

Consumer services in the Electricity sector: Sri Lanka

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20 December 2012
Colombo, Sri Lanka



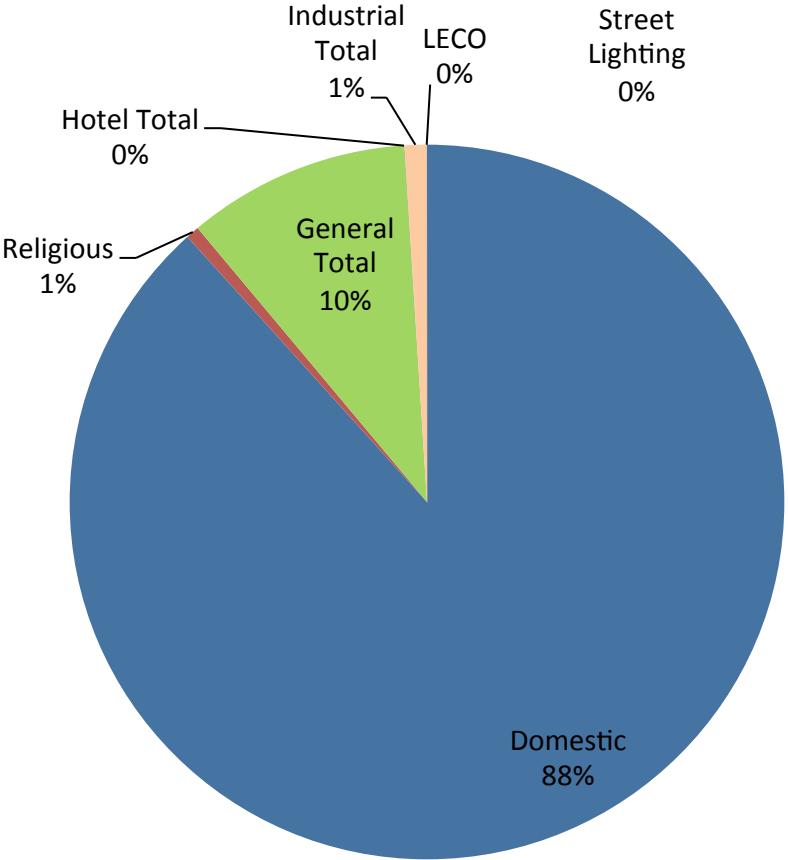
A bit of background



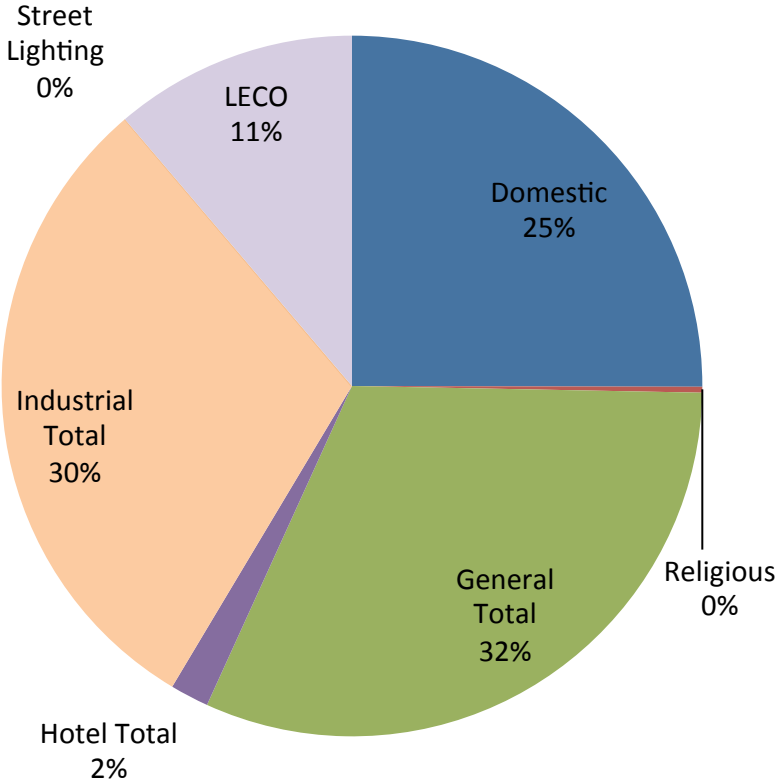
- **Energy source:** Mix of Hydro and Thermal.
- **Generation:** 57% from Ceylon Electricity Board (CEB), 43% from Independent Power Producers (IPP). IPP have a production capacity cap of 25MW per plant
- **Transmission:** Owned by CEB
- **Distribution:** Ceylon Electricity Board or CEB (4 regional licences) and Lanka Electricity Company Private Limited (LECO). Geographical monopoly.
- Five categories of consumers :
 - Domestic
 - Religious
 - General purpose
 - Industrial purpose
 - Hotel
- Sector regulated by Public Utilities Commission of Sri Lanka (PUCSL)

More on distribution

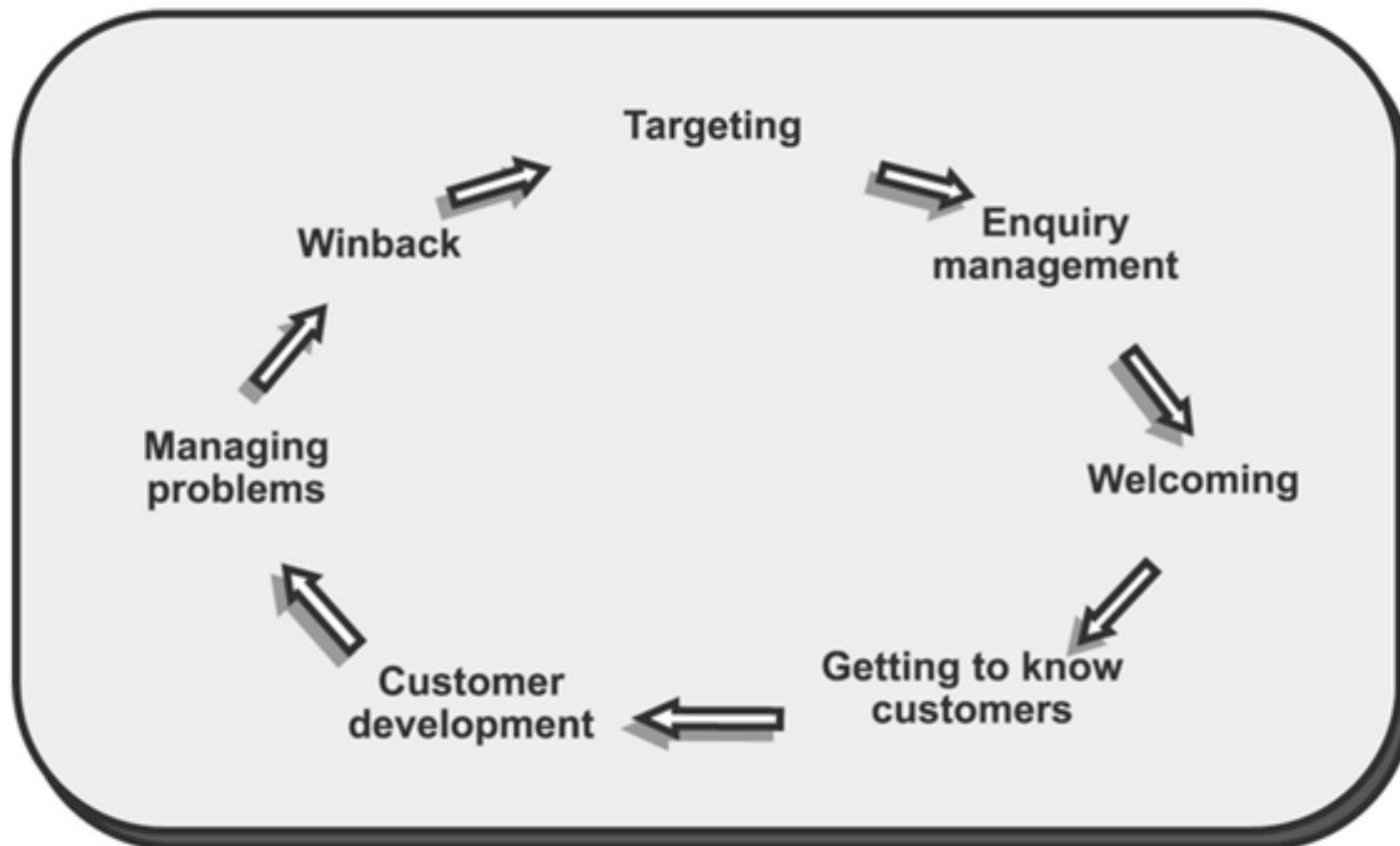
Share of accounts by category



Share of revenue by category



Consumer Life-cycle model



QCi Ltd © 2002

- Given that CEB and LECO have geographical monopolies, 'targeting' and 'winback' are disregarded

Enquiry management

- Obtaining applications:
 - LECO: Online or area engineers office
 - CEB: Online (for selected areas), area engineers office or customer centers
- Application and other relevant documents have to be submitted in person
 - A letter from Grama Sevaka (i. e. lowest admin officer of government) of the division confirming the ownership/residence of the building, certified by the Divisional Secretary
 - Title deed or lease agreement
 - Any document to prove the residence if a crown grant land/home
 - A sketch of the road map to the location the electricity supply connection is applied for
 - Certificate of Conformity (CoC) issued from Local Government institute
 - A Photocopy of the National Identity Card of the applicant

Welcoming

- Time taken to give the connection (as per websites)
 - LECO: estimate given within 14 working days
Connection given 14 days after making necessary payments
 - CEB: Around two weeks
- Customer rights and obligations have been drawn up by the PUCSL
 - Consumer awareness in this regard appears to be low

Getting to know customers

- Fluctuations or changes to customer usage levels are often scrutinized
 - Meter readers are required to inform of changes
- Consumers who receive disconnection notices repeatedly are identified
- CEB is expected to install equipment to enable remote monitoring of appliances to manage demand for electricity in some regions

Customer development

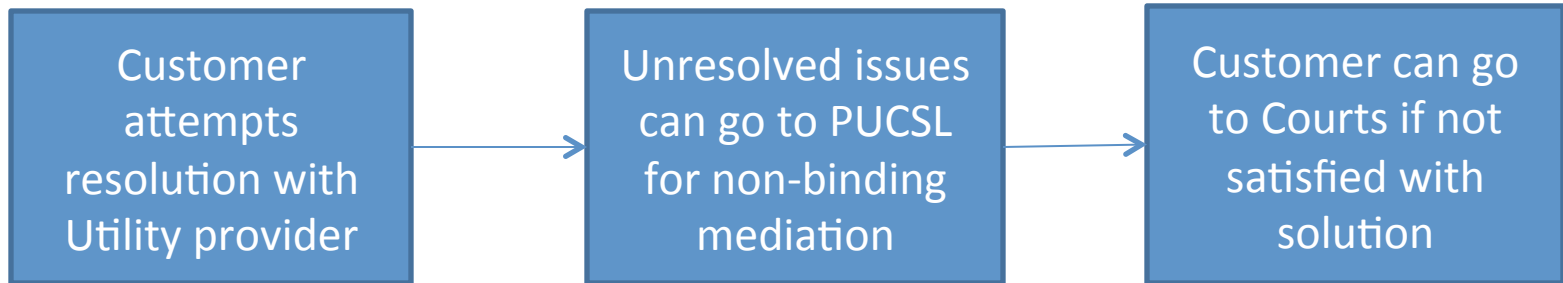
- Scheduled interruptions to power supply are publicised via newspapers, fliers, radio, television, IVR and website
 - LECO has a SMS notification system for registered customers – sign up 0.1%
- Demand Side Management (DSM) methods are published online
 - At present, informing customers of DSM has been taken over by Sustainable Energy Authority
- Billing and payment:
 - Registered customers are able to get a verification of their bills through SMS
 - Customers are able to calculate their bills through applications available on LECO, PUCSL and CEB websites. LECO has an android mobile app available.
 - Customers are given access to a range of payment points however, there are delays in reconciliations from some of these
 - CEB cited privacy of data as an issue

Managing problems

- Most frequent complaints:
 - Short term: power interruption or outages
 - Longer term: billing issues, meter issues, voltage fluctuations etc
- Both LECO and CEB have a centralised (regional level) and decentralised (depot level) complaint systems
 - Power outages are often informed verbally (call or in person)
 - Longer term complaints are often made in written form
- Reference numbers are issued by CEB, not by LECO
- CEB Online system allows consumers to track the progress of their complaint

Managing problems

- Disputes settlement process:



- Red notices are sent out to customers who haven't paid last months bill. Teams are sent for disconnections after two months.
 - Customer is charged LKR 800 per trip.

Indicators

- Collected by PUCSL (regulator)
 - **Currently Receiving**
 - Monthly purchases from Generation Licensees (including SPPs): Peak demand
 - Monthly purchases from Generation Licensees (including SPPs): Energy
 - Monthly sales by Transmission Licensee: Coincident Maximum Demand
 - Monthly sales by Transmission Licensee: Energy
 - Monthly sales by Distribution Licensees: Energy
 - Monthly sales by Distribution Licensees: Max Demand & number of customers the category
 - Monthly sales by Distribution Licensees: Energy sales to other Distribution Licensees
 - **Information intended to be obtained in near future**
 - Daily purchases from Generation Licensees (excluding SPPs): Capacity
 - Daily purchases from Generation Licensees (excluding SPPs): Energy
 - Monthly cost of generation purchases

Indicators contd...

From the licencees

- Average time taken to resolve a fault reported
- Network performance and reliability
- Revenue collected
- Receivables from consumers

Some problems identified so far

Problems	Possible solution	roadblocks
Lack of notifications of interruptions to power supply	Notify consumers through an SMS	Currently not all customer accounts have a associated mobile num.
	Notify through cell broadcasting	The grid layout
Accuracy of meter readings and bills, especially in rural areas	Pre-paid meters	Initial cost
Lack of clarity in the bill	Re-design the bill	
Delay in payment for services leading to disconnections	Scratch cards which consumers can purchase to set off against their bills at the time of disconnection (~ mobile top up card) Use of mobile wallet/ mobile payments (Ez-pay)	
Time taken to reconcile payments from some payment points		
Excessive peak demand	Smart grids that alert consumers (via SMS) about usage real-time; Incentives to reduce peak consumptions (including peak pricing)	Cost (of smart grids) Politics of peak pricing/ subsidies
Voltage fluctuation		

Thank you

More on distribution...

Rate Category	# of accounts		Revenue in Mn LKR	
Domestic	4,165,738	88.30%	33,138	25.00%
Religious	28,320	0.60%	358	0.30%
Small	471,991	10.00%	20,852	15.80%
Medium	3,308	0.10%	16,132	12.20%
Large	81	negli. %	4,698	3.50%
General Total	475,380	10.10%	41,681	31.50%
Hotel Total	479	0.01%	2,362	1.80%
Small	43,367	0.90%	2,750	2.10%
Small T.D.	2*	negli. %	0.5	0%
Medium	3,977	0.10%	21,220	16.00%
Medium T.D.	10*	negli. %	283	0.20%
Large	173	negli. %	15,721	11.90%
Industrial Total	47,529	1.00%	39,974	30.20%
Street Lighting	1	negli. %		
TOTAL	4,717,448	100%	132,373	100.00%



මාසය / மாதம் / Month

03-02-B-100

අය කිරීමේ / இறுப்பனவு / Tariff

GP-1

கணக்கு இல. / Account No.

17-03-041.00

0803063904

V. A. T. Reg. No.: 409000010 7000

OCT-2012 Colombo East

පුද්ගල / මග / මිග / அருட / திரு / திருமதி / Rev./ Mr./ Mrs.

G. J. S. H. R. PERERA
NO. 12, BALCOMB PLACE
OFF COTTA ROAD
COLOMBO-08

1. පසුගිය විදුලි බිල සඳහන් මෙහි මුළු මුදල / கடந்த பட்டியலில் காணப்படும் செலுத்தவேண்டிய முழுத்தொகை ரු. / Total Amount Due as indicated in Last Bill රු. } 21,616.00

2. පරිගණකයට අනුව පසුගිය බිල දක්වා මුළු මුදල / கணனிக் கணிப்பீன்படி கடந்த பட்டியல் வரையான முழுத்தொகை / Total Amount upto Last Bill as calculated by computer (පසුගිය මෙහෙය / Prvs Bal. + පසුගිය බිල / Last Bill) රු. / முன்னைய நிலுவை கடந்த பட்டியல் ரு. }
0.00 + 17,923.50
FU CHG 4,421.63
22,348.13

3. ගෙවීම් / கொடுப்பனவுகள் / Payments රු. / Rs. }

4. මෙම මුදල මෙහෙය / நிலுவை / Outstanding as at (2)-(3) රු. / Rs. } 12-09-28 22,348.13

දිනය / திகதி / Date	මනු කියවීම / மானி வாசிப்பு / Meter Reading		
	019472	019476	019474
10/05	21819	34279	35518
12-09-06	21532	34042	
	287	237	356

විභක්ත ගණන / பாவித்த சுறுகள் / Units consumed 880

5. මෙම මාස අය කිරීම / இம்மாத விதிப்பனவு / Charge for this month රු. / Rs. } 21690.00

මුළු මුදල (4) + (5) රු. / Rs. } 21690.00

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