

An end to electricity supply frustrations

Electrical appliances can be destroyed due to power surges or frequent outages. Consumers sometimes spend endless hours on hold before speaking to a power company representative. This poor quality of service leaves consumers feeling frustrated and dissatisfied, but now new regulations are protecting consumers' rights.



When consumers in Partner Countries contact their electricity provider they can be put on hold for hours before speaking to a company representative, registering a complaint or receiving any news about when they will have power again. Power surges, power outages and poor quality of service give consumers a very poor experience of energy provision and lead them to ask what they are actually paying for.

The EU-funded INOGATE Programme is addressing these problems in quality regulation of electricity supply by working with regulators to establish set rules to protect the energy consumer. These rules include establishing indices of limits of surges and outages and standards for customer services as well as ways of enforcing these rules, for example through penalties for energy companies, etc.

Regulators in Armenia and Moldova are already enforcing rules for improvement of their client services on electricity providers, such as informing consumers in advance of power outages and compensation for damage to appliances resulting from power surges. The switch from a cost-of-service price regulation to a regulation based on incentives is at the heart of providing better, and ultimately, cheaper energy. The regulator can ensure that the cost cuts required by such incentives are not achieved at the expense of the quality of the energy provided to the consumer.

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I have developed a phobia towards power cuts because my refrigerator stopped working several times and finally I had to buy a new one. Of course, the electricity company did not compensate me. When there is a blackout, I'm always terribly worried that something might go wrong.

Lela, a mother of three in Tbilisi

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! A consistent power supply does not just benefit industry, but should be what every consumer can expect. If quality standards are violated, consumers should be compensated.

Spotlight on success

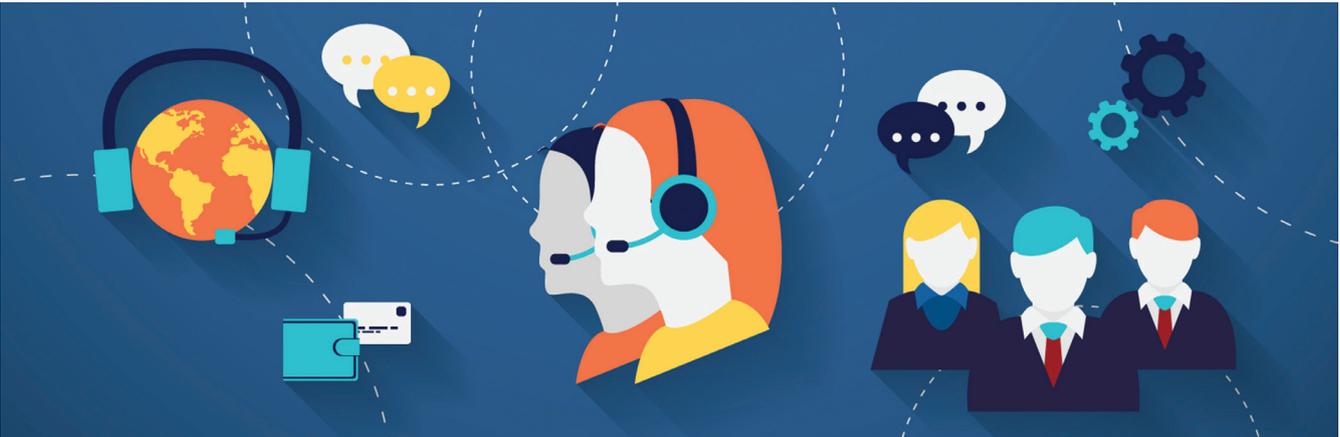
“If I fail to pay my electricity bill, it will be cut off immediately”, says Lela, “but if the company fails to provide uninterrupted supply, no one is responsible or compensates me. Is that fair?”

With INOGATE’s training and advisory services, **Moldova** is proceeding with the introduction of a system of automatic compensation payments for non-compliance with the guaranteed indicators of the quality of services provided by network operators. The Moldovan regulator was trained in best practice in improving its monitoring mechanisms for quality of services.

In **Armenia**, an automatic system for monitoring the quality of services is being developed, with monetary compensation for disrupted services to be included in the final customer

tariff. Commercial quality indicators are being introduced setting new standards of quality and services for consumers, such as time it takes to respond to consumers’ requests for network connection, as well as the actual time taken to connect new consumers to the network.

Consumers can now expect better services regarding new connections, an increase of supply capacity, disconnection upon the consumer’s request, meter reading and verification, repairs and elimination of voltage quality problems, answering phone calls, etc.



The EU-funded INOGATE Programme promotes international energy cooperation between the European Union and the Partner Countries of Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

This document has been produced with the financial assistance of the European Union. The contents of this publication are the sole responsibility of the consortium implementing the EU-funded project “INOGATE Technical Secretariat and Integrated Programme in support of the Baku Initiative and the Eastern Partnership energy objectives”, namely, Ramboll Denmark A/S, EIR Global sprl, the British Standards Institution, LDK Consultants S.A., MVV decon GmbH, ICF International, Statistics Denmark and Energy Institute Hrvoje Požar, and can in no way be taken to reflect the views of the European Union. Reproduction is authorised provided the source is acknowledged.

The INOGATE Programme is supported by the European Union.

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