



# Managing the Consumer Complaint Process

Energy Regulatory Partnership  
Program

Abuja, Nigeria

August 3-7, 2009

## Managing the Consumer Complaint Process

- MPSC has the authority to create Service Quality Rules per legislation dating back to 1909 (PA 106).
  - Last updated in 2008, 10 years after the last review.
  - Reviews incorporate non-binding input from industry, the public, Attorney General and interested parties.
  - Written by MPSC, approved by SOAHR (State Office of Administrative Hearing and Rules)

## Managing the Consumer Complaint Process

- Service Quality rules provide the framework for handling customer complaints.
- Balanced approach: both customers and Providers have rights and responsibilities.

## Managing the Consumer Complaint Process

- Informal Complaints may be submitted to the Commission by
  - E-mail
  - Web form
  - Telephone
  - Written
  - Walk-in

# Managing the Consumer Complaint Process

- MPSC receives approximately 17,000 complaint calls per year.
  - Only about 6-12 of these “informal” complaints become “Formal Cases”.
- Complaint line:
  - Toll-Free number is provided for in-State calls
  - Calls are answered within 30 seconds, on average.
  - Answered by a person, not a “telephone tree” or recording.
  - Follow-up by a Complaint Officer within 2 days.



# Managing the Consumer Complaint Process

- Why are complaints filed?
- Billing disputes
  - Metering disputes
  - Application of payment
  - Failure to bill
- Failure to provide service
- Statute or Rule Violations (Shutoff)
- Tariff violations



# Managing the Consumer Complaint Process

- Complaint is entered into a computer database program (Goldmine) that tracks:
  - Nature of the complaint
  - Contact/account information and history
  - Complaint progress
  - Resolution
- Database can provide composite or specific information about provider complaints (number & issues)

## Managing the Consumer Complaint Process

- Complaints begin as informal filings handled by the Call Center who collects information/documentation from the consumer about the problem and turns the information over to a Complaint Officer.
- A Complaint Officer:
  - Works with a Provider's representative to negotiate a satisfactory result through a combination of regulation and goodwill.



## Managing the Consumer Complaint Process

- The Customer must:
  - Pay all undisputed amounts.
  - Pay current bills.
  - Often there is a settlement reached with a payment plan. If customer does not keep payment plan, does not have a right to another plan.
  - Customer can appeal to MPSC Staff

## Managing the Consumer Complaint Process

- If an agreement cannot be reached and the amount is under \$1,000.00 US:
  - Must go through mediation.
  - If there is no agreement within 45 days of beginning mediation, then the dispute may go to a formal hearing before the Commission.

## Managing the Consumer Complaint Process

- A formal complaint is:
  - Filed with the Executive Secretary
  - A Commission attorney will review the case to determine if there is a “prima facie” case.
    - IF NO: Letter is sent to customer stating why the case is rejected. The customer is given ideas on what to add to resubmit.
    - IF YES: Sent to the appropriate Division
  - A formal hearing will be scheduled if the MPSC determines there is a support for the complaint.
  - The customer and provider may continue to negotiate before a formal hearing is held.

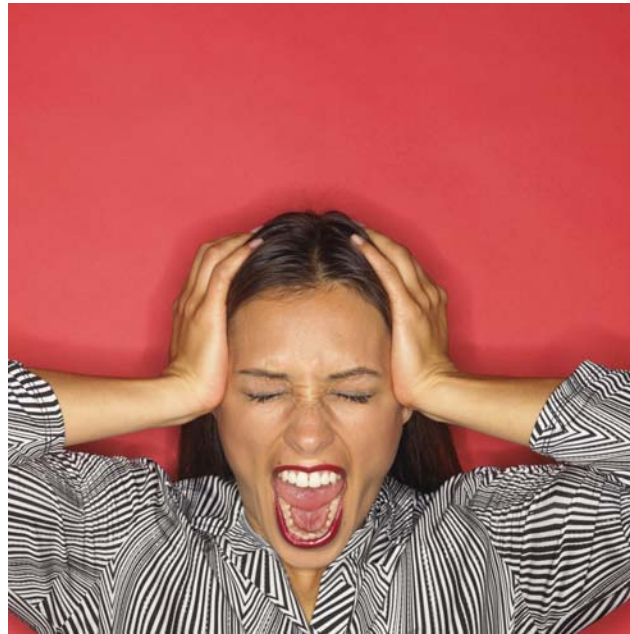
# Managing the Consumer Complaint Process

**If settled!**



# Managing the Consumer Complaint Process

If no settlement...



# Managing the Consumer Complaint Process

- A Formal Hearing is similar to a court case, but not as strict:
  - Held before an Administrative Law Judge (ALJ),
  - Court reporter is present to record what is said,
  - Complainant must prove his/her case by a “preponderance of the evidence”, beyond a reasonable doubt.



## Managing the Consumer Complaint Process

- Governing rules come from statute and Commission Rules of Practice.
- Complainant presents first
  - Witnesses
  - Documentary evidence
- Rules of evidence
- May have an attorney or represent self

## Managing the Consumer Complaint Process

- The ALJ makes a decision based on the information presented at the hearing.
- If the customer does not agree with the ruling, he/she may file “exceptions”.
- The Commission then reviews the case and makes a decision.
- Appeals go directly to the Court of Appeals, who may or may not hear the case.



# Managing the Consumer Complaint Process



At the conclusion of the evidentiary hearing:

- Simple case: oral proposal for decision
- More complex case:
  - Parties file briefs and reply briefs.
  - ALJ prepares proposal for decision (PFD).

# Managing the Consumer Complaint Process

After the PFD:

- Parties may file exceptions and perhaps replies to exceptions
- Commission attorneys review the entire case, look at briefs, reply briefs, the PFD, exceptions, and replies to exceptions and prepare a proposed draft decision for the Commission.



## Managing the Consumer Complaint Process

### Commission Order:

- Commissioners may adopt the draft as written or may edit it or may require a new result entirely.
- When the Order is issued, both parties get notice and copy. Each final order contains the right to appeal.

# Managing the Consumer Complaint Process

## Post Final Order:

- Rehearing
- Reconsideration
- Reopening
- Clarification
- Enforcement
- Appeal

## Managing the Consumer Complaint Process

- Final outcomes of Formal Complaints vary. The losing party may pay:
  - Reimbursement of economic losses,
  - Fines,
  - Any Attorney fees and actual court costs of the winning party.
- Or possibly face:
  - License revocation,
  - Cease and Desist Order.

# On-Line Resources:

- MPSC Consumer Complaints: information on filing informal complaints: [http://www.mi.gov/mpsc/0,1607,7-159-16368\\_16415---,00.html](http://www.mi.gov/mpsc/0,1607,7-159-16368_16415---,00.html)
- MPSC FAQs and topics of information for gas, electric and telephone customers: [http://www.mi.gov/mpsc/0,1607,7-159-16368\\_16506---,00.html](http://www.mi.gov/mpsc/0,1607,7-159-16368_16506---,00.html)
- MPSC Consumer Alerts: brochures that provide information about common questions and problems:  
[http://www.mi.gov/mpsc/0,1607,7-159-16368\\_16408---,00.html](http://www.mi.gov/mpsc/0,1607,7-159-16368_16408---,00.html)
- MPSC Administrative Code:  
[http://www.state.mi.us/orr/emi/admincode.asp?AdminCode=Single&Admin\\_Num=46000101&Dpt=&RngHigh=48702110](http://www.state.mi.us/orr/emi/admincode.asp?AdminCode=Single&Admin_Num=46000101&Dpt=&RngHigh=48702110)