital Comm.	N/A	3	0	3	Service 2	Billing 1
IDT America	N/A	13	4	17	Billing 5	Collections 5
Talk America	N/A	6	0	6	Service 6	
Water Company						
Elizabethtown Water	205,636	19	5	24	Billing 16	Service 3
NJ American Water	386,893	25	6	31	Billing 15	Service 7
United Water	183,826	17	6	23	Billing 12	Collections 6

# Monthly Summary Sheet

	Verbal	Written	Total
Major Utility Complaints	1,625	209	1,834
Other Utility Complaints	61	41	102
Total	1,686	250	1,936
Cases Received	1,698	254	1,952
Cases Closed	1,770	239	2,009
Cases Pending	1,521	2,291	3,812
Customer Savings			\$87,281.81
Emails Received			363
In Person Office Interviews			37
Information Calls			2,839
Response & Investigation Calls			10,426
Calls Answered (ACD)			4,823



# Utilizing Customer Assistance Data

- Aggregating Data by Company
- Aggregating Data by Type of Complaint
- Identifying Trends
- Identifying Hot Spots

# Adjudicating other methods for Disputes

- Cases before the Board.
- Stakeholder working groups
- Arbitration Panels
- Statute-based Dispute Resolution

# Cases Before the Board

- If settlement does not occur regarding a dispute being handled by Customer Assistance division or Energy / Telcom / Water divisions it can be brought before the board.
- Board is a Quasi-Judicial body and will accept Staff recommendation but is free to reject or modify.
- As with any case, the participant and respondent take their chances with the if they decide not to settle the case first.



# Stakeholder working groups

- Used Prior to Rule Making
- Primarily designed to avoid disputes before they happen.
- Bring together parties involved in the issue to work through points of disagreement
- Can be used post-rule making, usually for implementation phase.

# Arbitration Panels

- Formally embodied in Telecommunications Statutes.
- Can how ever be used in energy matters
- Usually involves hiring an outside arbitrator, most often a retired judge.
- Arbitrators decision is transmitted to the Board which usually accepts it but can modify decision if it chooses.

# Statute-Based Dispute Resolution...

- NJ's "Municipal Land Use Law" Allows a public Utility to appeal to the Board of Public Utilities within 35 days of any aggrieved action by a municipal agency with respect to any action in which the public utility or generator has an interest including the present or proposed use of utility provision

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