

**COMMENTS on the
“Public Consultation on Draft Advice on Customer Complaint
Handling, Reporting and Classification”**

Regarding the public consultation process to the mentioned document, please find enclosed comments subscribed by European Energy Ombudsmen Group.

General considerations

The EEOG welcomes the ERGEG's recommendations to specify and to translate into operational measures the provisions included in the 3er Internal Energy market Package regarding customer complaint handling.

The EEOG considers it to be a good initiative to set up new provisions to improve customer protection and information, which are in line with the principles, values and activities of the EEOG members. So it's therefore natural to fully support the ERGEG's proposal.

Nevertheless the EEOG believes that there are some questions that could be included in the report's recommendations.

There is no mention or consideration about the possibility of mediation between customers and companies. Mediation in the energy sector helps to protect the consumer since it brings to light cases which are unlikely to be handled by the Courts on account of the disproportion between the claim value and the cost of entering into legal proceedings. It is a fast, free, cost-effective, transparent and easy mechanism to solve complaints and very well received from the customers: the analysis of customers satisfaction in this process show a high level of satisfaction (the average in 2008 was 8,25). In this process, the role of private and independent Ombudsmen and mediators guarantees the consumer rights and helps consumers to get a fair and good solution.

In that sense, we want to encourage ERGEG to promote and extend as a third dispute settlement body the figure of the Ombudsman as a self regulating mechanism with a mandate for impartiality to solve disputes between consumers and energy supply companies and improve the quality of complaints handling procedures and the quality of customer service.

Considerations on contents

2.- Definitions

2.2.- Alternative (or out-of-court) dispute settlement body (p. 9)

“Privately-owned or public organisation (e.g. ombudsman), independent from service providers, which proposes a solution to a dispute between a customer and a service provider, without going to court. In most cases, its recommendations are not binding”

The definition of the Alternative dispute settlement bodies should distinguish several types of options to offer this service to the customers:

- Arbitration. It is independent from service providers and can be done by public or private organisations. In that case both parties bound themselves to accept the solution proposed to their dispute without going to court.
- Mediation. It can be provided by public organizations or by private mediators / ombudsmen appointed by companies with a mandate for impartiality. Depending on the type of mediator, the solution proposed can be voluntary to accept for both parties, or voluntary to accept for the customer and binding for the company (a voluntary commitment of the company to accept the ombudsman resolution) in case that it is accepted by the customer.

3.- Recommendations

3.2.- Recommendations to third party bodies (alternative dispute settlement boards, ombudsmen, consumer bodies...) (p. 13)

“Regarding alternative dispute settlement board recommendations, their impact on service providers’ behaviour and processes has to be emphasised. Where alternative dispute settlement boards’ are in charge of the settlement of disputes between a customer and a professional, their recommendations – even if not binding – have a positive impact on the whole retail market, as they contribute to clarifying rules and responsibilities of service providers and customers in many concrete situations.”

Most of the customer claims are originated by internal procedures and behaviour of the service providers. The improvement of these procedures and the change of behaviours is almost impossible to do from outside the companies. In that field, the role of private ombudsman is essential to improve the customer attention and satisfaction.

3.2.2.- Prior contact with the service provider (recommendation 9)

“Recommendation 9: Before submitting a complaint to a third-party body, customers should first contact their service provider to explain their complaint and try to solve it directly with the provider.”

From the EEOG experience (we attended and solved more than 20.000 complaints in 2008) most of the customers’ complaints can be solved easily and fast by the companies with the help of an Ombudsman.



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In comparison with the rest of alternative dispute resolution bodies, private ombudsmen have direct access, without intermediaries neither restrictions, to the information systems of the companies. So that, they can verify all data and information given by the company, which would be almost impossible to do for another organism without this access to the information systems.

As it is established in other sectors, companies Ombudsmen (in case of existence) could be considered a previous step to address to a national ADR body.