

CEER position regarding the 'branding' of ADR bodies

06 JUN 2011

CEER *supports* the fact that many energy companies (suppliers and/or DSOs) established procedures providing the possibility to deal with customer complaints in an efficient and effective way. Several electricity and gas companies have put in place well functioning first and second level complaint handling procedures which improve standards of companies' customer services. In many cases, this allows the resolution of customer problems rather than having to call upon independent out-of court dispute settlement bodies.

However, as a matter of clarity - given the competitive nature of electricity and gas market - CEER finds that it would be better *not to define* company mediators as '(company) ombudsmen', in order to avoid any confusion on the part of the customer concerning the role of different complaint-handling bodies. Even if these company mediators can exercise their function within the energy company in an independent way, the use of the term 'ombudsman' might be confusing for customers, especially in countries where public ombudsmen have been established, which CEER feels in-line with article 3 paragraph 13 of the Directive 2009/72/EC and article 3 paragraph 9 of Directive 2009/73/EC and Annex I.1.f.

By avoiding the use of the name ombudsman when referring to the mediator within an energy company, customers will clearly understand the nature of the entity to whom they are addressing their complaint and the various steps they can undertake: the customer service of the service provider in the first instance, the company mediator (if applicable) afterwards, then an independent and public out-of-court dispute settlement body (ombudsman), and finally, if necessary, a court.

Text of the Directives:

Art. 3 paragraph 13 of the Directive for Electricity (and Art. 3 paragraph 9 of the Directive for Gas):

Member States shall ensure that an independent mechanism such as an energy ombudsman or a consumer body is in place for an efficient treatment of complaints and out-of-court dispute settlements.

Annex I of the Directive for Electricity (and Annex I of the Directive for Gas):

1.(f) benefit from transparent, simple and inexpensive procedures for dealing with their complaints. In particular, all consumers shall have the right to a good standard of service and complaint handling by their electricity service provider. Out-of-court dispute settlements procedures shall enable disputes to be settled fairly and promptly, preferably within three months, with provision, where warranted, for a system of reimbursement and/or compensation. They should, wherever possible, be in line with the principles set out in Commission Recommendation 98/257/EC of 30 March 1998 on the principles applicable to the bodies responsible for out-of-court settlement of consumer disputes.