

Indiana Utility Regulatory Commission



The Role of the Regulator in Consumer Protection: The IURC Consumer Affairs Division



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IURC Consumer Affairs Division



Staff Consists of:

- 1 Division Director
- 1 Division Manager
- 4 Analysts
- 1 Receptionist



Duties Consumer Affairs



- Record and investigate complaints
 - Various types of complaints for all utility types
 - Complainants are generally consumers
 - Approximately 2,000 complaints and inquiries per month
 - Letter, e-mail, referral from Legislator or Governor, in-person, fax, phone call
 - Log all complaints into a comprehensive database

Duties of Consumer Affairs



- Mediate utility/consumer disputes
 - All utilities employ a staff of customer service representatives who take complaints directly from consumers and handle inquiries from the IURC's Consumer Affairs Division

Duties of Consumer Affairs



- IURC Consumer Affairs staff make decisions ensuring that customers receive adequate and reliable service at reasonable prices balanced with the State's interest in having solvent, viable electric utilities to serve citizens of Indiana.
- Complaint analysts must be impartial, but can advocate on behalf of either the customer or the company when there has been a violation of a rule or a customer payment obligation.

Initiation of a Complaint



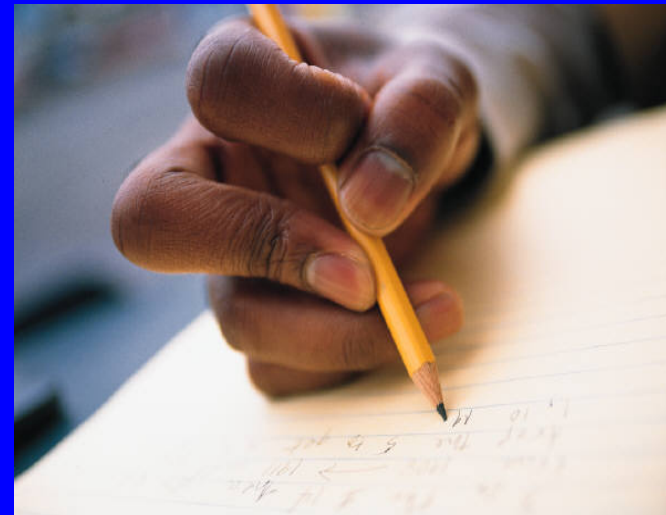
- The IURC requests that customers first attempt to resolve complaints with the utility before complaining to the IURC.
- If a customer does not receive a response within a reasonable amount of time or if the customer is not pleased with the utility's response, then the IURC becomes involved.
- A complaint analyst will request certain information before beginning to investigate and resolve the complaint.

Initiation of a Complaint



Certain information is needed in order for the Consumer Affairs Division to begin investigating and resolving a customer complaint:

- The name of the utility
- Customer's account number
- The customer's name, phone number, mailing address
- Nature of the complaint, as specific as possible.

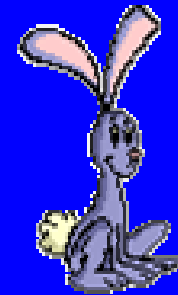


Complaint Classification



Analysts determine whether incoming complaints should receive

expedited



or standard processing.



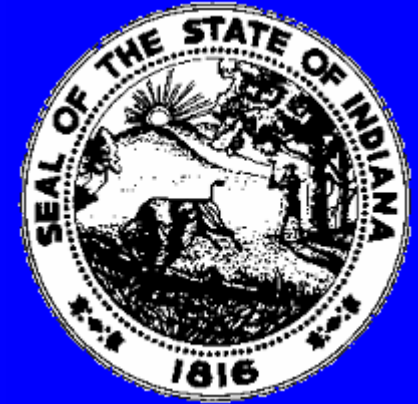
Complaint Classification



Expedited Processing:

Necessary when a customer has been disconnected from service during cold weather, or when there are other special circumstances (such as safety or health concerns) warranting attention ahead of other, less critical complaints.

Complaint Classification



Standard Processing:

Assigned analyst will process complaint, gathering additional information from the customer if needed. Analyst will then contact utility wait for utility response on the issues. Upon receiving the utility's response, the analyst may conduct research on the issue and consult with the IURC technical and legal staff. The analyst then contact the customer with an informal resolution of the complaint.

Role of the Attorney General



- During investigation of the complaint, it may be necessary for the Consumer Affairs Division to refer complainants to Consumer Protection Division of the Indiana Attorney General for further assistance.
- The Indiana Attorney General has a particular interest in consumer rights and protections, particularly in guarding against fraud and deceptive practices. Referral may be necessary because these issues may be outside of the IURC's jurisdiction.



IURC Complaint Process

Three-step process:

1. Informal Complaint Resolution by Analyst
2. Informal Review by Division Director
3. Formal Complaint Review by Full Commission
(becomes a docketed case, IURC reviews record of Consumer Affairs resolution)

IURC Complaint Process



Why have three steps?

- Fundamental idea of justice and fairness;
- Eliminate possibility of mistake;
- Customers have appellate remedy; and
- Process, though time-consuming, protects consumers.

Dispute Resolution in Consumer Complaints



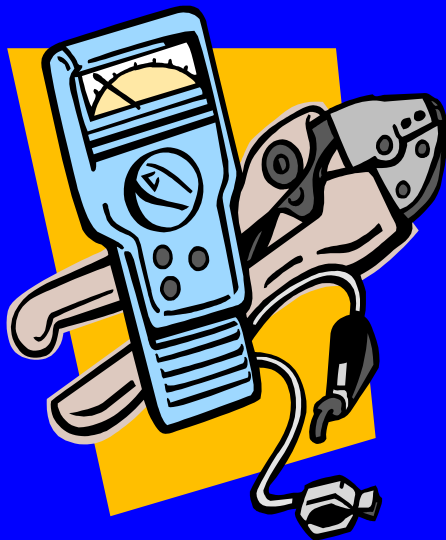
- The IURC has a rule which provides that the parties to any proceeding pending before the Commission may select someone to act as mediator as a means to resolving an ongoing dispute.
- The rule is really geared toward the formal proceedings, but a customer and utility could agree to use an outside mediator to resolve an informal dispute being heard by the Consumer Affairs Division.
- More commonly, the Division Director will schedule a meeting of the parties and mediate the parties' dispute informally.

Complaint Types

- Service Outage
- Billing Disputes –
Calculation of Charges
- Others



Consumer Protection: Electric Meter Inspections



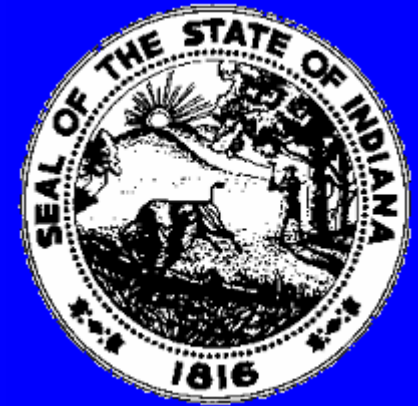
- Customers can request that the Commission investigate meters for inaccuracy.
- Technical staff observe meter testing conducted by the utility.
- The utility report test results to Consumer Affairs.
- Faulty meters may result in refunds to customers.

Consumer Protection: Electricity Outage Monitoring



- Extended Outages to Large Number of Customers
 - Outage must last more than 2 hours in length
 - Fewer of 2% or 5,000 customers must be affected
- E-mail and phone notification every 2 hours
- Further reporting and investigation possible
- IURC promulgated a formal rule which took effect November 17, 2004.

How Else Do Regulators Protect Consumers?



- Protect against fraud and abuse by utilities against their customers
 - Consumers often alert the Regulator to activities which are unlawful or require additional regulatory scrutiny.
 - Information from consumers can help the Regulator determine if the utility is providing reasonably adequate service, and at rates which are nondiscriminatory.
 - Consumer complaints may be the first notice to the Regulator that utility service quality is poor or failing.

How Does Consumer Protection Benefit Utilities?



- Just as the regulator offers protection of consumers from utilities, investigation of consumer complaints helps to protect utilities from frivolous consumer complaints.
 - Information the IURC learns from consumer complaints may also assist utilities in cases of theft of utility service, nonpayment of bills, or instances where a customer has tampered with utility equipment which now poses a public safety threat of fire or explosion.
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