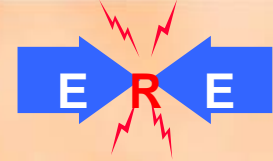


SERVICE QUALITY

Monitoring and Consumer Complaints

Entela Çipa
Consumer Protection and Public Relations Sector
ERE – ALBANIA
September 2007



LEGAL FRAMEWORK

- **Electricity Directive 2003/54/EC of the European Parliament and the Council of Europe and the Treaty on the Establishment of the Energy Community.**
- **Law No. 9072, dated 22 May 2003 “On the Power Sector.”**
- **Energy Distribution Code.**
- **Power Measuring Code.**
- **Transitory Market Model and the Market Rules.**
- **Energy supply contracts for residential and non-residential customers.**



KEY ELEMENTS OF THE REGULATIONS FOR ENSURING SERVICE QUALITY

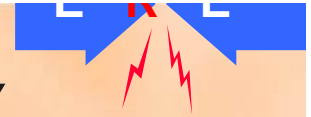
- **Commercial service quality**
- **Technical quality**
 - on-going service
 - tension quality
- **Contractual obligations for customer protection.**

COMMERCIAL SERVICE QUALITY

- **In the event of accidental energy supply cuts, a company shall:**
 - **Restore supply as soon as possible.**
 - **Record all complaints and notify the complaining party about the approximate duration.**
 - **Define a 30-day deadline after receiving a customer complaint to resume supply and interrupt supply 10 days following the customer's request.**
 - **The supplier has the right to stop supply when the payment deadline is past due, and after providing the customer with a written notification 72 hours in advance.**
 - **Supply resumes within 48 hours following payment.**
 - **When a client requires additional power, the response is given in 30 days after the submission of the request.**

TECHNICAL QUALITY

(Continuity of Service)



The distribution code defines actions that should be taken to guarantee continuous supply and to resume supply as soon as possible:

- Energy cuts due to defects – a company takes adequate actions and notifies the customer on progress made.
- Scheduled cuts – notified via media at least 24 hours in advance.
- Supply cuts – under certain circumstances, the customer may be asked to reduce the load or use reserve supply sources. Notification is issued 24 hours in advance.
- Restrictions – in the event of a power reduction, restrictions may be requested. If possible, the company will notify customers.

TECHNICAL QUALITY

(Tension Quality)

The contract determines the tension level and tolerance in limits:

- **+/- 10% for urban area customers**
- **+/-15 % for rural area customers**



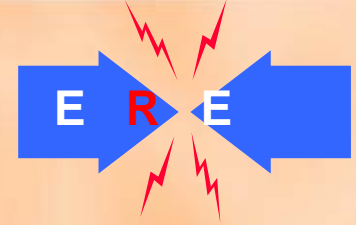
CONTRACTUAL OBLIGATIONS

(From the consumer protection perspective)

The main contractual conditions for energy sales are determined as follows:

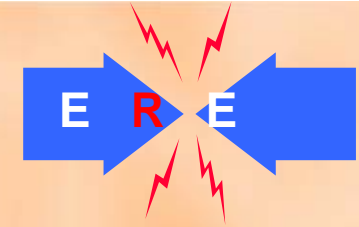
- **Frequency of meter reading – monthly and the bill is sent on the 25th of the month following the meter reading.**
- **Payment mode – from the second day of the month till the end of the following month.**
- **Charge for a delayed payment – in the event of a delayed payment, the customer has to pay 0.5% per day in addition to the amount of the bill but not more than the total amount of the bill.**
- **Meter control – within 15 days after receiving the request.**
- **Energy bill when the meter does not work – For days when the meter is not in use due to control or malfunctioning, the customer will be billed based on the average daily consumption of the previous month, but no more than a 30-day consumption.**

MONITORING



- **Reporting by a licensee to ERE**
- **Auditing of a licensee by ERE**
- **Benchmarking**

REPORTING



A licensee is requested to prepare and submit to ERE an annual report on its activity on the 31st of March during the calendar year focusing, among others, on:

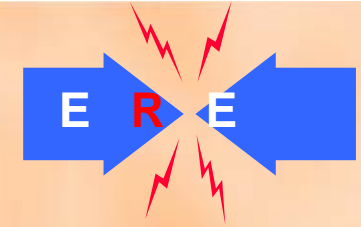
- **Quality of service and details for every action taken to improve service.**
- **Every defect that occurred during the year.**
- **Every scheduled energy cut that lasted more than normal time as defined in rules and regulations.**



AUDITING

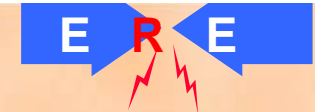
- **ERE has in place a partial legal infrastructure for conducting auditing.**
- **Auditing is closely connected with the establishment of the service quality norms.**
- **ERE has not performed auditing.**

BENCHMARKING



ERE publishes and makes public:

- **The conditions under which energy services are provided.**
- **The situation of the energy sector and services provided by the operator.**
- **ERE participates in regional benchmarking.**



ADDRESSING THE COMPLAINTS OF CONSUMERS

- **Every person can send ERE a complaint about a licensee.**
- **Within 10 days, ERE sends a copy of the complaint to the party or parties responsible for the incident as described in the complaint.**
- **The responsible party will respond within 10 days following the notification and will send a copy of the response to ERE. The responsible party will also send a second copy to the customer who made the complaint.**
- **When the conflict is not solved in 20 days following the response, ERE schedules a technical hearing session among the parties and may undertake verifications or inspections.**

DEALING WITH CONSUMER COMPLAINTS

(Hearing sessions)

While exercising its competence and responsibilities, ERE may organize several sessions as follows:

- **General sessions – to receive comments from parties concerned about ERE regulations, guidelines, and documents.**
- **Technical sessions – to solve technical issues regarding fees, licensing procedures, conflict resolution, or other actions.**
- **Official public sessions – to receive comments from parties concerned about ERE's rate setting process for customers.**



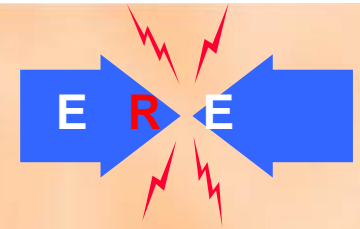
IDENTIFIED PROBLEMS

- **ERE has not defined minimum requirements for service quality. We have defined only some quality indicators but have not set real quality standards that are updated on a regular basis.**
- **There are no procedures defined for reimbursement in the event of failure to observe specific quality requirements.**
- **There are no standards on data collection for meeting such requirements.**
- **Current documents do not foresee any economic effect either regarding incentives for service improvement or penalties in failures to offer service, or when service deteriorates.**



OBJECTIVES AND RECOMMENDATIONS

- **To draft a document on minimum mandatory requirements for quality of service.**
- **To define accurately consumer rights with respect to main characteristics of power sale service.**
- **To conduct systematic tests to measure the degree of customer satisfaction with service quality, for the purpose of monitoring the changes in perception about the service quality.**
- **To have in place a process for drafting these documents through transparent procedures.**



THANK YOU !