Service Quality Monitoring and Regulation

Jasmina Trhulj
The Energy Agency of the Republic of Serbia

DEMSEE

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Service Quality – Why? (I)

Deregulation and restructuring:

- **Transmission and distribution** – monopoly – regulated

- **Production and Supply** – market - competition

⇒ **Regulatory agencies:**

- **regulating monopoly business**
- **facilitating market development**

Service Quality – Why? (II)

Electricity companies:

- Monopoly - Incentive Price regulation
- Market - Competition

  ⇒ **Profit oriented**

  ⇒ **Decrease of Service Quality**

Customers:

- Require higher service quality and lower prices

⇒ **Service Quality Monitoring and Regulation**

Serbian Power Sector

- Number of customers: 3.33 mil.
- 1 TSO
- 5 DSO/Supply of captive customers
- 5 generation companies
- 42 Trading/Supply companies
- Consumption: 28 TWh/year
- 47% Market opening (potentially 330.000 eligible customers)

Service Quality in Serbia

System for Monitoring and Regulating

Service Quality is

Service Quality – Legislation

Legal framework regulating service quality:

- **Energy Law**
- **Decree on Conditions for Electricity delivery**
- **Grid Code**
- **Distribution Code** (to be approved in 2009)

Service Quality – What?

Legal framework regulates some aspects of:

- **Voltage Quality**
- **Commercial Quality**
- **Continuity of supply**

Legislation – Who?

Bodies responsible for service quality:

- **Electric power inspector –** monitoring quality
- **TSO –** providing/monitoring service
- **DSO –** providing/monitoring service
- **Suppliers –** providing/monitoring service
- **Regulator** – monitoring/regulating quality

Legislation – Role of the Regulator

Indirect role in monitoring/regulating service quality by:

- Approving Grid Code and Distribution Code
- Collecting and processing data on energy entities relating to the performance of energy activities
- Harmonizing activities of energy entities to provide a regular electricity supply and services to customers
- Deciding appeals against the TSO/DSO refusal of access or connection to the network
- Customer protection

BUT…

- No clear competences regarding service quality regulation

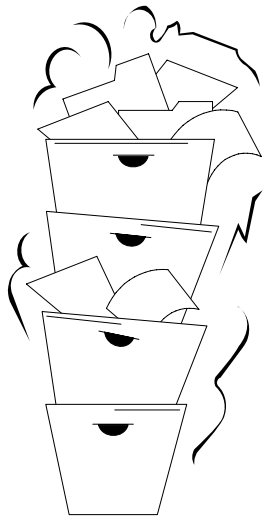
Service Quality Monitoring-present

Electricity companies register and analyse performance data...

BUT...

Available data are:

- **incomplete**
- **inconsistent and**
- **non-comparable**



⇒ **Non-applicable for sevice quality benchmarking**

Service Quality - prerequisites

Prerequisites for service quality monitoring and regulating:

- Competent teams for service quality monitoring within companies
- Unique rules for data registration
- Unique rules for calculation of service quality indicators
- Quality standards
- Metering and acquisition systems
- IT systems and databases

as well as

- Amendments to the Energy Law clearly defining the responsibilities of individual institutions in service quality regulation

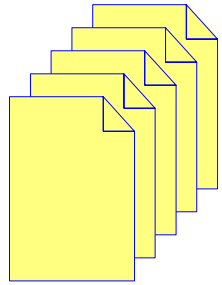
Service Quality
AERS –Information Code (I)

- **As of January 1, 2009 AERS has introduced information rules for the registration of data and calculation of service quality indicators in the transmission, distribution and supply of electricity based on:**
  - **the existing legal framework**
  - **international practice in monitoring and regulation of service quality**
  - **existing companies' practices with regard to data collection**
  - **informal monitoring of the needs and requirements of users/customers**
- **aimed at:**
  - **harmonizing of rules for recording data and calculation of service quality indicators**
  - **continuous monitoring of service quality indicators,**
- **in order to allow for:**
  - **creation of complete and consistent database of quality indicators,**
  - **benchmarking and regulation of service quality.**

Service Quality
AERS –Information Code (II)

- **Information Code represents a set of Excel tables which define:**
  - **the type,**
  - **scope and**
  - **format of data, as well as**
  - **deadlines for submission to AERS**

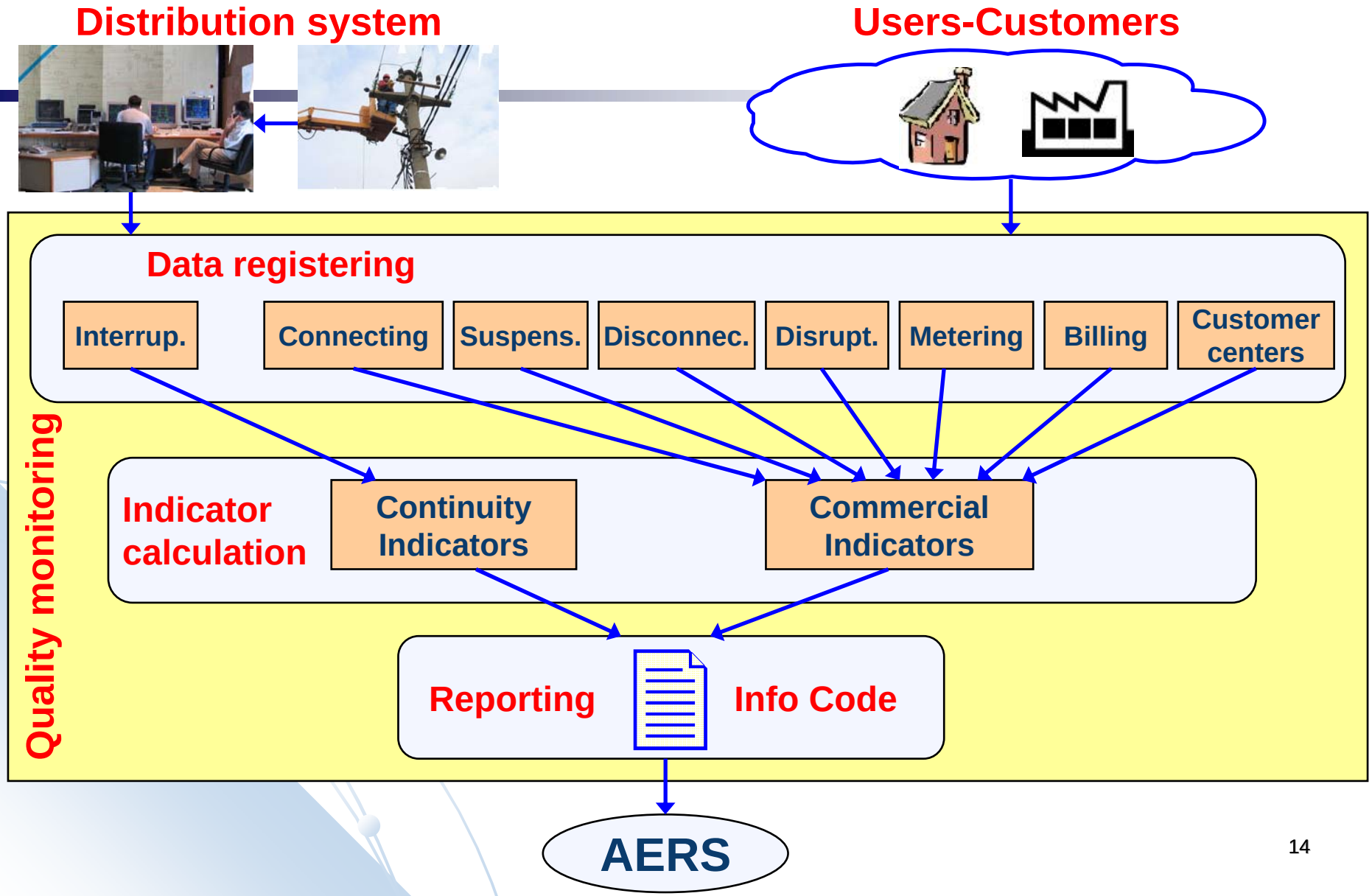
  that electricity companies have to follow.



- **Information Code is available on the AERS web-site**

  URL: *www.aers.rs*

Data registering and monitoring



Conclusion

Gradual implementation of a system for monitoring and regulation of service quality through active participation and cooperation of all relevant institutions both within countries and internationally is needed in order to:

- **harmonize information rules, as it is possible, among companies' within countries and among different countries,**

and allow for

- **benchmarking and regulating of service quality in line with growing customers needs and requiremens.**

THANK YOU!

Q U E S T I O N S ?

Jasmina Trhulj, dipl.ing.
The Energy Agency of the Republic of Serbia
Terazije 5/V, 11000 Belgrade
e-mail: jasmina.trhulj@aers.rs
URL: www.aers.rs