From: Sunset Advisory Commission

To: <u>Trisha Linebarger</u>

**Subject:** FW: Public Input Form for Agencies Under Review (Private/Before Publication)

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From: Texas Sunset Advisory Commission <sunset@sunset.texas.gov>

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**To:** Sunset Advisory Commission <Sunset.AdvisoryCommission@sunset.texas.gov> **Subject:** Public Input Form for Agencies Under Review (Private/Before Publication)

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Submitted by: Visitor

Submitted values are:

# Choose the agency that you would like to provide input about

Public Utility Commission of Texas

#### **Public Comments**

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# **Your Comments or Concerns**

Improving Public Communication Efforts Related to Retail Electricity Provider (REP) Complaints

The Sunset Staff Report identifies several areas for improvement for the Public Utility Commission (PUC). Among those are Issue 2: To Restore Trust, PUC Needs to Further Improve its Public Communications Efforts, and Issue 4: PUC's Poor Data Practices and Lack of Policies and Procedures Limit its Ability to Best Allocate Resources and Serve the Regulated Community. How the PUC handles complaints and communicates to the public how many REP-related complaints it receives cuts across these two issue areas. In these comments, Octopus Energy recommends changes to current PUC processes to ensure that accurate information is provided to the public regarding REP complaints on its Power to Choose shopping website.

On the PUC's retail electricity plan comparison website, Power to Choose, which is described as "the official and unbiased electric choice website of the Public Utility Commission of Texas," the PUC includes access to an "industry scorecard" which is also labeled as a "Retail Electric Provider complaint scorecard." The "scorecard" is intended to provide the public with information regarding the complaint rate for REPs in the market, so that customers can make an informed choice about a potential REP when shopping for a new electricity plan. The current scorecard is available here: <a href="http://www.powertochoose.org/scorecard/Scorecard.pdf">http://www.powertochoose.org/scorecard/Scorecard.pdf</a>.

The PUC includes the following text regarding the contents of the scorecard:

"Disclaimer: REPs are scored into five groupings of approximately equal size based on a 6- month rolling average of complaint rates per 1,000 customer relative to other companies. Significant changes in the complaint score may occur from month-to-month for smaller REPs based on only a few complaints. This complaint scorecard should be viewed as only one measure of the customer service provided by REPs. Please note the complaint score is based on a rolling 6-month average of the total number of informal complaints investigated, irrespective of whether or not the company was determined to be at fault or adequately resolved the customer's complaint. In many cases, the PUC's informal complaint process adequately addresses the customer complaints with quick resolution by the REP. You may wish to also review other resources regarding a REP's customer service such as your local Better Business Bureau. Please note this scorecard is made up of REPs that are currently active on the PTC website."

As noted in the disclaimer, the complaint rate reported to the public is irrespective of whether the company was determined to be at fault or adequately resolved the customer's complaint. However, a prospective customer of a REP listed on the scorecard has no way of knowing how many of the "complaints" are frivolous, or "nuisance complaints." The result is that flawed data are presented to prospective customers and to the public. This is a disservice to the public, and also to the REP community for which the PUC is responsible for enforcing customer protection rules.

### **Your Proposed Solution**

The Sunset Staff Report for the Texas Commission on Environmental Quality (TCEQ) provides guidance for a solution that could also be applied to the PUC. In the TCEQ Report, Sunset Staff recommends Management Action 2.6: Direct TCEQ to modify its approach to nuisance complaints to make better use of the agency's investigative resources.

Similarly, the PUC should be directed to adopt a management action to amend its complaint investigation process and REP complaint scorecard development. The PUC should institute a timeframe cap on repeat investigations of frivolous customer complaints to protect limited staff resources. Additionally, the PUC should ensure that it removes from the calculation of complaint rate on the REP complaint scorecard any "complaints" where the REP is found to be not at fault or where the REP addressed the customer's issue satisfactorily.

These recommendations can be implemented without additional statutory authority. The current statutory authority (See Section 17.157 below) is permissive regarding the PUC's involvement in resolving customer disputes with REPs, although the PUC shall develop procedures that ensure resolution of disputes within 60 days. These recommendations would allow the PUC to spend less time on frivolous, nuisance complaints, while providing more accurate complaint information to the public.

#### Sec. 17.157. DISPUTES.

- (a) The commission may resolve disputes between a retail customer and a billing utility, service provider, telecommunications utility, retail electric provider, or electric utility.
- (b) In exercising its authority under Subsection (a), the commission may:
- (1) order a billing utility, service provider, retail electric provider, or electric utility to produce information or records;
- (2) require that all contracts, bills, and other communications from a billing utility, service provider, retail electric provider, or electric utility display a working toll-free telephone number that customers may call with complaints and inquiries;
- (3) require a billing utility, service provider, retail electric provider, or electric utility to refund or credit overcharges or unauthorized charges with interest if the billing utility, service provider, retail electric provider, or electric utility has failed to comply with commission rules or a contract with the customer;
- (4) order appropriate relief to ensure that a customer's choice of a telecommunications service provider, a retail electric provider, or an electric utility that encompasses a geographic area in which more than one provider has been certificated is honored;
- (5) require the continuation of service to a residential or small commercial customer while a dispute is pending regarding charges the customer has alleged were unauthorized; and
- (6) investigate an alleged violation.
- (c) The commission shall adopt procedures for the resolution of disputes in a timely manner, which in no event shall exceed 60 days.

(Added by Acts 1999, 76th Leg., R.S., ch. 1579 (SB 86), § 3.)

#### My Comments Will Be Made Public

Yes