



# **EREGG Public Consultation on Draft Advice on Customer Complaint Handling, Reporting and Classification**

## **Evaluation of Responses**

**Ref: E10-CEM-33-05a**  
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## INFORMATION PAGE

### Abstract

On 2 October 2009, ERGEG launched a public consultation on its Draft Advice on Customer Complaint Handling, Reporting and Classification (Ref: E09-CEM-26-03). The draft advice outlines a number of proposals which aim to provide Member States and national regulators with input on how to translate 3<sup>rd</sup> Package provisions in this field into operational modalities.

This document (E10-CEM-33-05a) accompanies the final GGP (E10-CEM-33-05) and provides the evaluation of the responses to the public consultation on the Draft Advice on Customer Complaint Handling, Reporting and Classification. Annex 1 includes a list of the respondents and an evaluation of the responses received.

### Target Audience

Consumer representative groups, distribution system operators, energy suppliers, energy customers, energy industry, policy-makers, academics and other interested parties.

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### Related Documents

CEER/ERGEG documents

- Public Consultation Paper on ERGEG Draft Advice on Complaint Handling, Reporting and Classification (E09-CEM-26-03), 17 September 2009 [http://www.energy-regulators.eu/portal/page/portal/EER\\_HOME/EER\\_CONSULT/CLOSED%20PUBLIC%20CONSULTATIONS/CUSTOMERS/Custom%20Complaint%20Handling/CD/E09-CEM-26-03\\_ComplaintHandling\\_2009-09-09.pdf](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_CONSULT/CLOSED%20PUBLIC%20CONSULTATIONS/CUSTOMERS/Custom%20Complaint%20Handling/CD/E09-CEM-26-03_ComplaintHandling_2009-09-09.pdf)
- Public Consultation Paper on ERGEG Draft GGP on Indicators for Retail Market Monitoring (E09-RMF-14-04, 16 April 2010) [http://www.energy-regulators.eu/portal/page/portal/EER\\_HOME/EER\\_CONSULT/OPEN%20PUBLIC%20CONSULTATIONS/GGP%20retail%20market%20monitoring/CD/E09-RMF-14-04\\_Draft%20GGP-IRMM\\_PC\\_16-Apr-10.pdf](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_CONSULT/OPEN%20PUBLIC%20CONSULTATIONS/GGP%20retail%20market%20monitoring/CD/E09-RMF-14-04_Draft%20GGP-IRMM_PC_16-Apr-10.pdf)

- Transposition of Consumer Rights Monitoring Report (E08-CPR-20-03), 13 October 2008. [http://www.energy-regulators.eu/portal/page/portal/EER\\_HOME/EER\\_PUBLICATIONS/CEER\\_ERGEG\\_PAPERS/Customers/2008/E08-CPR-20-03\\_Consumer%20rights%20monitoring\\_2008-10-13.pdf](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_ERGEG_PAPERS/Customers/2008/E08-CPR-20-03_Consumer%20rights%20monitoring_2008-10-13.pdf)
- “ERGEG Guidelines on Consultation Practices“, ERGEG (Ref. E07-EP-16-03), 11 March 2009 [http://www.energy-regulators.eu/portal/page/portal/EER\\_HOME/EER\\_CONSULT/E07-EP-16-03\\_PC-Guidelines\\_2009-Mar-11.pdf](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_CONSULT/E07-EP-16-03_PC-Guidelines_2009-Mar-11.pdf)

#### External documents

- Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0055:0093:EN:PDF>
- Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0094:0136:EN:PDF>
- Interpretative Note on Directive 2009/72/EC and Directive 2009/73/EC – Retail Markets, 22 January 2010, [http://ec.europa.eu/energy/gas\\_electricity/interpretative\\_notes/doc/implementation\\_notes/2010\\_01\\_21\\_retail\\_markets.pdf](http://ec.europa.eu/energy/gas_electricity/interpretative_notes/doc/implementation_notes/2010_01_21_retail_markets.pdf)
- Interpretative Note on Directive 2009/72/EC and Directive 2009/73/EC - The Regulatory Authority, 22 January 2010, [http://ec.europa.eu/energy/gas\\_electricity/interpretative\\_notes/doc/implementation\\_notes/2010\\_01\\_21\\_the\\_regulatory\\_authorities.pdf](http://ec.europa.eu/energy/gas_electricity/interpretative_notes/doc/implementation_notes/2010_01_21_the_regulatory_authorities.pdf)
- Consumer Market Scoreboard: 2<sup>nd</sup> edition, European Commission, 2009, [http://ec.europa.eu/consumers/strategy/facts\\_en.htm](http://ec.europa.eu/consumers/strategy/facts_en.htm)
- Commission Recommendation of 30 March 1998 on the principles applicable to the bodies responsible for out-of-court settlement of consumer disputes <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:1998:115:0031:0034:EN:PDF>

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## EXECUTIVE SUMMARY

The 3<sup>rd</sup> Internal Energy Market Package (3<sup>rd</sup> Package), adopted by European Union on 13 July 2009, includes new provisions on customer protection, and in particular as regards customer complaint handling. Member States are invited to set up new protections for household customers

ERGEG published on 2 October 2009 a Public Consultation on Draft Advice on Customer Complaint Handling, Reporting and Classification (E09-CEM-26-03), comprising 15 recommendation points, which aim to provide Member States and national regulators with input on how to translate these new legal provisions into operational modalities. Good practices already in place in some Member States were of high relevance when drawing up these recommendations. The work follows a request from the European Commission and is linked to Commission initiatives on this issue.

In consultation with stakeholders, ERGEG aims to develop final Guidelines of Good Practice based on these draft recommendations. Therefore, the objective of the public consultation was to initiate discussion on ERGEG's draft recommendations.

The Draft Advice on Customer Complaint Handling, Reporting and Classification (E09-CEM-26-03) was publicly consulted upon from 2 October 2009 to 2 December 2009 and the outcome of this consultation has been processed according to ERGEG public consultation procedures. 25 contributions coming from 11 countries and EU level have been received, among which 22 from service providers or service providers' organisations. The present document contains ERGEG's evaluation of the responses received during the 2009 public consultation, which have been taken into account in the final GGP.

Following the public consultation, ERGEG organised a workshop on customer complaints on 25 February 2010, open to all stakeholders with an interest in customer complaints. During this workshop, attended by about 75 stakeholders (services providers, third-party bodies, representatives of consumers, regulators, other public authorities), a large discussion gave stakeholders the opportunity to share their practical experiences and views on the issues covered by ERGEG's draft advice. Respondents to the consultation, as well as other stakeholders, participated to the debate.

The final Guidelines of Good Practice (GGP), which are published at the same time as the present Evaluation of Responses, take into account the assessment of stakeholder responses (see Annex 1 of this document), as well as further details presented during the workshop. The GGP should in future contribute to the transposition in Member States of the 3<sup>rd</sup> Package provisions for customer protection by 1 March 2011.

## 1. Introduction

### 1.1. Background

#### **Customer complaints**

Customer complaints are one of the top level indicators for screening markets, as regards economic and social outcomes for customers, and for identifying where intervention may be needed. In many EU Member States, public authorities and other third party organisations collect data on customer complaints and use them as an indicator of market malfunctioning and subsequent policy action.

The European Commission (EC) requested that ERGEG develop recommendations on customer complaint collection, handling and reporting in the electricity and gas sectors. This task is linked to the initiative of the EC of monitoring performance of consumer markets (through the *Consumer Market Scoreboard*<sup>1</sup>), whose scope is cross-sectoral. Moreover, the first *Citizens' Energy Forum*<sup>2</sup> supported a full implementation of dispute resolution procedures as outlined in Annex A of the 2003 Electricity and Gas Directives<sup>3</sup>.

#### **Objective and Purpose of this paper**

On 2 October 2009, ERGEG launched a public consultation on Draft Advice on Customer Complaint Handling, Reporting and Classification (E09-CEM-26-03). The consultation ended on 2 December 2009.

25 responses were received to this consultation document. A list of the respondents and a detailed Evaluation of the Responses is contained in Annex 1.

The final Guidelines of Good Practice, which are published at the same time as the present document, take into account the assessment of stakeholders' responses to the public consultation (see Annex 1).

### 1.2. Recap of ERGEG public consultation

The 3<sup>rd</sup> Package includes new provisions regarding customer protection, and in particular as regards customer complaint handling. ERGEG's Guidelines of Good Practice on complaint handling, reporting and classification aim to provide Member States and national regulators with input on the issue of customer complaints. Moreover, *Commission Recommendation on the principles applicable to the bodies responsible for out-of-court settlement of consumer disputes* (1998/257/EC) set up 7 principles which also inspired this work.

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<sup>1</sup> 2<sup>nd</sup> edition of *Consumer Market Scoreboard* available at [http://ec.europa.eu/consumers/strategy/facts\\_en.htm](http://ec.europa.eu/consumers/strategy/facts_en.htm)

<sup>2</sup> London, 27-28 October 2008. More information available at [http://ec.europa.eu/energy/gas\\_electricity/forum\\_citizen\\_energy\\_en.htm](http://ec.europa.eu/energy/gas_electricity/forum_citizen_energy_en.htm)

<sup>3</sup> Directive 2003/54/EC for internal market in electricity and Directive 2003/55/EC for internal market in natural gas

To design these Guidelines of Good Practice, 9 energy regulators – with relevant experience on handling customer complaints – have shared their experience and good practices: Austria, France, Italy, Poland, Romania, Spain, Sweden, the Netherlands and the UK (Great Britain).

Even if the breakdown of responsibility for customer complaints among third-party bodies (NRAs, Competition & Consumers' Affairs Authority/Ministry and Ombudsman) varies from one country to another, and despite the existence of various collection processes, handling procedures and classification methodologies, the Guidelines of Good Practice aim to provide a set of best practices which can be used by Member States. These best practices could empower customers through more efficient complaint handling procedures and more transparency of information regarding service providers' malpractice.

## 2. Analysis of Responses

EREG has evaluated the responses provided in the public consultation, principally in terms of applicability and consistency. For each comment, the following evaluation template has been used:

#	Guidelines Reference	Respondents' views	EREG position	Explanation
●	●	●	●	●
<i>No. of comment</i>	<i>Guidelines section/chapter to which the comment refers to</i>	<i>original comment text</i>	<i>Agree or Disagree or Take Note or N/A</i>	<i>EREG explanation (especially if rejected)</i>

The positively evaluated comments from the public consultation have been incorporated into the final Guidelines of Good Practice on Customer Complaint Handling, Reporting and Classification.

Annex 1 contains the evaluation of all the responses, organised according to the topic in the GGP and the above-mentioned template. The reference text of the GGP on Customer Complaint Handling, Reporting and Classification is the one from the EREG public consultation document (Ref: E09-CEM-26-03). The comments have been quoted with their original format and contents as submitted by the stakeholders.



### 3. Conclusions and Recommendation

ERGEG's recommendations were globally welcomed by stakeholders. However, a number of issues were raised. The responses from the public consultation are analysed in Annex 1 and the results have been introduced in the final Guidelines of Good Practice on Customer Complaint Handling, Reporting and Classification.

Below is a summary of the main changes resulting from the consultation process, beside the names of the corresponding recommendations.

**Recommendation 2: Customers should be provided by their service provider with the relevant contact information of the relevant third party body in case they want to complain**

Taking into account the comments received during the consultation, some changes have been included: more details about service provider websites and customer service call centres.

**Recommendation 3: To submit a complaint to a service provider, a wide range of channels should be available**

Taking into account the comments received during the consultation, some changes have been included. Post-mail and phone appear as indispensable channels.

**Recommendation 4: Statutory complaint handling standards common to electricity and gas service providers should be in place**

Taking into account the comments received during the consultation, some changes have been included:

- standards should be made public once they have been defined
- their definition should be done at a national level
- the lead time to acknowledge a complaint is more explicit

**Recommendation 5: Redress schemes should be in place to allow compensation in defined cases.**

Taking into account the comments received during the consultation, it has been mentioned that the redress schemes should be elaborated in each Member State. Moreover, the justification has been updated to clarify some issues: level of the compensation, goodwill gestures, quality regulation.

**Recommendation 6: Service providers should follow the alternative dispute settlement body's recommendations**

Taking into account the comments received during the consultation, it has been added "*even if they are not legally binding*" to avoid any misunderstanding.

**Recommendation 7: When a regulator deems it appropriate to receive data on complaints, the service provider should give the regulator access to these data.**

Taking into account the comments received during the consultation, the objective of market monitoring has been mentioned, as well as the necessity to define the scope of data collection at national level. It is also recommended to use a common classification of complaints.

**Recommendation 12: Regarding third party bodies, complaint handling standards should be effective**

Taking into account the comments received during the consultation, and to be more coherent with the structure of recommendation 4 (standards to service providers) and with recommendation 9 (prior contact with service provider), the recommendation has been updated. A point has also been added about the enforcement limits of alternative dispute settlement (ADS) body's decision.

## Annex 1 – Evaluation of Responses

### Responses received

25 responses were received from the following organisations:

Organisation	Abbreviated name
<u>European level:</u>	
European Consumer Consultative Group	ECCG
European Consumers' Organisation	BEUC
European Energy Ombudsmen Group	EEOG
European Federation of Local Energy Companies	CEDEC
European Union of the Natural Gas Industry	EUROGAS
<i>Groupement Européen des entreprises et Organismes de Distribution d'Énergie</i> – Association of European independent distribution companies of gas and electricity	GEODE
Union of the Electricity Industry	EURELECTRIC
<u>National level:</u>	
<i>1 confidential response (1)</i>	
<i>Bundesverband der Energie- und Wasserwirtschaft e.V.</i> - German Association of Energy and Water Industries	BDEW
<i>"Bundesverband Neuer Energieanbieter e.V.</i> - Federal Association of New Energy Suppliers (Germany)	BNE
CEZ, a.s. (service provider, Czech Republic)	CEZ
EDF (service provider, France)	EDF

Organisation	Abbreviated name
<i>Electricité Réseau Distribution France</i> (service provider, France)	ERDF
Electricity Supply Board (service provider, Ireland)	ESB
<i>Energie Baden-Württemberg AG</i> (service provider, Germany)	EnBW
IBERDROLA (service provider, Spain)	
Liander N.V. (service provider, The Netherlands)	
<i>Médiateur national de l'énergie</i> - French public energy ombudsman	MNE
RWE npower (service provider, Germany)	
Scottish and Southern Energy plc (service provider, UK)	
<i>Stadtwerke München GmbH</i> (service provider, Germany)	SWM
Vattenfall Power (service provider, Sweden)	
<i>Verband der Elektrizitätsunternehmen Österreichs</i> - Austrian Association of Electricity Companies	VEÖ
<i>Verband kommunaler Unternehmen e.V.</i> - German Association of Local Utilities	VKU
<i>Vychodoslovenska energetika a.s.</i> (service provider, Slovakia)	VSE

(1) One respondent asked for confidentiality

## Evaluation of responses

#	Recommendation #	Respondents' views	EREG's position	Explanation
<b>General comments</b>				
1.		<p>- <i>Complaints handling is fundamental for consumers.</i> Want to congratulate EREG for taking the initiative to engage in the discussion about a number of issues that matter to energy consumers. How to take care of complaints and associated activities of their registration and classification are fundamental for consumers. At the same time, good complaints handling should not be a substitute for strong energy consumer rights and for high-quality service from energy companies.</p> <p>- <i>Complaints handling is also communication from business to their clients.</i> Complaints handling is also an issue closely connected with how energy companies communicate with their clients. Therefore, we see it not only as a legislation and regulation issue but also an area where private operators can, and must, demonstrate their good practices towards their clients.</p>	Agree	EREG agrees with all of these comments.
2.		<p>- <i>Complaints handling as indicator for market functioning, company conduct and how voluntary initiatives may complement legislation.</i> How complaints are handled, both the design of the process and the level of satisfaction by consumers, are also indicators of market functioning, energy companies' engagement with their clients and even corporate social responsibility (CSR). A good complaints handling process is also a sign of good balance between legal requirements and good corporate practices. In addition to the above, complaints is a source of optimisation of company processes.</p> <p>- <i>Complex design for complaints handling process should not equal a complex process.</i> Understand that the design of how complaints are handled is by its nature complex. It is also necessary that all relevant stakeholders: consumers, energy companies, regulators, public authorities,</p>	Agree	EREG agrees with all of these comments.

#	Recommendation #	Respondents' views	ERGEG's position	Explanation
		independent arbitration bodies are involved and thoroughly consulted. Yet, a complex design should not equal that the final outcome should be equally complex. On the contrary, the complaints handling process should be streamlined, transparent and with clearly defined roles for each party.		
3.		The present ERGEG's proposals are a practical but essential contribution for the implementation of the European Directives regarding the customers concerns. Due to the very different situations in the European member states, these recommendations should be considered as good practices, leading to the end of major dysfunctions, and giving the several NRAs some guidelines in order to improve their national situations, rather than the content of a new global and detailed European regulation.	Agree	
4.		Best practice standards for the handling, reporting and classification of consumer complaints are welcome, as this gives all Member States a clear standard to strive for, and ultimately greater certainty for energy consumers. (...) Overly prescriptive standards could discourage suppliers from competing for customers at a service level. In this sense it is also important to remark from a practical point of view that this consultation should support general recommendations to Member States rather than detailed measures in order to facilitate a flexible implementation in each jurisdiction. We are broadly supportive of the proposed recommendations within the draft advice and agree that these are generally sensible. We agree that it is important to empower customers by providing clear and meaningful information regarding complaints procedures and agree that standards, which aim to enhance customer service and ensure best practice is followed, can be of great benefit to energy consumers and becomes a source of value provided to customers and in some cases of service differentiation	Agree	
5.		The greatest challenge in introducing the standards will be striking a balance between consumer protection and the development of the competitive market. It is reasonable that differing Member States	Agree	

#	Recommendation #	Respondents' views	ERGEG's position	Explanation
		<p>will achieve the standards to varying degrees. For example, a high majority of recommendations are currently fully operational within the UK, due to the statutory complaint handling standards that were introduced in October 2008. Due to this, the level of change required in the UK, if any, would be minimal. However in Member States where the competitive market is not as fully developed, such as Spain, some further work would be required in order to adopt these practices.</p>		
6.		<p>Welcome the Draft Advice on complaint handling and believes that it is important to harmonise complaint handling procedures across Europe, as far as possible. (The UK has established a framework for handling and reporting complaints and continues to review and update this framework as appropriate. This includes third party bodies such as the Energy Ombudsman Service and Consumer Direct which are both effective in providing advice and resolving escalated complaints from customers.)          As such, we support all of ERGEG's recommendations published in this draft advice consultation. Additionally, we believe that there is a benefit to classifying escalated complaints in the manner suggested in the document.</p>	Agree	

#	Recommendation #	Respondents' views	EREGG's position	Explanation
7.		<p>We strongly recommend to re-evaluate the need for adopting a rules in this area. In our view, this topic is already covered by relevant rules concerning the quality standards, and not to be forgotten that the main driver for improving service has to be a functioning liberalized market and not further regulation. Functioning liberalized market generate a pressure for suppliers to minimize a number of complaints, otherwise there is a risk that a customers will switch the supplier.</p> <p>Secondly, we object to supposed correlation between complaints and market functioning. The definition used in a Draft Advice covers every complaints- and it is very simplified and artificial to link number of complaints with the market functioning. For example, if customer is complaining that a DSO's employee was rude while reading the meter, it has nothing to do with market indicators such as liquidity, competition at retail market etc.</p> <p>Thirdly, this paper intends to oblige market players with tasks, which are fundamentally duties and responsibilities of state. For example, to increase the customer's awareness of their rights, or to create a functioning dispute and redress scheme, or availability of alternative dispute settlement for all household customers. Energy sector (private entities) can not substitute the role of state. More over, if such service should be "free of charge".</p> <p>At last but not least, interaction with national laws has to be considered- not only the above mentioned overlap with quality standards rules, but for example, in some member states there has to be a written agreement of both parties about choosing the alternative dispute settlement body.</p>	Partly disagree	<p>Good practices in the field of Customer complaint handling are not contradictory to the proper functioning of a liberalised market. They should favour customer confidence in the market and their greater empowerment.</p> <p>EREGG is of the opinion that the issue of complaints can be part of the relevant indicators when monitoring retail market, among other indicators.</p> <p>The purpose of EREGG's advice is not to define the scope of competencies between various stakeholders and public authorities.</p> <p>EREGG advice should be used as a tool, at national level, to translate new provisions included in the Third Package into operational modalities.</p> <p>Indeed, the 3rd Package gives service providers an important role in raising the awareness of customers, having good customer complaint handling and implementing a redress scheme (Annex I).</p> <p>EREGG agrees that complaints are to be taken seriously by service providers. However, this does not prevent companies from imposing good complaint handling and reporting to NRAs who have the duty under the 3rd Package to monitor retail markets.</p>
8.		<p>A consumer complaint is to be taken seriously by the company and dealt with as soon as possible. The risk of losing the customer through dissatisfaction and/or of generating unnecessarily high expense through the further handling of the complaint is incentive enough for a rapid and definitive processing from the viewpoint of the customer.</p>		



#	Recommendation #	Respondents' views	ERGEG's position	Explanation
9.		We welcome the strengthening of consumer rights in principle, but see many instances of a clear risk of overregulation in the ERGEG recommendations due to the great number of requirements. For that reason, we would like greater emphasis to be placed on creating market oriented framework conditions which enable market self-regulation and reduce the need for external controlling guidelines.		
10.		Due to the various situations in the Member States, it is valuable to gather and analyse information within a subsidiarity framework in order to share good practices. Welcome this pragmatic approach. Seeking harmonization should not necessarily lead to restrictive approaches. Efforts should concentrate on trying to put an end to major discrepancies of treatment for consumers.	Agree	
11.		Support main principles pursued by ERGEG 15 draft recommendations in the draft advice paper which are availability and transparency of information for customers, simplicity of procedures and effectiveness as regards customer complaint procedures.	Agree	
12.		A common definition of a complaint is important, to allow suppliers certainty in the application of the standards, making them valuable for customers. The complaint definition proposed within the document seems sensible and indeed is in harmony with the approach in other markets, including the definition currently used within the UK supply market.	Agree	
13.		Clarification is needed on the distinction between explicit and implicit complaints, especially since an implicit complaint supposes a – by definition subjective - interpretation of a service agent.	Take note	
14.		The definition is rather wide. This opens up for all sorts of dissatisfaction. Cultural differences lead to differences in opinion. It is therefore relevant to ask whether one can receive a general answer to a question, whether one can draw a conclusion from this answer and whether these conclusions are accurate. The definition can be interpreted as if a posed question becomes a complaint or the other way around. For example the invoice layout. Will there be a demand to register “doubts” that are solved with first acknowledgment of the complaint.		See updated definitions on page 9 of the GGP

#	Recommendation #	Respondents' views	EREG's position	Explanation
15.		Reporting on expressions of dissatisfaction can be used also to drive improvements at both the individual service provider and market levels. To do so effectively however, there must be consistency in the definitions of dissatisfaction etc. being used, along with the recording and presentation of the data relating to complaints. Publication of complaints data should be fair, and non-tendentious, while accurately reflecting those matters which are important to consumers.	Agree	
16.		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.	Take note	Only alternative dispute settlement bodies which are independent from the industry are within the scope of EREG's work.
<b>R.1: Customers should be provided, on their bills, with the contact details of the service provider's customer service.</b>				
17.	R.1	We agree that this standard is sensible and a basic level of service for customers. In the UK customer service contact details are displayed on all bills and statements. Customers can contact us through a variety of channels such as telephone, e-mail or minicom telephone for those customers with hearing difficulties. It is important however that the standard is not overly prescriptive in terms of the level or placement of information. It should be recognised that bills or statements are a key communication tool for suppliers. Suppliers should therefore be free to design these as appropriate for their customers.	Agree	The Recommendation does not include any mention on "where" in the bill the information should be placed. However, it is important that service providers' contact details on the bill remain clear and visible.
18.	R.1	Already today there are increased requirements on the mandatory content of the bill – we would not recommend to extent the scope of	Disagree	Including service provider's contact details in the bill

#	Recommendation #	Respondents' views	EREGG's position	Explanation
		compulsory information, since this lead to increase of number of pages of bill, and thus to increase of costs and environmental burden. In addition, not all customers receive bills (for example, prepaid meters). Therefore, we propose a new text: <i>Customers should have unrestricted and regular access to the contact details of the providers' customer service.</i>		is a minimum requirement, which does not involve adding pages in the bill. Service providers who already comply with this were able to include such information in their bills.
19.	R.1	In order not to add too many items to the bills, a sense of proportion is needed in terms of the contact data of the central point of contact for complaints, the contact data of the "independent body" and, where necessary, of the additional information on the possibilities of complaint given on the service provider's bill. The same applies to contact details of several points of contact in charge of handling complaints.	Take note	See Recommendation 1
20.	R.1	We find it unnecessary to include such information on the invoice. It is sufficient to add references on the website, to be available for questions and refer to customer services. This is not a mandatory procedure.	Disagree	Some customers do not have access to the internet, in particular some vulnerable ones.
<b>R.2: Customers should be provided by their service provider with the relevant contact information of the relevant third party body in case they want to complain.</b>				
	R.2	Thus for complaint handling, we envisage a two-stage process. Under this, complaints or questions for clarification should first of all be handled by the supplier. The customer should only contact the third party body if he does not get a satisfactory response from his supplier. Under such a process, the bill should only need to refer to how to contact the supplier (i.e. the supplier's customer service department), mediator or specific advice service. Detailed information on the second stage complaints process involving the third party body can be mentioned in subsequent bilateral correspondence with customers, rather than adding to the information on the bill.	Partly agree	In some mature markets, where customers are already aware of the existence of alternative dispute settlement bodies, it is not indispensable to include such information on the bills.  However, when a service provider receives a complaint, it should be compulsory for it to give information on the relevant third party body, in its first acknowledgement of the complaint. That would guarantee that every customer making a complaint is fully informed on his/her rights.

#	Recommendation #	Respondents' views	ERGEG's position	Explanation
21.	R.2	The legal system in Germany is highly sophisticated that there is no need for the customers to get informed as well by the service provider, which third party body is relevant. Furthermore the knowledge of the relevant consumer protection body in the population is that high that the information in the bill has no further value. [...] To reduce the administrative burden and therefore to reduce costs it would be sufficient in our point of view to add the information about the possibility to complain at a third party body in the Energy Consumer Checklist which should be provided just one time to the customer at the beginning of the supply contract or if the Energy Consumer Checklist has changed.	Partly agree	Paragraph 3.1.1 will be named "Information on how to complain". Recommendation 2 will be clarified.
22.	R.2	(...) we would question whether the bill is the correct place to provide this information in every case	N/A	
23.	R.2 and R.9	As a first step, the complaint should be forwarded to the service provider's customer service. In the situation when the customer service is unable to provide proper remedy, the next step is that the complaint should then be escalated to a relevant third party body. Only for this case, the contact information of the relevant third party body is provided (and not initially on the bill).	Partly agree	It must be in the hands of the customer to evaluate if his/her service provider has provided "proper remedy". A service provider who has already solved a complaint, from its point of view, will not spontaneously inform its customer on the third-party body, as it sometimes does not know if the customer is finally satisfied or not.  Therefore, the information on the relevant third party body has to be issued, in any case, at the beginning of the complaint handling process by the service provider.
24.	R.2	It can not be a task for market players to secure alternative dispute settlement body and increase of awareness of customers of their rights.	Partly disagree	3rd Package gives service providers an important role in raising the awareness of customers, having good customer complaint handling and implementing a redress scheme (Annex I)
25.	R.2	Bills should also mention that the MNE is independent and its mail address and phone number. The format and location on the bill should be standardized.	Take note	ERGEG does not recommend systematically including information on a third party body in the bill. That should depend on the maturity of the national market. Moreover, ERGEG believes that the design of bills

#	Recommendation #	Respondents' views	EREG's position	Explanation
				has to remain the prerogative of service providers, as the bill is partly a commercial tool for them, and gives room for innovation. However, it is important that service providers' contact information on the bill remain clear and visible (see R.1).
26.	R.2, R.1	<p>Information and communication.</p> <p>All relevant information on the process, competences, responsibilities and alternatives must be easily available to consumers. A first and important step is to place relevant data (i.e. contact numbers, a postal address and a web address) on the bill consumers receive.</p> <p>Information on complaints handling should be available to consumers in printed format upon request. The Internet is a useful tool, but not a panacea. Any information on complaints handling must be clearly visible on a company website. Finally, call corporate centres should be able to inform consumers about the steps towards the investigation and eventual resolution of a complaint.</p> <p>In all these cases, it is necessary that:</p> <ul style="list-style-type: none"> <li>• language used is simple,</li> <li>• information on the Internet is easily available i.e. not stored under 'multiple clicks' in a corporate (or public) website and</li> <li>• call centre operators are well-trained to answer consumer questions</li> </ul>	Agree	<b>Some changes have been incorporated in Recommendation 2.</b>
<b>R.3: To submit a complaint to a service provider, a wide range of channels should be available, and, in any case, more than one.</b>				
27.	R. 2	<p>The specified communication channels for contacting do reflect the broad spectrum of available options, but the selection from amongst them for contacting the service provider must be at the provider's discretion. An arrangement exceeding beyond this stipulating which channels of contact must be available, or even that customers be able to choose their channel of contact from a broad palette, should be rejected. New business models frequently diverge from conventional supply concepts and sometimes limit themselves to inexpensive service channels such as E-mail and post contact. Otherwise the products cannot be presented to the customer in a cost-effective manner. Drastic encroachments on suppliers' product design of this sort are not to be supported. Requirements on</p>	Partly disagree	<p>Post-mail and phone appear as indispensable channels, in particular when occurs a complaint.</p> <p>Once a complaint has been received by a service provider, it can solve it using its current organisational and IT tools. Offering more than one channel does not request a reorganisation of the complaint handling system.</p> <p><b>Some changes have been incorporated in Recommendation 3.</b></p>

#	Recommendation #	Respondents' views	ERGEG's position	Explanation
		channels and the resulting restriction of product diversity act the same way in limiting customers' product selection options. Unsuitable products will vanish from the market as a result of market self regulation, in particular from low demand.		
28.	R.3	The freedom of choice of the communication channel is in conflict with the required speed to solve the complaint.	Partly disagree	
29.	R.3	We agree that it is highly desirable that the customer has a choice of routes by which to make a complaint to his supplier. This is most applicable in the case of ordinary paper bills, where customers should be able to contact their supplier by telephone, mail or E-mail. However, in common with other markets, where internet-only accounts are offered, it is appropriate that the customer deals only via E-mail."	Partly agree	
30.	R.3	Agree with this objective. However, wish to underline that the principle of a general access to a face to face contact, allowing people to submit their complaint in person, implies a great number of contact points. Such an obligation could be considered as a barrier to entry in the market.	Take note	A general access to a face to face contact is not mentioned in ERGEG recommendation 3.
31.	R.3	It would be helpful if ERGEG could provide further guidance on what is meant by 'a wide range of channels' in this context.	Take note	The majority of clients of a service provider should be able to enter in contact with it, without difficulties. To that end, <b>ERGEG will update the Recommendation 3:</b> post mail and phone are channels that should be available to customers in any case.
32.	R.3	A physical point of contact, allowing the customer to submit a complaint in person, seems advisable. However, face to face contact can also represent a market entry barrier if the head offices lie far distant from the customer.	Agree	

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33.	R.3	A supplier's quality of service is a decisive unique feature. The embodiment of quality of service is thus a supplier's most inalienable instrument for a distinguished product design, particularly in the handling of customer complaints, and must thus be left to the suppliers and may not be subject to a regulation. As a basic principle, there should be more than one way of contacting the service provider open to the customer; how many there are depends on the business model of the provider in question and the service level desired as a point of distinction for the competition. But a regulation on how new energy suppliers/service providers are to design their business modes is not necessary.	Take note	
34.	R.3	It should be up to each supplier to decide upon, however it should not be a cost driver or inhibit competition; good handling ought to create customer satisfaction. This is a complicated matter for companies with wide geographical spread. There is an obvious risk of increasing costs.		
<p><b>R.4: Statutory complaint handling standards common to electricity and gas service providers should be in place. NRAs are best placed to set up these standards, after consultation with stakeholders, as appropriate, and to enforce them. These standards should cover: (...)</b></p>				
35.	R.4	<p>Clarity.</p> <p>The complaints handling process must be transparent. The steps to take and the roles of each relevant party along the process must be clearly defined.</p> <p>Specifically it must be clear:</p> <ul style="list-style-type: none"> <li>• Which is the first body to contact?</li> <li>• What is the role of client services?</li> <li>• What are roles of energy providers (commercial entities) and DSOs ?</li> <li>• What is the role of the energy regulator?</li> <li>• What is the role of the consumer complaints regulator? (<i>Note here the reference of the Third Energy Package on a 'competent body' to deal with complaints, for this provision it is necessary that consumers are informed on this.</i>)</li> <li>• What is the role of national/regional/local authorities?</li> <li>• What is the role of a private mediator/ombudsman (if there is one)?</li> <li>• What is the role of a public or industry ombudsman (if there is</li> </ul>	Agree	<p>ERGEG agrees that the precise scope of competencies of each stakeholder and public organisation should be clearly defined in each country, and this information should be made publicly available to customers.</p> <p>Moreover, once complaint handling standards have been set up, these standards should be made public and available on request, in a printed document if asked by the customer. A website is a very useful tool but cannot be considered sufficient to inform all customers, and in particular the most vulnerable ones.</p>

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		one)? • What is the role of independent arbitration? • What is the role for national courts?		
36.	R.4	A swift process. It is also necessary that the complaint does not take long to be resolved. In many ways, the conclusion of a complaint should arrive at a period of time that can demonstrate a 'cause and effect' of the action from the consumer to contact their energy company or other responsible body to seek information and, eventually, redress. Specifically, if the complaint is related to payments and may cause financial difficulty particularly for vulnerable consumers, a swift conclusion is necessary. If this is not possible, then alternative support arrangements should be available, e.g. payment in instalments or the obligatory involvement of third party advice agencies. In all cases, it is necessary that the consumer is regularly notified about the progress of their complaint and that an initial notification in writing (e.g. letter, email) is presented registering the date of the initiation of the process and the following steps to be taken. Finally, we support the idea that companies publish average waiting times in call centres and average periods for complaints to be resolved, and actual data of complaints resolved within the company or referred to other competent bodies. (Following the model in countries such as the UK (GB)), companies' complaints procedures should be annually audited by the regulator and the results published.	Partly agree	EREG welcomes the suggestion and will <b>update Recommendation 4.</b>
37.	R.4	No disconnection during a dispute There should be no energy disconnection (or threat of) during the time of a complaint and later during a dispute between the consumer and their energy company.	Take note	Depending on national regulation, the issue of disconnection is not to be covered in this report.
38.	R.4	Stakeholders' consultation on the definition of such standards is called by various service providers.	Agree	A multi-stakeholders meeting on Customer Complaints organised by EREG took place on 25



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39.	R.4	<p>Support the need for defined complaint handling standards to be in place, so that the customer knows what level of service to expect. As the consultation acknowledges, standards may be a part of a service commitment offered by the customer's own supplier. However there may be a desire to introduce minimum service standards to apply to all suppliers, and where such minimum standards are to be introduced, agree that the standards must first be fully consulted upon with stakeholders.</p> <p>It is not necessary that even minimum industry-wide standards are statutory; self regulatory approaches and industry codes of practice may be sufficient and should be seriously considered before statutory measures. However, where statutory standards are adopted, they should be focused on ensuring a minimum acceptable level of service, leaving suppliers scope to improve on these. Recognise that for statutory standards, there has to be some enforcement mechanism and accepts that the NRA may frequently be best placed for this role.</p>	Partly agree	<p>February 2010. All contributors to the public consultation were invited to participate in it and to share their views.</p> <p>EREGG recommendations are not statutory. EREGG's advice is that, when current practices in a defined country, including industry codes of practice, do not permit to reach a sufficient level of service quality for customers, it is therefore relevant that the NRA sets up compulsory standards, after consultation with stakeholders, and enforces them.</p>
40.	R.4	<p>Generally, competition arises in the area of price and / or service quality. In a competitive market, providers with better customer service have a feature which can give them a competitive advantage. And every customer has the possibility of selecting his supplier completely according to his needs and preferences. Comparison of service quality among service providers makes part of the philosophy of competition that is at the basis of the internal energy market.</p>	Take note	<p>Setting complaint handling standards will not weaken competition, neither the ability of suppliers to differentiate themselves through better services. On the contrary, it will give consumers more confidence in the market.</p> <p>Two other elements justify the setting of such standards: the imbalance between a large company and small customer and the fact that electricity is a vital utility, whose consequence is to place customer in a vulnerable position, when occurs a dispute between customer and service provider.</p>
41.	R.4	<p>Support improvement of customer's confidence, where possible. These standards should however not go beyond the status of minimum requirements, as to give suppliers room for competition on service levels.</p>	Agree	
42.	R.4	<p>Such standards are already in force in Great Britain, introduced by legislation and are enforced by Ofgem. The standards should not constrain service providers from being able to innovate in terms of dealing with complaints, nor stifle the ability of complaints to be resolved informally and quickly.</p>	Agree	<p><b>Recommendation 4 has been updated to take into account some of the suggestions.</b></p>

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43.	R.4	Statutory standards for the handling of complaints under the control of the regulatory authorities entail increased expense and can restrict the scope for manoeuvre of the market participants. In addition, the benefit is put into perspective in a free competitive market since the customer can change the provider where he receives bad service.	Take note	
44.	R.4	Complaint handling standards differ from service provider to service provider. It is one of the elements, by which a service provider could win new customers or increase a satisfaction of present customers. Unification of handling standards would be contradictory to goal of functioning market. Furthermore, 1 day for "first acknowledgment" is absolutely non-realistic and without value added, it only increase costs of service provider.	Partly disagree	
45.	R.4	[We] agree with the principle to define "statutory complaint handling standards". (...) [We] agree on the fact that a maximum period of treatment of complaints by the distributor has to be defined; however, this period should be established by the NRAs, according to the real situation of the procedures already in place or being set up.	Partly agree	Yes, we agree that this period should be established by the NRAs, but within the maximum period of 2 months to solve the complaint, as defined in ERGEG recommendation 4.
46.	R.4	We would like to point out that a thorough investigation of a complaint takes time (...) a certain lead time is necessary and we would prefer to agree on a response time to communicate with the customer after receiving the complaint, above a fixed time to solve the complaint as mentioned at the first bullet.	Take note	ERGEG recommendation 4 mentions a lead time of 1 day for the "first acknowledgment of the complaint" (first bullet point) and a lead time of two months for the final answer. Two months is enough time to make an investigation regarding a customer complaint.
47.	R.4	Lead times to deal with a complaint, distinguish between the first answer or acknowledgement (within 1 day) and the final answer (within 2 months). In the case of complaints by letter or fax, the proposed response period of one day is not always realistically feasible. An obligatory response within one day can create costs if extensive investigations are necessary. A good balance should be found between customer rights and efficiency principles.	Partly agree	<b>In the updated recommendation 4</b> , ERGEG indicates that a first acknowledgement of a complaint should be sent to customer <u>"by close of business on the day following receipt of the complaint."</u>

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48.	R.4	To clarify the meaning of the period mentioned in the consultation ("immediate" = within 1 day), consider that it should be possible for a holding reply at least to be sent by close of business on the day following receipt of the complaint. Would welcome confirmation of this interpretation. Agree that resolution of complaints should normally be possible within 2 months, but as suggested in the consultation, more complex cases may take longer, in which case the customer should be kept informed of progress	Agree	
49.	R.4	Agree with the principle of Statutory complaint handling standards and the need to inform consumers about the stage their complaints have reached. In this respect, agree with the goal of giving consumers, within a reasonable period of time, elements on the treatment of their complaint. Also agree with the principle of a maximum period of treatment of complaints by the supplier of two months. Concerning common classification, agree with the objective but underlines that a common (i.e., a general) classification of complaints can be irrelevant in some specific cases.	Partly agree	Regarding the common classification, ERGEG recommends to service providers and third-party bodies the use of a common classification of complaints (see § "4. Complaints Classification" of GGPs on Complaints Handling)
50.	R.4	Independent energy ombudsmen are also well placed to set up complaint handling standards. These standards should include the maximum number of levels of appeal of service providers (not more than two). Indeed, a too large number of levels of appeal can dissuade consumers to assert their rights. If a complaint has not been resolved within 1 day, even if it has been submitted by phone, the service provider should send a written first answer or acknowledgement describing its redress schemes and its complaint handling procedures. Each complaint should be given a written answer by the service provider, event if it has been resolved within 1 day and by phone. Final answer to a complaint should be given within one month. We consider that the maximum delay of two months for the first answer recommended by the ERGEG is too long for the customers.	Partly agree	- In each country, the NRA is best placed to set up complaint handling standards, after consultation of all stakeholders: service providers, consumer representative groups, third-party bodies (including alternative dispute settlement boards and ombudsmen), public authorities in charge of consumer protection. - A lead time of one month to solve a complaint could eventually be defined in a country, when the NRA sets up local standards. Such standards could go further than ERGEG's recommendations, depending on the maturity of the market, the service provider's ability to comply with standards and consumer expectations.

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51.	R.4	It is sensible that each Member State should have its own complaints handling standards to create a level of consistency across service providers. However, stakeholder consultation is essential in developing these standards. Again, the speed of implementation of the standards must be considered in line with the development of competition in each Member State. Such Standards should be sensible and not overly onerous on service providers, as they should continue to allow for service innovation.	Agree	
52.	R.4	Customers should be informed of the existence of an alternative independent settlement body by the acknowledgment of receipt of their complaints.	Agree	EREGG welcomes this suggestion. <b>Recommendation 4 has been updated.</b>
53.	R.4	We do not think that NRA would be the best place to set up such standards	Take note	Such standards would permit NRAs to accomplish their task of customer complaints monitoring (see 3 <sup>rd</sup> Package).
54.	R.4	Handling customer complaints promptly and to the full satisfaction of the customer is in the vested interest of the new energy suppliers. The members also see this as being an important opportunity for setting themselves apart from other competitors. The evaluation and implementation of complaint management in particular serves many new energy suppliers as a concrete measuring block for the satisfaction of their customers. Statutory requirements have a rather limiting and hindering effect on the process of continuous optimisation, an area which the new energy suppliers strive for in particular. Compliance with and documentation of such extensive requirements naturally also leads to considerable increases in administrative effort, and thus financial expenses, which the customer always has to bear in the end. Resolutely rejects a continuing bureaucratisation of the handling processes which results in higher prices. After all, the service providers must have discretion over which level of service they aim to provide with their customer support. The customer is free to select a higher level. Requirements for an immediate response and handling deadlines are intended to protect the consumer, but are in no way productive or in line with the market. Customer complaint handling must be examined on a case-by-case basis, since every customer and every complaint is individual. In particular, processing times can vary	Partly disagree	Setting and implementing complaint handling standards is not contradictory to the proper functioning of a liberalised market. It should favour customers' confidence in the market and their greater empowerment.  It will not induce a supplementary cost: a reliable, fair and effective treatment of complaints by service providers should give all stakeholders a greater visibility and better confidence in the market, leaving room for competition on service level. Moreover, It will help companies to optimise their customer service.

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		greatly on account of the number of parties involved (customer, network operator, supplier) and thus lie at least partially outside of the supplier's control. The participation of third parties can result in individual cases in which even the two-month deadline cannot be met, even with a complaint management system which functions well otherwise. In this regard, the deadline was chosen arbitrarily and is inappropriate.		
55.	R.4	The proposed response period of one day is not realistically feasible in the case of complaints by letter or fax. In the case of letters, it can, in certain circumstances, take longer than a day for the letter to arrive at the responsible complaint section. An obligatory response within one day would, even in case of automatically despatched acknowledgements of receipt, create costs whilst only providing limited information. Rather, the customer should receive a response within a few days and an acknowledgement of receipt only where extensive investigations are necessary (according to the efficiency principle "only handle it once").	Take note	Customer needs a formal acknowledgement indicating the date of initiation of the complaint handling process, to protect his/her rights. <b>Recommendation 4 has been updated.</b>
56.	R.4	We welcome that the complaint handling standards should be common to electricity and gas and that there should be a stakeholder consultation when implementing complaint handling standards. Regarding the statutory standards we think, that there is no need to provide the details of the complaint handling procedures and redress schemes, when the general information that consumer should use third party bodies to complain could be added like stated under cipher 1.1 in the Energy Consumer Checklist. The obligation to send these information in the case where a complaint has not been resolved within one day would lead to high costs because of the high administrative burden. But when implementing this obligation, the time to provide the listed information should not be within only one day, but within three working days. When it comes to the registration of consumer complaints we want to point out, that there should only the qualified complaints be registered.	Partly agree	Customer needs to receive the information at the right moment, when he/she is submitting his complaints. We cannot suppose that all customers will be looking for the Energy Consumer Checklist by themselves.
<b>R.5: Redress schemes should be in place to allow compensation in defined cases.</b>				

#	Recommendation #	Respondents' views	EREG's position	Explanation
57.	R.5	Very reserved on the principal of automatic compensations by the Distributor. Such compensations have to be directly linked to the general balance of the tariff structure, and to its incentive/penalty disposal, if relevant. The « goodwill gestures » must remain in the distributor's arms, as a commercial act.	Partly agree	This applies in countries where there is no quality regulation through the tariff system.  The recommendation has been clarified accordingly.
58.	R.5	When it comes to compensation rules it has to be ensured, that the compensation regulation for the redress schemes and future compensation rules in the incentive regulation are harmonised to mitigate the administrative burden and costs.	Agree	
59.	R.5	This provision is overlapping the national rules for quality standards, and would bring a possible double penalization (not meeting of quality standards means compensation for customers), which is legally prohibited.	Take note	
60.	R.5	Accept that compensation will be appropriate in defined cases (e.g. a prolonged supply failure), provided this is at a level commensurate with the cost to the customer of the problem encountered. However warn against any widespread scheme of fixed compensation amounts, which will encourage customers to make complaints in the knowledge they will automatically receive payment i.e. a complaint or compensation culture. For this reason, suppliers generally prefer any such payments to be on a voluntary basis, which allows the circumstances of each case to be taken into account. If the customer remains unhappy, he still has the option of going to alternative dispute resolution.	Partly agree	
61.	R.5	Believe that redress schemes should not be over-prescriptive in terms of the provision of compensation. Service providers' complaint schemes should provide for redress to cover a quantified loss, i.e based on wrong meter readings. It should be left to the supplier's flexibility to award further compensations as part of supply conditions.	Agree	<b>Recommendation 5 has been updated.</b> In some countries, a quality regulation through the tariff system already exists, in others not.  Recommendation 5 addresses the issue of compensation in some specific cases. Of course, in

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62.	R.5	From our point of view, customers must be financially compensated for expenses or costs attributable to the specific fault of the supplier. This obligation – implying a precise definition of applicable rules - could be imposed on all suppliers. Not in favour of regulating « goodwill gestures » that suppliers are free to give independently of the compensation itself. These « goodwill gestures » must remain in the supplier's arms, as a commercial tool.	Agree	some cases compensation is not indispensable from the point of view of the customer.
63.	R.5	We believe suppliers' redress schemes should not be prescriptive in terms of the detailing the grounds for awarding compensation. In Great Britain, service providers do offer financial redress; this can be given to cover a quantified loss. Suppliers also have the flexibility to award compensation on the basis of perceived or actual poor customer service for which, in the main, loss is difficult to quantify.	Partly agree	
64.	R.5	We are broadly supportive of this recommendation, as compensation is a form of resolution, which we believe should be applied in appropriate circumstances. However, the recommendation as currently drafted implies that compensation should be available in all cases. We would caution against a blanket approach of compensation being awarded in all cases where the customer's complaint has been settled in their favour. Other forms of redress may be more appropriate, and indeed may be what the customer is looking for, such as an apology, explanation or remedial action. Financial compensation will not always be an appropriate response to every scenario, even where the overall outcome is in the customer's favour. We would suggest that the recommendation be amended on the following basis: "Redress schemes should be in place to allow the appropriate resolution for the customer, including an apology, explanation, compensation or remedial action as appropriate."	Partly agree	Recommendation 5 addresses the issue of compensation in some specific cases. Of course, in some cases compensation is not indispensable from the point of view of the customer.
65.	R.5	The amount or level of compensation and the cases in which it applies, has to be left to subsidiarity, given the divergence between the characteristics of markets and networks.	Agree	Level of compensation has to be defined at a national level.
66.	R.5	Compensation has to suit the individual case. Pre-settled levels are already used in cases such as delayed change of supplier. Companies should consider pre-settled levels as a mean of	Take note	

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		competition. It stands to reason to follow such recommendations, regardless if the decision is taken by an internal Customer Ombudsman function or an external body.		
67.	R.5	Minimum required compensation for each defined case should be fixed. NRA and independent alternative dispute bodies are the best placed to define the standards.	Partly agree	Standards have to be defined at a national level.
<b>R.6: Service providers should follow the alternative dispute settlement body's recommendations.</b>				
68.	R.6	Agree that the duties and responsibilities of the different market actors should be clear and that it is important they should work together in the customer interest. Alternative dispute bodies are key players in this. However wishes to highlight the very different national models for alternative dispute bodies which have been adopted by Member States and the different industry, legal and regulatory frameworks within which they operate. For this reason, while we understand the intent of this recommendation, we consider the concern should be picked up by Member States appropriately to their national contexts rather than being included in these EU-level complaint handling recommendations.	Take note	<p><b>Recommendation 6 has been updated to clarify EREGG's position:</b> "Service providers should follow the alternative dispute settlement body's recommendations even if they are not legally binding."</p> <p>That would avoid going to court, which is always an obstacle for a customer (costly and time-consuming).</p> <p>Following the ADS body's recommendation would clarify duties and responsibilities of different market actors, including customers, and give visibility to market actors in the eventuality that a similar case would occur in the future. All customers and service providers would benefit from this practice.</p> <p>Both parties keep the right to go court if they are not satisfied.</p>
69.	R.6	The Ombudsman's recommendations must remain recommendations and non compulsory to the parties. If customers want the process of their complaints to lead to binding decisions for the supplier, they can address a court of justice. These two forms of dispute resolution processes are different and must remain different: Ombudsman with recommendations, Judge with compulsory decisions.	Take note	
70.	R.6	Don't agree with this proposal. Presently, 2 different ways of appeal are set up: <input type="checkbox"/> One through the court of justice, leading to binding decisions. <input type="checkbox"/> One through the Ombudsman, generally faster and more simple, leading to recommendations or mutual agreement. In the interest of the customer, these two different ways of complaint, with their respective advantages and inconveniences, must be maintained. It means that the recommendations of the Ombudsman are not binding.	Take note	



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71.	R.6	In Austria the suppliers already follow the dispute settlement body's recommendations. Legal binding rules on this issue are not necessary.	Take note	
72.	R.6	A recommendation of an alternative DSB can indeed contribute to the clarification of duties and responsibilities of the involved market actors. However, this recommendation 6 is surprising as the fundamental difference between DSA and alternative DSB is the binding character of the recommendations. Obliging service providers to follow the recommendations of the alternative DSB, makes them binding, and thus creates a duplication of the task of DSA and alternative DSBs. Recommendations of the alternative dispute settlement body must be non-binding.	Take note	
73.	R.6	Insist that parties who accept mediation in an attempt to settle a dispute should not subsequently be prevented from initiating judicial proceedings or arbitration in relation to that dispute by the expiry of limitation or prescription periods during the mediation process.	Take note	
<b>R.7: When a regulator deems it appropriate to receive data on customer complaints, the service provider should give the regulator access to these data.</b>				
74.	R.7	It is important that complaints data is available to the national regulator in order to identify any market issues, and to monitor progress in complaints handling. It is sensible that this is done at a national level, to avoid the issues highlighted in this response of the varying degrees of market development across Member States. It should be at the discretion of each Member State to agree what complaints data is important and relevant. NRAs should be required to consult with service providers as to what information is relevant and useful, to avoid a potentially onerous burden being imposed on service providers. It is not appropriate for these recommendations to define the level and frequency of reporting necessary under this recommendation.	Agree	NRAs should define, at a national level, the scope of data collection on complaints, its modalities, frequency and data format required.
75.	R.7	Agree on this proposal: the distributor must give the NRA the data on customer complaints related to its own mission. In this respect, the way of transmission must be secured in order to guaranty the confidentiality of these data, and reserve those data for the only NRA.	Agree	

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76.	R.7	<p>Agree that service providers should have reasonable and proportionate data* on customer complaints available for regulators, while the costs for this administrative task should be taken into account. The data and the way of collecting this data should be as simple as possible and standardized to avoid expensive interventions in IT-systems.</p> <p>(* ) In many countries strict regulation concerning handling of a customer's personal data is in place. Therefore it's necessary to consider to what extent and in which form it is possible for service providers to give access to this data without violating customer privacy</p>	Agree	<ul style="list-style-type: none"> <li>- ERGEG agrees that data collection should be standardised and that any comparison should be fair and equitable. The use of a common classification of complaints would permit such a standardisation of data.</li> <li>- Of course, ERGEG agrees that transfer of data will have to comply with the current legislation and statutory requirements on data protection.</li> <li>- Personal data regarding the identity of customers will not, in any case, be required by NRAs, when they ask for data on customer complaints.</li> </ul>
77.	R.7	<p>In Great Britain, the provision of complaints data to the regulator and consumer bodies has been part of the various complaints handling processes extant in energy supply for many years. These data can and do have a significant impact on a supplier's reputation. It is therefore important that the metrics to which the data relate are applied consistently by service providers so that where made, any comparisons are fair and equitable.</p>	Agree	
78.	R.7	<p>In principle, there is nothing opposing data collection for appropriate monitoring, as long as the effort remains within reason. The publication of complaint data, which often contain very sensitive information, must be done anonymously at all costs. Care must be taken during evaluation and preparation for publication to make sure that the complaints are disclosed accurately and correctly. A reasonable limitation of the cases is required, primarily since the reasons for complaints are quite diverse and can also be attributed to the customer's ignorance. An interpretation falsified by this aspect and the customers' orientation to the published data would have an extremely negative effect for the supplier concerned. Suppliers with good service could appear much worse without warrant.</p> <p>The guarantee of access to the complaint data also entails increased effort and higher costs for the supplier, and thus for the customer as well. For that reason, the regulatory authority's access to the data and the actual data collection must be implemented at the suppliers in a manner which is as simple and uncomplicated as possible.</p>	Agree	
79.	R.7	<p>Agree with the principle that the supplier should give the NRA</p>	Agree	<ul style="list-style-type: none"> <li>- Complaint data collection should be proportionate</li> </ul>

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		<p>access to complaint data, assuming this is for the purpose of helping the regulator to form a view on the functioning of the retail market, and in particular on the broad areas of complaint and general trends in complaint levels.</p> <p>However this does not mean that NRA should have the freedom to impose routine statistical reporting requirements on suppliers which are excessively frequent, unnecessary or unreasonable. NRAs should work in cooperation with suppliers and others to ensure that what is routinely requested for monitoring purposes is reasonable and does not impose undue administrative burden or cost</p>		<p>to the goal which is to monitor this aspect of retail market, in line with the 3<sup>rd</sup> Package.</p> <ul style="list-style-type: none"> <li>- Data collection frequency should be defined by NRAs at a national level.</li> </ul>
80.	R.7	<p>While we accept that data should be provided to the NRA, have concerns if regulators wish to go further and publish such data, e.g. named company data at a national level or comparative statistics between Member States. We are not convinced such an intervention is necessary if the purpose is only to enable the NRA to monitor trends in complaints and it would also raise questions about the accuracy and comparability of the data provided and the classification system used to categorise complaints. Certainly no data should be published unless the regulator is totally confident about the comparability of such data.</p>	Partly agree	<ul style="list-style-type: none"> <li>- Publication of data at national level could be decided by NRAs, as is already the case in some countries, including the publication of named company data.</li> <li>- Comparative statistics between Member States could be used by NRAs as a monitoring tool, but publication of such data does not enter in the scope of retail market monitoring at national level.</li> <li>- The EC already publishes comparative data in the Retail Market Scoreboard.</li> </ul>
81.	R.7	<p>We are in agreement with the criteria that the National Regulator is well placed to analyse the complaints data, but it is necessary to underline that only the National Regulator should have the prerogative of monitoring and publishing complaints and remain the actual single point of contact.</p>	Agree	
82.	R.7	<p>Extensive data deliveries must be avoided. We reject the delivery of data on customer complaints to the NRA as well as a publication of these data. Data on customer complaints are internal data and therefore business secret. National regulation concerning handling of a customer's personal data must be taken into account. These types of data are no adequate indicators for the functioning of competition and market opening.</p>	Take note	<ul style="list-style-type: none"> <li>- Aggregated data on customer complaints, i.e. statistical data on complaints, their numbers and their types, cannot be considered as confidential data with respect with data protection regulations.</li> <li>- Names of customers will never be asked for by the NRA when collecting such data.</li> <li>- A precise definition of the scope and types of data</li> </ul>

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83.	R.7	The transmission of the data could, moreover, prove difficult in relation to the data protection regulations. A delivery of data in anonymous form is conceivable as an alternative. A possibility of control as to whether all data has been correctly and fully passed on will, however, prove to be difficult. Precisely under the pressure of publication, it is questionable whether such an objective evaluation of the data can be guaranteed in the companies.	Take note	collected by the NRA, and the commitment of service providers to act fairly and to comply with the requirements, as well as possible controls by NRAs, will permit to guarantee the viability of data.	
84.	R.7	If the service provider knows that the regulators can access to their customer complaints data, there is a risk of loss of reliability of the data.	Take note		
85.	R.7	Furthermore the access to the relevant data on consumer complaints should be given to the NRA in well-founded cases only, when the service provider and the customer couldn't come to a solution within an appropriate time.	Take note		
86.	R.7	The collection and forwarding of all complaint data is only possible with a complaint management system designed for that purpose, which will create high costs. The results can only contribute to identify specific cases of market malfunctioning.	Take note		
87.	R.7	As long as complaints handling standards won't be enforced, it won't be relevant to compare the different service providers especially since the distinction between a customer inquiry and a customer complaint can be different from one service provider to another.	Agree		
88.	R.7	The contribution to attaining knowledge about the stage of development of the market is regarded as doubtful. Moreover, it should be clear that a limited number of complaints does not necessarily mean that the market is not functioning, as was stated recently by ERGEG	Take note		
<b>R.8: A single point of contact should deliver, in every country, free information and advice on consumer issues. Such a single point of contact could deliver, for example, information on: suppliers; different types of supply contracts; price comparisons; consumer rights; and how to complain. When the single point of contact receives complaints, it should be able to direct customers to the relevant body to handle their complaints. This service should be set either by government or the NRA (in some cases in cooperation with other bodies in charge of consumer issues). It should be available either by phone, email, written mail (letter or fax) or in person.</b>					
89.	R.8	We agree that there should be a single point of contact to deliver free information and advice on consumer issues, particularly in relation to complaints. (...) As regards the provision of what may be constituted as 'price comparisons', this can easily move into the	Take note		In some countries, various price comparison services exist, and the consumer can choose between these private companies to make a comparison. In some other markets, less mature

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		<p>realm of recommending service providers' different products. This is better left to those commercial organisations that presently offer such services. While a general consumer body is likely to be able to give generic advice about service providers' offerings, it is unlikely to have the necessary expertise to be able to offer advice on the wide range of different offerings in a particular market. Nor should it be placed in a position of being required to recommend one provider's product over another's. Indeed to do so may undermine one of the principal objectives of an advice organisation, namely that of impartiality.</p>		<p>ones, where market conditions did not permit the creation of such private comparators, either the NRA, or another independent organisation, set up price comparators. These price comparison services, most of them publicly run, are a very useful tool for consumers. They do not impeach, in any way, the creation of private comparison services, once the market is more mature.</p>
90.	R.8	<p>In principle, evaluate the introduction of an additional single point of contact to be neutral. When viewed in a pan-European context, there are various occurrences of already existing consumer organisations in the Member States; some are central, others are established decentrally in each respective country. A determination for another single state point of contact is therefore questionable.</p> <p>In Germany, there are independent consultation centres on the side of the Federal Network Agency which in recent years have developed into central and accepted points of contact. Federal Network Agency figures indicate nearly 6,000 complaints in 2008 in the field of energy. Furthermore, there are state sponsored consumer centres for information purposes and legal consultation (especially contracts) available to customers in every large city. This comprehensive system guarantees enormous consumer protection, already fulfils the tasks of a point of contact today and makes an additional single point of contact quite superfluous. We support the provision of information and consumer protection. In doing so, it is decisive that only an informed customer can make free decisions on changing providers and selecting tariffs, which is a fundamental prerequisite for increased readiness to change and more competition.</p> <p>Price comparisons are an expedient instrument for the consumer in order to receive greater transparency on the market. In a functioning market, reliable price comparisons are also ensured by third-party providers. An additional price comparison from the point of contact is not necessarily needed. The intended legal consultation by single points of contact is viewed critically, since it cannot substitute a</p>	Take note	<p>The "single points of contact" is part of the 3<sup>rd</sup> Package. Each country will have to transpose the Directive in its own legislation, taking into account its specificities, among others the existing organisations in the field of customer information and protection.</p>

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		professional legal consultation.		
91.	R.8	Today there is already a well working Swedish Electricity Advice Bureau that can serve as "a role model for the union". In Sweden there are Consumers Advice Bureaus which make physical meetings possible.	Take note	Good practices in some Member States will prove very helpful to other Member States that will set up such "single contact points".
92.	R.8 to R.15	These recommendations should be addressed to member states only. We propose to delete this part.	Take note	
93.	R.8	This is a sensible recommendation and can provide clear benefits for consumers.	Agree	
94.	R.8	While the supplier should normally be the first point of contact for customer enquiries, agree that a general information/advice service would be desirable, especially in newly opened markets where there may be customer confusion on the roles of the different players in the competitive market. Such a service should refer customers with complaints to the supplier (or distribution company) concerned.	Agree	
95.	R.8 and R.2	Consider that the whole coordinates of this service should be mentioned on the service providers' bills	Take note	EREGG considers that, beyond Recommendation 2, room should be left to national regulation
96.	R.8	Support the principle of a single point of contact to deliver information to consumers. However, pursuing the objective of clearer separation of responsibilities between information and handling of complaints, Believe this information single point of contact should be different from the body in charge of handling complaints.	Take note	EREGG considers that room should be left to national regulation
97.	R.8	We consider a further standardisation and regulation of the energy market, which has just been deregulated, to be wrong. Should a third party body nevertheless be established, this must possess sufficient know-how and be situated at a neutral location. It is also to be feared that customers whose complaints have been justifiably rejected may apply to this body, thus causing renewed expense. The recommendation of free handling is problematical. The risk exists that an incentive will thereby be created to invoke the independent complaints body. Since, however, this itself has costs, these must be apportioned between the providers. This contradicts prevailing law and makes the supply of power more expensive for all customers. For this reason, it is recommended that a charge be demanded from the unsuccessful party.	Take note	See Annex I – f) of Directives

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98.	R.8	Disagree with EREG as we consider that DSOs are the natural and neutral contact with customers. On that respect we would like to outline that as the conclusions of the 2 <sup>nd</sup> Citizens' Forum state <i>"single points of contact should represent the need for separate information flows related to DSO and supplier processes"</i> .	Take note	
99.	R.8	We think that the dispute settlement procedure should be dealt with by a neutral instance. It thus appears appropriate that this mechanism is installed directly at the national regulatory agency responsible for supervising the energy markets, and not at consumer protection organizations or energy suppliers. In order to ensure the independence of the body responsible for the settlement of such disputes during ongoing proceedings, we consider its organizational separation from the decisionmaking departments or judicial functions of the national energy regulators indispensable.	Take note	EREG considers that room should be left to national regulation See Annex I – f) of Directives
100.	R.8	There is no mention or consideration about the possibility of mediation between customers and companies. [...]In that sense, we want to encourage EREG 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.	Take note	EREG's recommendations regarding third-party bodies cover independent bodies which operate alternative dispute resolution mechanisms, as a third party to a complaint between a customer and a service provider.
<b>R.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.</b>				
101.	R.9	Agree. As we have noted in commenting on Recommendation 2 it should be made clear in the interests of efficiency in complaint handling that the third party complaints route should be followed only if the customer is unable to reach satisfactory resolution with his supplier. Note in addition that some energy companies with distribution and supply interests have established their own arm's length mediation service, which can intervene in a more neutral way in problems where both supplier and DSO are involved. Such a service is indeed often considered as a "third party body".	Disagree	EREG does not consider as "third party body" the consumer complaint handling mechanisms operated by traders or mechanisms providing complaint handling services operated by or on behalf of a trader.
102.	R.9	It is sensible to encourage customers to contact their service provider in the first instance to complain as this could lead to the	Agree	

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		issue being resolved at the first point of contact, avoiding further escalation. It is essential that service providers be given the opportunity to resolve customers' concerns in the first instance. It will be important for third parties to promote this and also to detail this recommendation in their communications with customers.		
103.	R.9	We agree strongly with this recommendation. Where this does not occur, such contacts ought not to be considered to be complaints for the purposes of service providers' performance measurement.	Take note	Service providers' performance measurement should be defined within retail market monitoring by NRA.
104.	R.9	It is of fundamental importance that the customer initially seeks to make contact with the service provider in order to address him with his complaint and solve the problem. The actual settlement of the dispute should in principle take place in the scope of the service provider's own complaint management system or, in the next instance, at court level. We reject alternative dispute settlement.	Partly agree	See Annex I – f) of Directives
<b>R.11 Alternative dispute settlement should be made available for all household customers, preferably without charge or as inexpensively as possible irrespective of the financial amount of the dispute.</b>				
105.	R.11	The free access to arbitration proceedings should be provided to consumers. However, these procedures have a cost that should be fairly charged to the various actors of the system.	Agree	
106.	R.11	We agree with the recommendation that alternative dispute settlement should be made available for all household customers. But when it comes to the point that the alternative dispute settlement should be preferable without charge we fear that there will be a high amount of unwarranted disputes to handle. As the ombudsmen in the alternative dispute settlements won't work for nothing the consequence of a dispute settlement of no charge will be that in the end the service providers are covered with the assaulted charges. This is completely against the common rules of the ordinary jurisdiction and will lead furthermore to higher costs in energy supply for all customers. Therefore we strongly recommend, that there will be charges as well for the alternative dispute settlements, being payed by the party, that loses the dispute.	Take note	EREG considers that charges to access to an alternative dispute settlement (ADS) body would discourage customers, who already invest their own time and energy. An ADS body cannot be compared to a court. Regarding the number of complaints to deal with, it is in the hands of each third-party body to define its own process and to refuse to deal with unjustified complaints. An effective ADS should be able to give some "feedback" to service providers, and this way should permit to substantially diminish the annual number of complaints.
107.	R.11	This is sensible and allows a level playing field for customers, empowering them regardless of their personal circumstances. Ideally, to ensure the consistency and independence of advice, the government of the relevant Member State, should fund that State's	Agree	



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		<p>independent consumer bodies.</p> <p>Where service providers fund dispute resolution services, carefully drafted Terms of Reference should define the scope of complaints that this service have the authority to deal with. This will minimise the potential for suppliers to face large costs for vexatious or otherwise non-genuine complaints, which would ultimately be passed on to the general customer base.</p>		
<p><b>R.12 Regarding third party bodies, the following complaint handling standards should be effective, in accordance with the above-mentioned Commission Recommendation and with 3rd Package legal provisions: (...)</b></p>				
108.	R.12	<p>If an alternative dispute settlement procedure exists, it must be clear what are the enforcement limits of this process. Consumers must be informed whether their energy company must comply with the recommendation or not.</p> <p>We also feel that an appeal process, after the conclusion of the review of a complaint within the company, could be beneficial for giving greater transparency and confidence to consumers about their rights in energy (and other) markets. In Denmark, for example, a national Energy Complaints Board exists where energy consumers can launch an appeal against the decision of the internal investigation of their energy company.</p>	Agree	<p><b>Recommendation 12 has been updated accordingly:</b></p> <p>It must be clear what the enforcement limits of alternative dispute settlement body's process are. Customers should be informed whether their energy company must comply with the recommendation or not.</p>
109.	R.12	<p>We think that the dispute settlement procedure should be dealt with by a neutral instance. It thus appears appropriate that this mechanism is installed directly at the national regulatory agency responsible for supervising the energy markets, and not at consumer protection organizations or energy suppliers.</p> <p>In order to ensure the independence of the body responsible for the settlement of such disputes during ongoing proceedings, we consider its organizational separation from the decision making departments or judicial functions of the national energy regulators indispensable.</p>	Agree	Of course, it is possible, as it is in many countries.
110.	R.12	Believe that the role of a third party mediator, at least for the time being, should still be held by the NRA.	Agree	
111.	R.12	Finally, as is the case with service providers, any external complaints handling or advice giving organisation should have a	Agree	

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		well-publicised process telling prospective users how their complaint will be dealt with.		
112.	R.12, CC.	Agree on the principal of establishing some "complaint handling standards". However, once should think really on the necessity, the utility and the feasibility of a "common classification". Except perhaps for administrative goals, the interest of such a common tool, compared with the work and time its definition will need, doesn't appear clearly.	Take note	<i>Regarding classification, please refer to ERGEG's explanation in the corresponding chapter CC. (after R. 15).</i>
113.	R.12	We agree that this recommendation is sensible and support the application of each of the complaint handling standards for third party bodies within this recommendation. We agree that this will help to develop consumer confidence within the market.	Agree	
114.	R.12	If a single point of contact will be implemented like stated under recommendation 8 we would welcome if the complaint procedures are made available via this body and if the written complaint procedures are developed with the involvement of the service providers as relevant stakeholders of this process.	Agree	
115.	R.12	Agree with the principle of Statutory complaint handling standards and the need to inform consumers about the stage of the procedure they have launched. Concerning the classification issue, understand that Third party bodies want a common classification system of complaints and have no special opinion on this specific issue. However, mention that the objectives of such a classification will be closely linked to the status of Third party bodies and could be inappropriate for suppliers or some specific cases.	Partly agree	<i>Regarding classification, please refer to ERGEG's explanation in the corresponding chapter CC. (after R. 15).</i>
<b>R.13 Customers whose complaint has been settled in their favour should be allowed a fair compensation from their service provider.</b>				
116.	R.13	Although agreeing on the principle, the translation of "fair" into concrete measures has to be left to subsidiarity, in view of harmonisation with national specifications. Moreover, compensation should only be given in case of clear responsibility of the service provider and with proven material damage for the consumer.	Partly agree	Beyond material damages, a customer can also, in some cases, suffer other kind of damages, like for example: wrong bills, disconnection resulting from a mistake of the service provider or from a wrong bill, time lost by customer in undue complaint handling process resulting from an error of the service

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117.	R.13	A compensation in form of money should only be allowed if the customer had a specific material damage. In case of immaterial damage there shouldn't be a compensation in form of money. Furthermore it has to be ensured that current or future national compensation rules for service providers (...) are harmonised with the rules under Recommendation 13.	Partly agree	provider, communication problems between DSO and supplier having undue consequence on customer (ex: wrong meter reading, wrong bill), etc.
118.	R.13	Believe that the possibility of compensation should be left to the supplier as part of supply conditions. A set of minimum standards could apply. See also our remarks on recommendation 5. However warn against any widespread scheme of fixed compensation amounts, which will just encourage a complaint or compensation culture.	Partly agree	The question is not if a "culture" of compensation should appear or not, the current issue is that rules that apply in each country should be well known by all customers (and to reach that goal the information should be widely available), and in particular by the most vulnerable ones.
119.	R.13	We believe the issue of compensation should be left to the service provider to decide, as it may not be relevant or necessary in every case where a complaint has been upheld.	Partly agree	Customers whose complaints have been settled in their favour should be allowed compensation from their service provider. This should be defined at national level. Compensation should be at a level commensurate with the damage and cost suffered by customer.
120.	R.13	As with recommendation 5, we are broadly supportive of this recommendation, as compensation is a form of resolution, which we believe should be applied in appropriate circumstances. However, the recommendation as currently drafted implies that compensation should be available in all cases. We would caution against a blanket approach of compensation being awarded in all cases where the customer's complaint has been settled in their favour. Other forms of redress may be more appropriate, and indeed may be what the customer is looking for, such as an apology, explanation or remedial action. Financial compensation will not always be an appropriate response to every scenario, even where the overall outcome is in the customer's favour. We would suggest that the recommendation be amended on the following basis: "Redress schemes should be in place to allow the appropriate resolution for the customer, including an apology, explanation, compensation or remedial action as appropriate."	Partly agree	In addition, service providers have the flexibility to award compensation ("goodwill gestures") on the basis of perceived or actual poor customer service for which, in the main, loss is difficult to quantify. Such standards may not be relevant in some countries when quality regulation is already effective.
121.	R.13	Compensation will be appropriate in defined cases, at a fair level commensurate with the cost to the customer of the problem encountered. However warn against any widespread scheme of	Take note	

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		fixed compensation amounts, which will just encourage a complaint or compensation culture.		
122.	R.13	The third party body should contribute to define the compensations standards.	Agree	EREG recommends stakeholders' consultation at national level.
123.	R.13	It must be clear according to which rules the appropriateness of the compensation is to be established, and who is to make the assessment here in the case of dispute. Compensation in the form of money should only be allowed if the customer has suffered material damage. Furthermore, the legal arrangements for paying compensation must be harmonised with the national specifications.	Partly agree	Damages can be other than only material ones.
<b>R.14 When a regulator deems it appropriate to collect data on customer complaints, the regulator should have the possibility to receive the relevant information from third parties as well as from service providers (refer to Recommendation 7).</b>				
124.	R.14	Believe that NRAs should be able to draw together data from a range of sources in assessing the functioning of the market - it is not necessary or desirable for the NRA to have to duplicate existing sources or information flows. However, as we comment in response to Recommendation 7, neither NRAs nor third parties should impose routine statistical reporting requirements on suppliers which are excessively frequent, unnecessary or unreasonable. NRAs and consumer bodies should work cooperatively with suppliers to ensure that what is routinely requested for monitoring purposes is reasonable and minimises administrative burden and costs.	Partly agree	<b>Recommendation 14 has been updated.</b> EREG agrees that NRAs and consumer bodies should work in cooperation regarding consumer complaints, and avoid, as far as possible, double data requests to suppliers. That is the rationale behind this recommendation: once third parties have collected data on complaints they have received, the NRA should have the possibility to receive it, when it deems it appropriate.
125.	R.14	If data is to be collected, it is essential that there is an agreed definition of what constitutes a complaint. Accept the broad definition used in this consultation – 'an expression of a customer's dissatisfaction' – but believes that a suitable basis for reporting purposes would be issues not resolved by close of business on the day following receipt of the original complaint.	Partly agree	All complaints received by suppliers, as well as all complaints received by third-party bodies, should be within the scope of complaint data collection, when a regulator deems it appropriate. Further investigation regarding average time to solve a complaint, or any other aspect of the complaint handling process, could be envisaged anyway.
126.	R.14	Agree that the regulator is well-placed to analyse the data collected.	Agree	
127.	R.14	We agree that this recommendation is sensible. Consideration should be given to the appropriateness of information requested, the extent to which this information is already available and also the frequency of requests.	Agree	
128.	R.14	NRA are not always the best placed to analyze data on complaints	Take note	NRAs have the duty under the 3rd Package to

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		in the countries where independent energy ombudsmen exist, and handle customers complaints.		monitor retail markets. The issue of complaints can be part of the relevant indicators when monitoring retail market, among other indicators.
129.	R.14	As stated in our comments to recommendation 7, costs and administrative workload should be reasonable.	Agree	
130.	R.14	Data collection by regulatory authorities and, if applicable, the publication of these data needs to be carried out with a sense of proportion in terms of the scope and contents and must not lead to distortions of competition.	Agree	
<b>R.15 The NRA or another third-party body having responsibility on customer complaints could provide and publish reports on complaints they have received. Depending on the level of maturity of the retail market, the report could include information such as: (...) The frequency of reporting should be at least once per year.</b>				
131.	R.15	Publication of complaints data could provide customers with a useful overview of how their service provider is performing and place indirect pressure on service providers to improve performance, and therefore can be of benefit to customers. However, it is essential that any publication of complaints data is considered on a fair and equitable basis and that a range of meaningful indicators are used to provide a full picture of performance across the full complaints handling lifecycle. Use of a single measure will only provide a small glimpse in to one aspect of a suppliers' performance and will not provide meaningful and comparable information for customers. Third party bodies must ensure that a full and appropriate consultation is carried out with stakeholders to ensure that the proposed measures are correct and relevant.	Agree	<b>Recommendation 15 has been updated.</b> ERGEG agrees that it is essential that any publication of complaints data is considered on a fair and equitable basis.
132.	R.15	We would be concerned if regulators or third parties published information which identified individual companies, until the reliability and comparability of such data has first been verified.	Agree	
133.	R.15	Recognise that such approaches could be adopted at national level and that the level of market maturity is an important factor in considering the appropriateness of any particular approach.	Agree	

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134.	R.15	This is already a part of what the National Board for Customer Complaints and NRA are doing. These two present information on companies that do not follow their recommendations. Such information includes number of complaints and the type of complaints that are most frequently returning. A shame list on companies with many complaints will be published and respective companies process.	Partly agree	Regarding the publication of a "shame list" of companies, it is up to each NRA to evaluate the opportunity, depending of many factors: complaint data available, maturity of the market, consumers' awareness of the complaint handling process in each region, cultural specificities, etc.
135.	R.15	Agree on the global frame of this recommendation, except for one point: don't agree with the disclosure of the name of the service provider (i.e. distributor) which have not followed the ADR board recommendation. This systematic stigmatization would rapidly harm and jeopardize the efforts of conciliation which are the core guideline of the "Third Party".	Take note	Transparency of information on complaints data, with the guarantee of a strict and fair data collection process, is one of the means to empower customers in their rights and to counterbalance the asymmetry between individual customers and large companies, when it comes to complaint handling.
136.	R.15	Agree with this recommendation, provided that no confidential informations are disclosed. Therefore, do not agree with the inclusion of the name of service providers which have not followed the ADR Board Recommendations. This sort of pillorying is inconsistent with the conciliation effort that must guide the Third Party.	Take note	
137.	R.15	The publication of a list of the companies which do not follow the recommendations of the complaints body is regarded critically. The German legal situation has shown that claims may be derived through damage to reputation as a result of a "black list".	Take note	
138.	R.15	We also note that while publication of data on individual companies may result in efforts to improve performance, there is also the possibility it could encourage companies to manipulate their statistics.	Take note	
139.	R.15	With regards to the specific comments on the recommendations, we are in agreement with the criteria that the National Regulator is well placed to analyse the complaints data, but is necessary to underline that only the National Regulator should have the prerogative of monitoring and publishing complaints and remain the actual single point of contact. In fact, believe that the role of a third party mediator, at least for the time being, should still be held by the NRA, due to the actual complexity of the market and to the customers	Partly agree	It should be noted that, among Member States, the scope of competencies of NRAs and other public bodies in charge of customer complaints can vary.  See § 4.1.2 of "Interpretative Note on Directive 2009/72/EC and Directive 2009/73/EC - The Regulatory Authority"

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		general level of ignorance with regards to its main actors. In addition, in the area of data management, the possibility of publishing the names of the service providers that don't respect the ADR Board recommendations should prove instrumental in realizing the required good level of market access and the establishment of an effective and practical system for the exchange of information between sellers and distributors.		
140.	R.15	For any meaningful statistical measure of a service provider's performance, emphasis should be placed only on those contacts where the service provider has had the opportunity to deal with the matter about which the contact is made.	Take note	When an NRA collects data on complaints from service providers, the latter had previously had the opportunity to deal with the matter. When an NRA collects data on complaints from third party bodies, it will depend on the process which applies in the country. In some countries, it is necessary to first submit the complaint to the service provider before taking a case to the ADS body (See also Recommendation 9).
141.	R.15	When implementing such a complaint data publication it should be made sure that only aggregated data are published and that the confidentiality of economically sensitive data and the involvement of the service provider when developing the structure of such reports is ensured.	Agree	
<b>CC. Complaint classification</b>				
142.	CC., R.15	Reporting on expressions of dissatisfaction can be used also to drive improvements at both the individual service provider and market levels. To do so effectively however, there must be consistency in the definitions of dissatisfaction etc. being used, along with the recording and presentation of the data relating to complaints. Publication of complaints data should be fair, and non-tendentious, while accurately reflecting those matters which are important to consumers.	Agree	EREGG agrees that consistency in the definitions of dissatisfaction is a key-element to guarantee the accuracy of statistical data on complaints.
143.	CC.	However, once should think really on the necessity, the utility and the feasibility of a "common classification". Except perhaps for administrative goals, the interest of such a common tool, compared with the work and time its definition will need, doesn't appear clearly.	Take note	A common classification of complaints is the condition to be able to make an effective monitoring of complaints, first at a national level and secondly, by the Commission at a European level (Consumer

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144.	CC.	<p>Suppliers are generally the main contact of the customer, even for complaints related to grid connection, metering and quality of supply.</p> <p>To be effective, a complaint classification must be customer-and supplier-oriented. Its purpose is to identify customer needs and ways of improvement for the supplier. A complaint classification designed to identify market failures and imposed to suppliers could prove inadequate to achieve this primary objective.</p> <p>A fixed and too rigid classification could be counter-productive to evaluate and help solve customer complaints.</p>	Take note	<p>Market Scoreboard).</p> <p>EREGG recommends the use of this classification by service providers as well as by third party bodies.</p>
145.	CC.	<p>We believe that the number of categories at EU-level should be kept to a minimum list of broad complaint areas. While we would even question how far it is feasible to apply the same methodology and approach to e.g. both the financial and energy sector, the higher the level of classification, the more chance there is of producing a set of indicators that enables energy to be seen alongside other sectors, as DG SANCO is seeking to do. The shorter the EU-level list, the greater the scope at a national level for locally relevant indicators to be included.</p> <p>Conversely, the more detailed the list of indicators, the greater the temptation to compare detailed results by Member States, which as noted earlier we believe should not be done without a much deeper understanding of national circumstances and structures in the gas (and electricity) markets. There are evident differences between Member States affecting the comparability of data</p> <ul style="list-style-type: none"> <li>– for example varying market structures and characteristics (e.g. regulated versus market prices, different levels of public service obligations). Looking only at quantitative results (number of complaints) does not adequately reflect the functioning of the market or the state of competition.</li> </ul> <p>In general, believe the approach to data collection, classification and reporting should be pragmatic and proportionate and not lead to heavy and costly reporting obligations for companies.</p>	Take note	<p>Complaint classification proposed by EREGG includes some energy specific categories of complaints to permit a closer monitoring of some relevant issues within the energy sector.</p> <p>These energy specific categories have been limited to a minimum number.</p> <p>Comparisons between countries are not in the scope of the present EREGG report.</p>



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146.	CC.	<p>Turning to the fourteen categories proposed by ERGEG:</p> <p>Level 1</p> <ul style="list-style-type: none"> <li>- we suggest that only the eight categories put forward by DG SANCO should be considered as the areas suitable for EU-wide comparative analysis</li> <li>- NRAs should seriously consider collecting data at national level on the other six categories in level 1 also, but information in these six energy-specific categories would <b>not</b> be the subject of EU-level statistical analysis; NRAs would use information in these areas - which could be based on statistics collected from companies, survey results or other research - only to help determine if there were issues meriting further study in their Member State. This assessment would in turn inform the content of the retail monitoring reports produced by NRAs.</li> </ul> <p>Level 2</p> <ul style="list-style-type: none"> <li>- we agree that Level 2 indicators should be optional – they should be offered to NRAs simply as examples of what has been found to be useful in some Member States. Each Member State would therefore consider whether to gather information in each of these areas and if so how, and/or whether there are other areas with greater priority.</li> </ul>	Take note	
147.	CC.	Concerning the proposal of Consumer complaints classification, drives ERGEG's attention on the possible complexity to classify certain complaints. Indeed, some of the energy specific categories can be the consequence of other categories, which can complicate the choice. For example, an incorrect invoice can be the consequence of a metering problem. An unwished switch can result of unfair commercial practices.	Take note	
148.	CC. & R.15	<p>Not convinced that an approach independent of market model (e.g. supplier versus network operator's model) and market characteristics (regulated versus market prices, different levels of public service obligations,...) is feasible. Inter company and inter country comparisons creates a risk to focus on some quantitative results (number of complaints... ), which are not representative for the service quality and functioning of companies or markets.</p> <p>The proposed approach (complaint data collection by NRA and complaint data publication) should in general be pragmatic and</p>	Take note	<p>Complaint classification proposed by ERGEG includes some energy specific categories of complaints to permit a closer monitoring of some relevant issues within the energy sector. These energy specific categories have been limited to a minimum number.</p> <p>Comparisons between countries are not in the scope of the present ERGEG's report.</p>

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		<p>proportionate. Therefore see the need for a clear and consistent definition on the complaints to be reported, clarifying not only the complaint, but also if it is appropriate. Also the reporting framework should be consistent and standardized. A specific focus on complaints dealt with by the third party body (service provider is not able to respond to customers request) would be favoured."</p>		<p>Data on complaints should be collected, without excluding any complaint ("appropriate" is a very subjective qualification)</p>
149.	CC. & R.15	<p>Note the work in progress by ERGEG to develop market indicators to help provide evidence of market malfunction. We see the primary purpose of Recommendations 7, 14 and 15 being to support this objective, and look forward to commenting on the outcome of the work in due course. However we would like to make the following preliminary remarks, which are also relevant to complaint handling. Information on complaints (or indeed any other element in this market monitoring) should be no more than ERGEG intends in section 3.2.9 - high-level indicators, to help direct NRA attention if one or more national indicators suggest there may be grounds for concern. From time to time the indicators may suggest there is a more general problem, and this could result in an in-depth analysis by the regulator concerned. However in proposing a set of monitoring indicators, ERGEG must be very careful to avoid the temptation of starting with a broad class of customer complaint and then analysing this into ever greater levels of detail, increasing the amount of data routinely collected and generating significant administrative cost. The more detailed the indicator, the more there is a danger of some regulators feeling they have to micromanage the industry, which would be fundamentally contrary to any trust in the competitive market. Suppliers will naturally wish to resolve their process or other customer relations problems, especially if they are a matter of public comment, and suppliers themselves will be best placed to dig into the detail they find most relevant to their desire to improve their levels of service.</p> <p>It is thus essential that market indicators do not become an end in themselves or an elaborate statistics gathering exercise, which would not be the best way of encouraging service improvement.</p>	Take note	<p>Data on complaints should be as exhaustive as possible, to give the full picture, even if aggregated, to permit analysis of large scale data. The complaint classification should help aggregation of data.</p>

## **Annex 2 – ERGEG**

The European Regulators for Electricity and Gas (ERGEG) was set up by the European Commission in 2003 as its advisory group on internal energy market issues. Its members are the energy regulatory authorities of Europe. The work of the CEER and ERGEG is structured according to a number of working groups, composed of staff members of the national energy regulatory authorities. These working groups deal with different topics, according to their members' fields of expertise.

This report was prepared by the Customer Empowerment Task Force (CEM TF) of the Customer Working Group (CWG).

### Annex 3 – List of abbreviations

Term	Definition
ADR/ADS	Alternative dispute resolution (board)/alternative dispute settlement
CEER	Council of European Energy Regulators
CoRDIS	Dispute settlement authority within the French NRA, CRE
DSO	Distribution System Operator
EC	European Commission
ERGEG	European Regulators Group for Electricity and Gas
GGP	Guidelines of Good Practice
kW	kilowatt
kWh	Kilowatt hour
NRA	National Regulatory Authority
SME	Small and medium-sized enterprise

*Table 1 – List of Abbreviations*