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URA: From the Act of 2007 to Actions

The Government and the Parliament of Vanuatu passed the URA Act in 2008 to create the Utilities Regulatory Authority (URA) and in 2010 the country saw its very first electricity tariff reduction. In 2011, the Authority published electricity safety and reliability standards. This year we are also studying prepayment meters to make sure the people of Vanuatu have the system best suited to their needs.

Throughout the four years it has been operating, the Authority has worked with the government on these issues and many others. The latest collaboration centres on geothermal power: the government wants to understand how it works, how much it costs, how it will impact the electricity tariff and consumers. To respond to this need and to learn more, the Authority is leading a high level delegation from the government to New Zealand, which has a long experience in geothermal energy.

Advising the government on issues related to the electricity and water sectors is one of the many important roles the Authority has to play.

The main reason the government created the Authority was to increase access to safe, reliable and affordable electricity and water services to the people of Vanuatu. In 2011, the government amended the *Utilities Regulatory Authority Act No. 11 of 2007* to even strengthen this point by adding to protect “the long-term interests of consumers” throughout Vanuatu.

All the decisions that the Authority makes are based on this principle, which is why the first key document that the Chairperson and two Commissioners worked on during their first meeting in November 2008 was the Charter of Consultation and Regulatory Practice. This Charter describes the consultation process for every decision that the Authority makes before the Commission releases it.

For example, the customers, the government, the utilities and any stakeholder interested had several opportunities to provide comments on the three reports that were published during the electricity tariff review, before the final decision in May 2010.

After all the consultations, the Authority completed its tariff review and recommended a 6.8% reduction of the electricity tariff in May 2010. UNELCO disputed the result and a panel of arbitration was set up to find a compromise. In May 2011, the tariff was reduced by 4.7% on average, a great achievement for the Authority to the benefit of all the consumers in Vanuatu.

The Authority organizes forums regularly to hear what customers have to say, in addition to sending information to the local newspapers and radio stations. This year we are going even one step further by organizing what we call PEP Talks.

PEP is the Public Education Program that we launched this April to inform the public about issues that are very familiar to customers but are not necessarily addressed through the Authority's reports. For example, the first three sessions focused on explaining electricity bills and the billing cycle. A video of this presentation will soon be available and we are planning to go on tokbak shows as well, to help people understand what they pay for.

Customers often come to the Authority with questions, and sometimes complaints. Utilities are the first point of contact for questions but when customers are not satisfied with the answer, they have the right to ask the Authority to investigate the matter further. This is a right given in the URA Act by the parliament in 2008.

A URA project manager went into action and created a system and a database to better respond to customer queries and to keep track of the most common issues. This project manager also wrote articles for the media about these topics, with the goal to help all the customers with similar issues.

Again, our goal is to protect the long-term interest of electricity and water consumers in Vanuatu. From November 2008 when the URA Commission met for the first time until now, we have set up a regulator from a simple act, the only effective electricity regulator in the small Pacific island countries. Slowly we have built its capacity and increased access to electricity by reducing the price that customers were paying.

Of course, we may not always be popular and our decisions are often questioned but that is why we have an extensive consultation process.

There are still a lot of issues to solve or investigate and in the coming weeks, months, years, we will continue our work -- in the same way we have done in the past four years, as provided for under our Act.

Customers are welcome to contact us if they want to invite us to organize a PEP Talk for their community or association. Or if they have questions about their electricity and water services that the utilities did not fully answer. Call 23335, write office@ura.gov.vu or come by our office located within the VNPF building.

All our reports and papers are online www.ura.gov.vu and also available at the Authority's office.

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