



STATE ENERGY REGULATORY COMMISSION

LESSONS LEARNED AND RESULTS ACHIEVED THROUGH THE SERC/BPU PARTNERSHIP

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A Brief History of the Partnership

- May 2002 initiated the partnership between the State Energy Regulatory Commission (SERC) of Bulgaria and the New Jersey Board of Public Utilities (BPU).
- 5 activities were carried out: 2 in New Jersey, 1 in New Jersey, Delaware and Pennsylvania and 2 in Bulgaria (current one excluded), as well as 1 internship and participation of 2 specialists from SERC in a workshop in New Jersey.



Issues Discussed During Partnership Activities

After the acquaintance phase between the partners, the activities focused on the following main issues:

- Licensing, permits and control in the energy and gas sectors (technical aspects);
- Economic aspects of energy regulation (tariffs, stranded costs, incentive regulation);
- Administrative structure, information flow and management (holding sessions and decision-making procedure, working with consumers, procedure for reviewing complaints, document flow);
- Public outreach, dispute resolution and customer complaints (current visit).

Internships topics: Legal framework (March 2003) and Public relations and working with customers; processing of complaints (Sept. 2004)



Results and Lessons Learned from the Partnership

Acquired Experience and Results

- Rich information on improving our operations related to:
opening of the electricity and natural gas market, incl. the control activity, energy generation from RES, legal framework, practice of consumers' protection and settlement of disputes, main questions of price setting and economic regulation.
- Application in practice of the lessons learned in the preparation of draft secondary legislation under the new Energy Act (December 2003).



Results and Lessons Learned from the Partnership

Acquired Experience and Results

- The NJ BPU experience (established since 1911 and regulating all public utilities) with respect to main issues of regulation:
the relation between the regulator and regulated utilities, quality and security of supply with electricity, investors' assessment, approach to public relations, ect.
- “On-site” acquaintance with the organisation of the work and with aspects from its practice:
(procedure for holding sessions, procedure for processing complaints, voluntary settlement of disputes, control on the quality and reliability of supply, etc.).



Results and Lessons Learned from the Partnership

Lessons Learned and Recommendations

We think it is necessary that:

- the partnership focus on the new tasks confronting SERC related to:
 - the regulator's role in the conditions of a liberalized internal energy market
 - the establishment of a regional electricity market in the South East Europe
 - water sector regulation;



Results and Lessons Learned from the Partnership

We think it is necessary that:

- the mechanisms for dissemination of the lessons learned and experience acquired among the administration of the Commission, the licensed companies and other interested parties be improved;
- the opportunity for participation in workshops and training programs in US and EU organisations be used more extensively;
- the share of the individual closely specialized meetings be increased; practice of holding “round tables” be developed.



THANK YOU FOR YOUR ATTENTION

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