



PUBLIC UTILITIES REGULATORY COMMISSION (PURC)

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Editor's Note

I recently had the pleasure of reflecting on team work, and the exciting results that vision-focused and energetic people can achieve by consistently pulling together. These reflections stemmed from observing PURC staff working tirelessly towards a memorable celebration of the Commission's 25th anniversary in October 2022. The celebration crowned a year of intense activity which stretched Commissioners and staff to their capacities.

This volume of the Regulatory Digest, presents a snapshot of PURC's activities for the second half of 2022. The Commission continued to enhance its well-established monitoring tools by publishing trend analyses of utility performance, under the PURIS tab at www.purc.com.gh. The strong focus on data analysis and extensive consultation enabled the Commission to take robust regulatory decisions, including the major tariff review decision which was published in August 2022, with an accompanying interactive tariff reckoner.

The benefits of regulation were felt in each region of the country as the Commission embarked on regional Complaints Clinics to bring head office and regional staff of the utility companies together with complainants to resolve specific service issues. The overwhelming participation and results were deeply satisfying, confirming the importance of PURC's strategy of decentralization.

There is much more in this volume that demonstrates the Commission's increasing focus on collaboration.



Mrs. Nancy Atiemo

The first "Regulatory Conversation" held in October signaled a deliberate plan to draw on the experience of eminent, knowledgeable personalities through moderated conversations to elevate the quality of national dialogue. It is gratifying to see staff weighing in on the conversation, in the form of short but thought-provoking articles.

Join me to salute the commitment and enthusiasm of all those who worked tirelessly to deliver these phenomenal achievements!

Enjoy the read.

Message from the Executive Secretary



Dr. Ishmael Ackah, Executive Secretary

The second half of 2022 has been exciting and fulfilling.

PURC is 25 years old! The Commission commemorated this significant milestone in utility regulation with donations to selected hospitals, commissioning of pro-poor water projects, and the first edition of the Regulatory Conversations. The Conversation was on the theme 'Twenty-Five Years of Independent Utility Regulation in an Emerging Economy: Positioning PURC as a Model of Excellence for Utility Regulation on the Continent'. A thanksgiving service was held to thank God for His mercies and pray for more wisdom and strength for the future.

In August 2022, the Commission started a reform of the tariff process by reversing the structure to encourage productive uses of electricity and water. Indeed, for the first time, households are paying a little bit more than small and medium scale enterprises (SMSEs). This reform has become necessary to make businesses more competitive, to expand, and to provide decent jobs.

I am delighted to report that, at the 6th Ghana Energy Awards held on November 25, 2022, the PURC was adjudged winner of the prestigious "Brand of the Year" award, while the Executive Secretary received the "Osagyefo Young Leadership Award" for his exemplary leadership. We are grateful to the awarding panel for recognizing the work of the Commission. Out of forty-four (44) electricity regulators in sub-Saharan Africa, the PURC and Energy Commission together ranked fourth in the 2022 African Development Bank Group's Electricity Regulatory Index for Africa. This continent-wide achievement is an indication of progress made by both Commissions in strengthening regulatory accountability, economic and technical regulation, as well as transparency in tariff frameworks in Africa. For the first time, the PURC has developed a Tariff Reckoner App to enable consumers of electricity and water services to calculate their cost of usage of the service rendered by utility service

providers in Ghana. The Tariff Reckoner, which is accessible on the PURC website, can also be downloaded on the Google Play Store.

These accomplishments are worth celebrating as they show the level of commitment and hard work of the Board, Management and Staff of the Commission. I also thank all our stakeholders for their continuous support.

Riding on these achievements, the Commission is poised to continually improve on its regulatory mandate and oversight, while ensuring that the interests of both consumers and utilities are effectively balanced. These however require "good regulatory practices" and investments in systems that would promote efficiency and regulatory driven transformation. Over the past six months, the Commission has committed to these practices and investments for the common good.

We are also excited to announce that PURC will host the Africa Peer Review and Learning Network in 2023. The Commission will continue to tap into the expertise, competence, and support of stakeholders through fruitful collaborations on matters of regulatory importance. These partnerships are essential in the quest to achieve and sustain regulatory excellence.

The Commission will continue to invest in regulatory audit systems, monitoring frameworks, and policy relevant studies that will help shape our decisions. We have started the publication of regulatory briefs that highlight key findings and policy recommendations for identified sector issues. We also conducted a baseline study of our pro-poor projects this year to assess their status and impact. In September 2022, the Commission embarked on nationwide consumer service clinics to sensitize consumers on PURC's complaint management processes, and to engage the regulated utilities on their challenges and complaint lodging processes, while at the same time, receiving complaints at these clinics. The Commission has signed a Memorandum of Understanding with Community Water and Sanitation Agency to ensure effective and efficient delivery of pro-poor interventions. The Commission in December 2022 also signed off a Memorandum of Understanding with the Ghana Institute of Management and Public Administration (GIMPA) to set up a Centre of Excellence for Public Utility Regulation. The Centre, when established, will aim at building capacity in Regulation, in general and in particular Utility Regulation.

The quest to achieve excellence is not without challenges, nonetheless, a promising journey awaits.

As we wrap up the year on this high note, it is my assurance that the Commission will continually commit to providing the necessary creativity and grit in navigating the utility regulatory landscape in Ghana and on the African continent.

A Merry Christmas and a Prosperous New Year!

Introduction

This volume of the Regulatory Digest covers major operational activities undertaken by the Commission in the second half of 2022. Key activities contained in this newsletter include outcomes of PURC's Complaints Management System (CMS); research projects undertaken; customer service clinics; electricity and water sector collaborations; external relations; stakeholder engagements; monitoring activities and field investigations; as well as capacity building workshops. The volume also contains information on key regulatory indicators of the electricity and water sector value chain as prescribed by the mandate of the Public Utilities Regulatory Commission.

Key Regulatory Performance Indicators

This section summarizes the performance of electricity utilities with respect to selected regulatory indicators for the second half of 2022. Key industry statistics of the electricity sector are also highlighted in this section.

Table 1: Electricity Sector - Key Regulatory Indicators

GENERATION	UNIT	2ND QUARTER	3RD QUARTER	BENCHMARK
Hydro	%	34.99	32.10	
Thermal	%	64.92	67.52	
Renewables	%	0.09	0.38	
Peak Demand	MW	3469	3469	
Total Energy Generated	GWh	5,711.66	5,273.50	
TRANSMISSION				
System Availability	%	98.47	99.54	99
Frequency Deviation	%	23.01	27.59	15
DISTRIBUTION				
Electricity Company of Ghana (ECG)				
Power Purchase	GWh	3,731.86	3,377.54	
Power Sales	GWh	2,725.70	2,497.16	
System Loss	%	26.96	26.07	22.6
SAIDI				
Metro	hrs	8.91	5.32	12
District	hrs	14.46	9.32	18
Rural	hrs	13.37	7.85	36
SAIFI				
Metro		6.30	2.88	1.5
District		7.04	4.32	1.5
Rural		6.01	3.63	1.5
CAIDI				
Metro		1.41	1.85	2
District		2.05	2.16	3.5
Rural		2.23	2.16	6

GENERATION	UNIT	2ND QUARTER	3RD QUARTER	BENCHMARK
Northern Electricity Distribution Co. (NEDCO)				
Power Purchase	GWh	489.17	422.12	
Power Sales	GWh	367.68	309.6	
System Loss				
SAIDI				
Metro	hrs	17.21	9.12	12
District	hrs	12.77	6.13	18
Rural	hrs	30.94	32.28	36
SAIFI				
Metro		6.89	6.37	1.5
District		7.86	5.25	1.5
Rural		19.00	18.48	1.5
CAIDI				
Metro	hrs	2.50	4.13	2
District	hrs	1.62	1.17	3.5
Rural	hrs	1.63	1.75	6
Enclave Power Company (EPC)				
System Loss	%	0.36	0.19	3
CAIDI				
Metro	hrs	2.25	1.17	2

Highlights of the Commission's Activities in the Second Half of 2022

Consumer Complaint Management

Number of Complaints

The Commission received three thousand, one hundred and sixteen (3,116) Complaints in the third quarter of the year. These complaints were lodged by consumers against ECG, NEDCo and GWCL, with the utility service providers also lodging complaints against some consumers. Two thousand, eight hundred and eighteen (2,818) of these complaints representing 90% were resolved. The remaining 10% were at various stages of resolution pending investigation. Figure 1 below depicts a graphical representation of aggregate complaints received and resolved whiles Table 2 below shows the regional spread of complaints lodged and resolved.

Figure 1: Total Complaints Lodged and Resolved

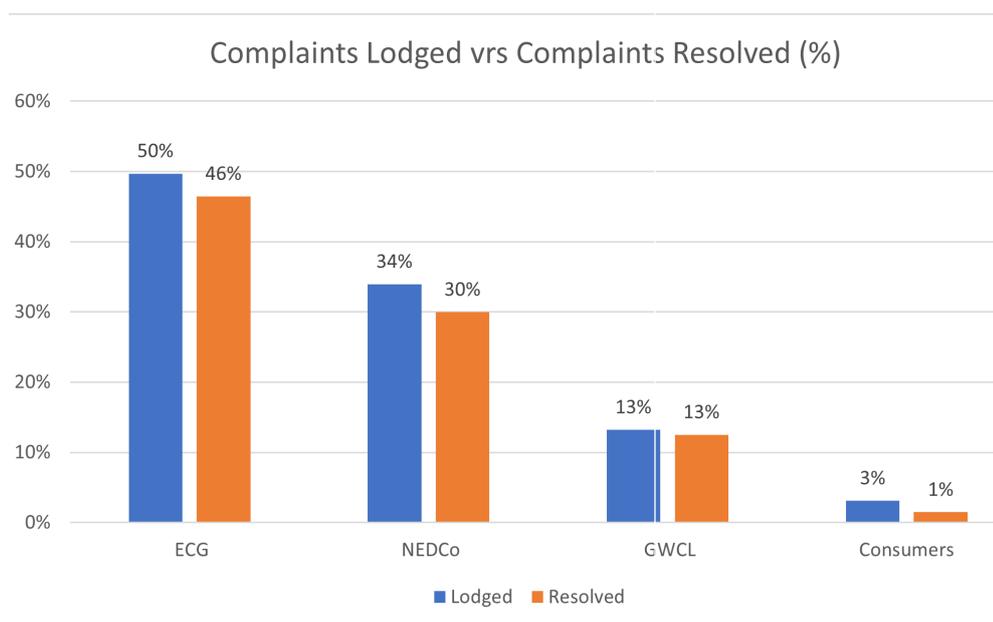


Table 2: Total Complaints Received and Resolved by the Commission

Regional Office	ECG		NEDCo		GWCL		Consumers		Total	
	Lodged	Resolved	Lodged	Resolved	Lodged	Resolved	Lodged	Resolved	Total Lodged	Total Resolved
Ashanti	150	138	-	-	26	25	-	-	176	163
Eastern	395	372	-	-	59	56	48	0	502	428
Central	241	236	-	-	68	67	40	40	349	343
Western	340	326	-	-	15	12	-	-	355	338
Volta	156	130	-	-	10	10	-	-	166	140
Greater Accra	267	246	-	-	112	106	-	-	379	352
Northern	-	-	257	180	19	16	2	0	278	196
Upper West	-	-	299	291	42	40	-	-	341	331
Bono	-	-	229	198	50	47	1	0	280	245
Upper East	-	-	273	265	11	11	6	6	290	282
Total	1,549	1,448	1,058	934	412	390	97	46	3,116	2,818

A total of 1,549 complaints were lodged by consumers against ECG; 1,058 against NEDCo; and 412 against GWCL. The utilities also lodged 97 complaints against consumers. The Commission resolved 1,448 of complaints (93.48%) lodged against ECG. Out of the total complaints lodged against NEDCo, 934 were resolved, representing 88.28%, while 390 complaints representing 94.66% were resolved out of the total number of 412 complaints lodged against GWCL by consumers. The Commission was also able to resolve 46 out of the 97 complaints lodged by the utilities against consumers. This represents 47.42% resolution rate.

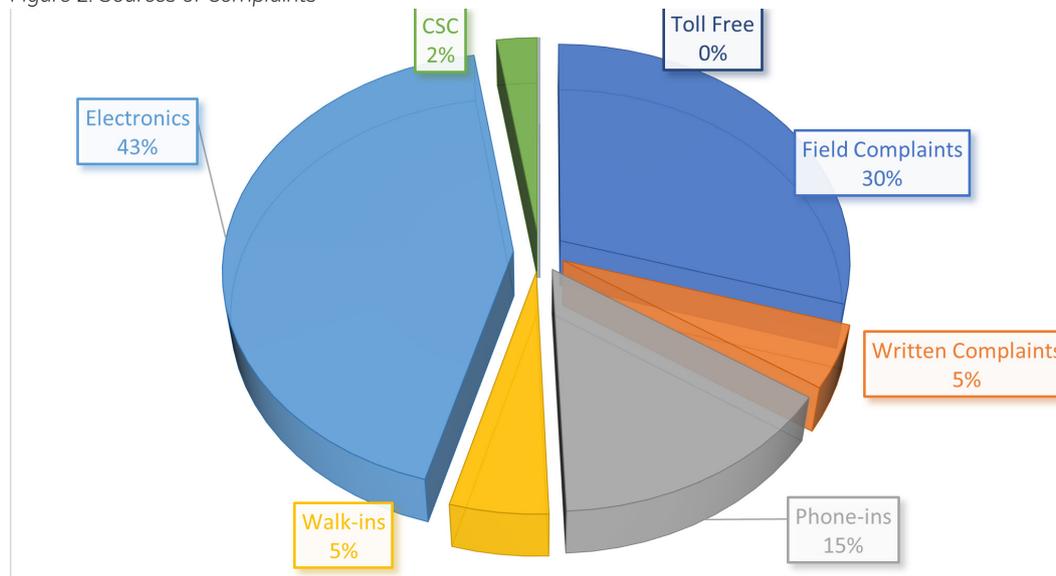
Sources of Complaints

Complaints lodged against the various utilities were received through the following sources: field complaints, written complaints, phone-ins, walk-ins, social media (WhatsApp), and the PURC toll free line. Some complaints were also received through the Consumer Service Committees of the Commission.

Table 3: Regional Disaggregation of Complaints Sources

Region	Field Complaints	Written Complaints	Phone-ins	Walk-ins	Social Media (WhatsApp)	CSC
Ashanti	32	22	52	36	28	6
Eastern	272	48	90	18	74	0
Central	15	50	33	4	247	0
Western	242	1	22	7	16	67
Volta	8	0	14	6	138	0
Greater Accra	157	13	107	22	80	0
Northern	63	4	54	19	138	0
Upper West	2	0	29	11	294	5
Bono	86	1	28	29	136	0
Upper East	47	7	39	4	193	0
Total	924	146	468	156	1,344	78

Figure 2: Sources of Complaints



The electronic platform (WhatsApp) was mostly used as a medium for lodging complaints with the Commission, which accounted for 43% of total number of complaints received by the Commission.

Outcome of Complaints Management

In the third quarter of the year, the Commission established that credit sales adjustments, mainly due to billing irregularities, had to be passed for some category of complaints, which were lodged by consumers. Subsequently, the utilities were required to pass adjustments to correct these irregularities in favour of affected customers. Adjustments were passed to the tune of GHS718,764.22 by the electric utilities, and GHS26,750.50 with GWCL.

Table 5: Outcome of Complaints Management

Region	Adjustments		Compensation (GHS)		Revenue Recovery	Poles	Transformer Injection	Meters Replaced
	ECG/ NEDCo	GWCL	ECG/ NEDCo	GWCL	ECG/ NEDCo	ECG/ NEDCo	ECG/ NEDCo	ECG/ NEDCo
Ashanti	22,412.14	-	-	-	-	1		18
Eastern	1745.73	-	-	-	52,480	0		
Central	355.28	-	-	-	-	6		
Western	15,131.13	-	-	-	1,214,285.58	0		
Volta	-	-	-	-	-	6		4
Greater Accra	245,372.32	25,840.73	-	-	-			
Northern Region	433,267.62	-	-	-	-			
Upper West	-	909.77	-	-	-			
Bono Region	480	-	-	-	-			
Total	718,764.22	26,750.50	-	-	1,266,765.58	13	-	22

As an outcome of the Commission's complaint management processes, 22 electric meters and 13 low voltage (LV) poles were replaced to improve the quality of energy supplied to beneficiary communities.

New Appointment: Audit Committee

Pursuant to section 86 and 87 of the Public Financial Management Act, (Act 921) and Section 11 of the Guidelines for Effective Functioning of Audit Committees, the Audit Committee of the Commission was reconstituted and inaugurated on October 5, 2022. The eleven-member committee was inaugurated by the Director General of the Internal Audit Agency. Present at the ceremony were the Executive Secretary, Chairman of the Board of Directors of the Commission and some Commissioners of PURC.



Members of the Audit Committee being sworn into office



Members of the Inaugurated Audit Committee



Board Members and Management of PURC with members of the Audit committee

Tariff Announcement and Post Tariff Engagements

Tariff Announcement

The Commission, on August 15 2022, announced average increases of 27.15% and 21.55% in electricity and water tariffs respectively, which was to take effect from September 1, 2022. The Executive Secretary of the Commission, explained that the tariff decision was arrived at after rigorous analysis and extensive consultations with industry players and stakeholders, as well as an assessment of the economic conditions in the country. He further assured consumers that, the tariffs were business-friendly, and would help propel economic activities of small and medium sized businesses. The Board Chairman of PURC, Mr. Ebo B. Quagraine, also called on the public to report illegal connections and to support the utility companies to recoup their revenues.

Post Tariff Engagements

Following the tariff announcement on August 15 2022, the Commission held various engagements with the utilities to address issues and concerns arising from the new tariffs. For the electricity distribution utilities, the engagements were also intended to determine their strategies in implementing the new exclusive lifeline tariff as well as addressing the issue of shared meters in compound houses. The Commission engaged Ghana Water Company Limited (GWCL), Electricity Company of Ghana (ECG), Enclave Power Company Ltd. (EPCL), Northern Electricity Distribution Company (NEDCo), and Ghana National Gas Company (GNGC)

PURC establishes Consumer Service Clinics

The Commission, on September 3 2022, commenced its maiden consumer service clinics across the country.

These clinics were organised to bring consumers and utility companies together for purposes of education on the Commission and utilities' complaints management processes and to provide an opportunity for consumers to lodge complaints. The consumer service clinics, which commenced in Kumasi hosted over 200 participants including officials of PURC, the utilities (ECG & GWCL) and consumers from various sectors of the economy. Subsequently, Consumer Service Clinics were held in five other regions including, Koforidua (September 9) in the Eastern Region; Accra (September 12) in Greater Accra region; Ho (September 16) representing Volta/Oti regions; Takoradi (September 26) in the Western, and Cape Coast (September 28) in the Central region. Participants had the opportunity to ask questions with respect to supply of the services provided and also lodged complaints at the complaint desks set up by the Commission and the utilities at these Clinics.



CSC in Kumasi, Ashanti Region



CSC in Koforidua, Eastern Region



CSC in Cape Coast, Central Region



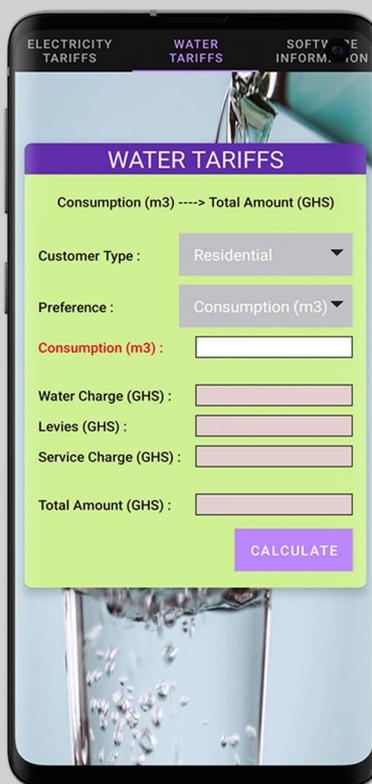
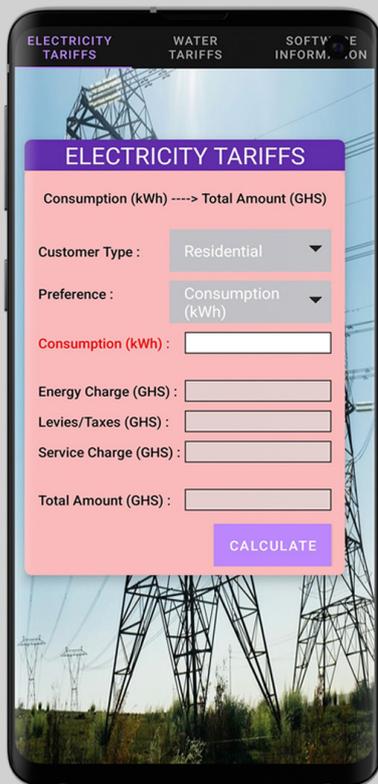
PURC develops and launches the Tariff Reckoner

The Commission has developed a Tariff Reckoner to enable consumers calculate their costs of using the services provided by utility services. The development of the Tariff Reckoner was directly borne out of the Commission’s consumer consultations, which were held as part of the multi-year tariff review processes. The Tariff Reckoner, which was launched on September 3, 2022 at the consumer service clinic held in Kumasi, is available on the Commission’s website. A mobile application of the Tariff Reckoner is also available and can be downloaded on Google Play store.

“PURC TARIFF RECKONER”

Mobile App

Calculate the Amount to Pay for Your Electricity & Water Consumption on the Go!



DOWNLOAD NOW!



PURC begins processes for Quarterly Tariff Adjustments (QTA)

The Commission began processes to review tariffs in line with the statutory provisions of PURC Act 538. The implementation of the QTA will minimize the effect of changes in macroeconomic and market-driven variables such as exchange rate, inflation and the cost of fuel. As part of the quarterly adjustment processes, the Commission engaged key stakeholders including the Energy and Finance Ministries.

Media Relations

Tariff Training for PURC Media Fellowship

The Commission organized a training session on its tariff processes for the PURC Media Fellows on July 29, 2022. The session, which had the Executive Secretary and Management of the Commission in attendance sought to build capacity of the Media Fellows on the Commission's tariff determination processes and methodology. The variables considered in the tariff computation, as well as the basis and justifications with respect to the cost-build up in tariffs were discussed. The training equipped the Media Fellows to inform the public on the Commission's tariff decisions and related justifications after the tariff announcement.



PURC issues a Regulatory Order on ECG Vending Challenges

The Electricity Company of Ghana, between September 27, 2022 and October 10, 2022, experienced challenges with some of its vending systems, which was widely reported in the media. The Commission, on October 4, 2022, issued a regulatory order instructing ECG to take the necessary steps to compensate all affected customers as a result of

the challenge. This was in line with the PURC Act, particularly sections 11 and 12(1) and (2) of the PURC Act, 1997 (Act 538) and Regulations 41 and 45 of the PURC (Consumer Service) Regulations, 2022 (L.I 2413). Subsequently, a press release was issued by the Executive Secretary on October 21, 2022 on the modalities of compensation to affected customers.

PURC develops the Public Utilities Regulatory Information System (PURIS)

The Public Utilities Regulatory Information System (PURIS) is a tool developed by the Commission to make accessible to the public, information on the operation and performance of the public utilities. In accordance with section 3(d) of the PURC Act, 1997 (Act 538), the PURC is mandated to monitor standards of performance for the provision of services. To carry out this mandate, PURC has set regulatory benchmarks, which are used to evaluate the performance of the utilities.

The PURIS publishes the utilities' performance against the key regulatory benchmarks on quarterly bases.

This is aimed at ensuring accessibility to regulatory information on the public utilities and enhancing transparency in the regulatory processes.

The PURIS presents the quarterly performance of the Ghana Grid Company (GRIDCo), Electricity Company of Ghana (ECG), Northern Electricity Distribution Company (NEDCo), Enclave Power Company (EPC) and Ghana Water Company Limited (GWCL) against the benchmarks for System Average Interruption Duration Index (SAIDI), System Average Interruption Frequency Index (SAIFI), Customer Average Interruption Duration Index (CAIDI) and System Losses.

Research Projects

Surveys

Vending failure in ECG Prepayment System: Impact on Small Scale Businesses

The Commission undertook a study to establish the impact of vending failure in ECG's prepayment systems on the operations of SMEs. Specifically, the study aimed at: determining the impact of damages and losses to SMEs as a result of vending challenges within the period; and examining alternative sources of energy used and the associated costs incurred by SMEs during the period. This report has been published on the Commission's website.

An assessment on the effectiveness of PURC's Consumer Service Committees (CSCs)

The Commission carried out a study to assess the effectiveness of its Consumer Service Committees established in Sekondi, Obuasi and Tumu. This study made appropriate recommendations on measures required to make the established CSCs more effective, and to guide the establishment of new ones.

Regulatory Briefs

The Commission produced four Regulatory Briefs from existing reports. The following Briefs were produced over the period:

- i. Regulatory Brief on Financial Benchmarking of Utility Service Providers in the Electricity Sector of Ghana
- ii. Regulatory Brief on Prepayment Metering Systems in Water Service Delivery: Deductions for Ghana.
- iii. Regulatory Brief on Guidelines on Performance Improvement Plan (PIP) For Distribution Companies (Discos)
- iv. Regulatory Brief on Ghana Electricity Sector Reliability Study.

These Briefs have been published on the Commission's website:

<https://purc.com.gh/categ/reports/subcategories/research-work-reports>

Electricity and Water Sector Collaborations

PURC Signs Memorandum of Understanding with Community Water and Sanitation Agency

The Commission, on December 1, 2022, signed a Memorandum of Understanding (MoU) with the Community Water and Sanitation Agency (CWSA). The MoU is primarily for the identification and implementation of appropriate water services options for selected communities to address shortfalls in water supply.

The overall goal of the MoU is to assist in providing a framework for the cooperation between parties to undertake pro-poor water projects, drawing lessons from pilot projects, which were initiated by the

Commission in 2013. The specific objectives of the MoU are:

1. To identify the most appropriate service option for selected communities which are deprived of adequate water supply and to also undertake the implementation of such options with due regard to CWSA expansion programmes.
2. To support CWSA supply and payment arrangements for rural communities and small towns.
3. To enhance water quality and hygiene promotion in selected communities with the view to achieving the optimum health impact of the project.

Benchmark Study Visits

Study Visit of Kenya Power and Lighting Company

The Commission hosted a 3-member delegation from the Kenya Power and Lighting Company on July 19, 2022. The objective of the visit was to gain insight into renegotiation of PPAs. It was also to deepen conversations regarding potential lessons that Kenya could draw on as it embarks on the development of an Energy Sector Roadmap leading to a low-carbon energy mix. The delegation also engaged Project Light (a special program under the Ministry of Finance) for similar insight.



PURC Management in a meeting with officials from the Kenya Power and Lighting Company

Visit by Chairman of Liberian Electricity Regulatory Commission

The Chairman of the Liberian Electricity Regulatory Commission, Mr. Lawrence Sekajipo, paid a 3-day working visit (July 26 –28, 2022) to the Commission. While on his visit, he had series of engagements, among them, a visit to the Energy Commission and Meienenergy Ghana Ltd., operators of a 20MW Solar Power Plant at Winneba in the Central region.



Officials from PURC with Mr. Lawrence Sekajipo

Twinning Program by Liberian Electricity Regulatory Commission

The Commission hosted a six-member delegation from the Liberian Electricity Regulatory Commission (LERC) between August 8–19, 2022. The objective of the visit was to enable the delegates to understudy the utility regulatory processes and operations of the Commission, as well as strengthen the partnership between the two institutions. Members of the Liberian delegation included Nunudeh S. Johnson Jr. (Tariff Analyst), Jamel Dugbeh (Economic and Financial Analyst), Abu Dekontee Sanso (Head, Technical Regulation Unit), Cllr. Minnie Paegar-Kallon (Head, Legal, Licensing and Public Affairs), Cllr. Jeddi

Mowbray Armah (Legal Counsel), and Crispin J. Tulay (Public Affairs and Communication Officer).

The Executive Secretary expressed his gratitude to the delegates for identifying the Commission as a model utility regulator to be understudied; and for recognizing the Commission’s impact and regulatory efforts in the energy sector. The delegates were taken through PURC’s complaints management procedure and mediation, stakeholder management, legal procedures, energy services and performance monitoring, as well as the tariff structure and methodology. The highlights of the visit were educational tours to the Ghana Grid Company (GRIDCo)’s system control operations, and the Akosombo Hydroelectric Power Plant.



Management of PURC in a meeting with the LERC Delegation

African Peer Review and Learning Network, Namibia

The Executive Secretary of PURC, together with sister regulator CEOs from other African countries were hosted by the Electricity Control Board of Namibia. This was in line with the African Peer Review and Learning Network (APRLN) which took place between September 19 – 24, 2022. The Executive Secretary and the APRLN team held discussions

with major stakeholders in the sector, including Namibia’s Electricity Control Board (ECB), Mines and Energy Ministry, Central North Regional Electricity Distributor (CENORED), independent power producers, civil society organizations, the media, and development partners. At the end of peer review, the team provided feedback and recommendations for consideration by the leadership of the ECB.



Dr. Ishmael Ackah with members of the Peer Review and Learning Network v

External Relations

Visit by Delegation from International Finance Corporation

A 3-member delegation from the International Finance Corporation (IFC) paid a visit to the Secretariat on July 26, 2022. The delegation was led by a representative from the IFC Ghana office and two officials from the Infrastructure and Energy Department of the IFC based in Dakar, Senegal. The team was hosted by the Executive Secretary, a section of Management, and some staff of the Commission.

The essence of the visit was to discuss the energy sector in general as well as the prevailing regulation

applicable to self-consumption (on or off-grid) for commercial and industrial entities in Ghana. The discussion also centred on understanding the tariff structure and its implications for end-users, and cost recovery for producers. The team also sought to understand the 2022-2025 multi-year tariff regime of the Commission as well as the use of the quarterly tariff adjustment methodology.

The Executive Secretary explained to the team, structures instituted to address the concerns raised. He also dismissed the notion that PURC neglected its responsibility of following through with periodic tariff adjustments between 2019 and 2021.



PURC Officials with the Delegates from the International Finance Corporation

The High Commission of Canada pays a courtesy call on PURC

A delegation from the High Commission of Canada, led by the Counsellor (Commercial) and Regional Senior Trade Commissioner, Andrew Maharaj, paid a courtesy call on the Commission on October 12, 2022. The purpose of the visit was to explore areas for collaboration and determine the Commission's direction in the areas of demand side energy efficiency, renewable energy and feed-in tariff policies.

The Executive Secretary expressed his gratitude

for the gesture, and stated that as an emerging institution, the Commission is open to collaboration with development partners to assist in the areas of research and capacity development on emerging technologies within the renewable energy sector. The Executive Secretary further informed the delegation of some developments the Commission is spearheading such as Net Metering Guidelines to encourage private sector participation and investment in the energy sector. Both institutions also discussed areas of mutual interest, such as the development of a multi-lingual customer complaints management system or software to enhance the Commission's complaints management processes.



PURC Officials in a meeting with the Delegates from the High Commission of Canada

Swiss State Secretariat for Economic Affairs (SECO) and Ministry of Energy pay a Courtesy Call on PURC

A Mission from the Swiss State Secretariat for Economic Affairs (SECO) and the Ministry of Energy paid a working visit to the Commission on October 6, 2022. The Executive Secretary and a section of Management hosted the delegation. Discussions centred on Net-Metering Solar PV (NMPV) project, status of net-metering tariffs in Ghana, role of the Commission in the NMPV Project, and further deliberations on a preliminary assessment of the possible technical assistance interventions linked to the project.

Stakeholder Engagements

Working Visits to PIAC, ACEP, ECG and EPC

The Executive Secretary, together with a section of Management and some staff of the Commission paid courtesy calls on the Public Interest and Accountability Committee (PIAC) Secretariat, Enclave Power Company (EPC), and the Electricity Company of Ghana (ECG) in the month of October. The purpose of the visits was to familiarise the Executive Secretary and some staff of the Commission with the operations and challenges of these institutions, while exploring areas of mutual interest and collaboration, to reform the regulatory regime.

During the visits, the Executive Secretary, indicated that the Commission will soon commence the quarterly adjustment processes as mandated by the PURC Act, to make utility prices amenable to changes in the macroeconomic environment. Management also commended EPC and ECG for improvements on some key technical performance indicators, and encouraged the companies to be more efficient in their operations.



Engagement with Officials of ACEP



Engagement with Officials of PIAC

A Working Visit to Ghana Grid Company (GRIDCo)

A team from the Commission led by the Executive Secretary paid a working visit to GRIDCo, on November 21, 2022. The purpose of the visit was to appreciate measures instituted by GRIDCo to prevent any power disruptions during the ongoing FIFA World Cup in Qatar, investments undertaken by GRIDCo since the Major Tariff Review decision, and their challenges as a transmission company. The Executive Secretary and team also interacted with staff of GRIDCo's Systems Control Centre to obtain information on the dispatch of electricity across the country.



PURC Officials interacting with staff of GRIDCo's Control Centre



Dr. Ishmael Ackah with Ing. Ebenezer Essienyi, Chief Executive of GRIDCo



PURC Officials with Management and Staff of GRIDCO

Executive Secretary participates in the 7th ERETA Forum and 19th Consultative Committee of Regulators and Operators

The Executive Secretary participated in the 7th Regional Electricity Regulatory Forum and the 19th Consultative Committee Meetings of Regulators and Operators from November 7 to 10, 2022, in Banjul, The Gambia. The high-level Forum and Consultative Meeting, organized by ERETA, brought together representatives of the Ministries in charge of Energy, national regulatory authorities, utility companies, government representatives, consumer groups, development partners, and independent power producers, all within the

ECOWAS sub-region.

The Executive Secretary, as part of a panel session with the theme, “Energy Security and Consumer Protection”, presented his views on the initiatives taken by Ghana and the Commission to mitigate the effects and consequences of the current global crisis on both utilities and consumers. He also shared the experience of PURC in protecting the interest of consumers and utility service providers. The Gambian and Nigerian regulators also shared their experiences.



Participants seated at the Forum



Dr. Ishmael Ackah seated with the panel members

PURC celebrates 25th Anniversary

Donation of Hospital Consumables

As part of activities leading to the Commission’s 25th Anniversary, the Commission presented hospital consumables to the Tetteh Quarshie Memorial Hospital in the Akwapim North District in the Eastern Region, and the Shai-Osudoku District Hospital, in the Greater Accra Region. The Director for Legal Services, Mrs. Nancy Atiemo, presented donations on behalf of the Executive Secretary. She indicated that the presentation to the hospitals particularly was to enhance quality health care delivery in their respective districts.

The consumables donated included compressor nebulisers, non-contact infrared thermometers, catheters, gloves, face masks, mops, detergents, toiletries, syringes and needles. The Director of the Shai-Osudoku District Hospital, Dr Kennedy Brightson, commended the Commission for extending its kind gesture to the hospital. The Head of Administration at the Tetteh Quarshie Memorial Hospital, Maxwell Larbi, also expressed the hospital’s gratitude to the Commission, and assured that the items would be used for their intended purposes in order to enhance health care delivery.



Donation to the Tetteh Quarshie Memorial Hospital



Donation to the Dodowa District Hospital

Commissioning of Pro-Poor Water Projects

The Commission, led by its Executive Secretary, on October 15, 2022, commissioned and handed over mechanized boreholes fitted with standpipes to inhabitants of Hwibaa in the Ahafo Ano South-West District of the Ashanti Region. As part of the Commission’s pro-poor water project to provide potable drinking water to inhabitants of Hwibaa, the Commission handed over to the community, a 10,000-litre capacity storage tank. The gesture was part of commemoration of the 25th anniversary

celebration of the Commission. The Executive Secretary during the commissioning indicated that, since the inception of the pro-poor water project in 2013, 305 mechanized boreholes have been constructed across the country and plans were underway to construct an additional 120 in other parts of the country. In attendance were the Deputy Minister of Sanitation and Water Resources, Hon. Amidu Issahaku Chinnia, the District Chief Executive for Ahafo Ano South West District, Hon. Joseph Frimpong Bonsu, the Hwibaahene, Nana Asiedu Barimah, among other dignitaries who graced the occasion.



Dr. Ishmael Ackah, Executive Secretary of PURC addressing residents of Hwibaa on a Pro-poor Water Project



Revealing of the Plaque at the Hwibaa Mechanised Borehole

PURC celebrates 25th Anniversary

The Commission on Monday, October 24 2022, celebrated its 25th anniversary with a public lecture and dinner at the Accra International Conference Center (AICC). The event, which was chaired by PURC’s first Board Chairman, Nana Dr. S.K.B. Asante, also brought together key stakeholders including present and past staff and Commissioners, representatives of the various utilities, development partners, civil society organizations, and consumer groups.

A former chairman of the Commission, Mr. Kwame Pianim, delivered a lecture on the topic: “Twenty-five years of independent regulation in an emerging

economy: Positioning PURC as a model of excellence for utility regulation on the African continent”, which served as the first regulatory conversation of the Commission. The lecture was immediately followed by a discussion constituting a panel of experts in energy and water. Subsequently, a dinner was held at the foyer of the AICC to refresh invited guests.

The celebrations were climaxed with a thanksgiving service on October 30, 2022, at the Presbyterian Church of Ghana – Grace Congregation, Westlands, Accra. The service was attended by the Executive Secretary, Management and Staff of the Commission.



Nana Dr. S.K.B Asante, First Chairman of PURC



Dr. Mokowa Adu-Gyamfi, Guest of Honour for the Event



Mr. Ebo B. Quagrainie, Board Chairman of PURC



Dr. Ishmael Ackah, Executive Secretary of PURC seated with invited dignitaries



Mr. Kwame Pianim, Former Chairman of PURC and Speaker at the Anniversary Lecture



Cutting of the 25th Anniversary Cake



Panel Discussion after the Anniversary Lecture



Nana Asaase Performing at the Anniversary Event



A section of Invited Guests



A section of Staff of PURC



Panel Members with Dr. Mokowa Adu-Gyamfi



Past Commissioners of PURC with Dr. Mokowa Adu-Gyamfi



The Board, Management and Staff of PURC



Staff of PURC with the Clergy of the Church



Management and Staff of PURC seated during the service



Management and Staff of PURC Praising and Thanking God for a successful 25th Anniversary Celebration



PURC and its Executive Secretary Win Awards at the 2022 Ghana Energy Awards

The Commission was adjudged winner of the prestigious “Brand of the Year” award at the 6th Ghana Energy Awards, which was held on November 25, 2022 at the La Beach Hotel. The Executive Secretary also received the “Osagyefo Young Leadership Award” for his exemplary leadership at the event. The Ghana Energy Awards, which was organized by the Energy Media Group seeks to recognize and award excellence in the energy sector by promoting healthy competition among energy institutions in the sector.



Dr. Ishmael Ackah Receiving the Osagyefo Young Leadership Award



Dr. Ishmael Ackah with Staff of PURC at the Event

Field Investigations and Monitoring

Investigation of Consumer complaints by the Staff of PURC Upper West Regional Office



Investigation of a damaged water distribution line cutting supply to Takoradi North



Staff of the Volta Regional Office of the Commission on Community Monitoring and Education



Investigation of an ECG complaint against a customer who prevented them from injecting a transformer at Amissano in the Central Region



Investigation of damaged GWCL distribution infrastructure during road construction works at Kanvilli-Tuunaayili in Tamale



Investigation and replacement of rotten electricity poles at Salemkrom in the Bono Region



Investigation of a customer complaint on overbilling by GWCL at Boteyman in the Greater Accra Region



Investigation of a customer complaint on overbilling by ECG at Madina in the Greater Accra Region



Monitoring and engagement with residents of Wiaga and Gbantongo in the Upper East Region on the quality of service provided to consumers by the regulated utilities



ARTICLE CORNER

A Focus on the Consumer Aspect of PURC's Regulation

By Anita Esi Akuffo, Internal Audit and Risk Department, PURC

Prior to the power and water sector reforms in the late 90's, the country's utility sector faced a multi-faceted predicament. For power, the sector was characterised by low tariffs, substantial financial deficits, demand for power outstripping supply, lack of investment in the absence of regulation and lack of diversification in the power generation portfolio among others. The water sector faced similar challenges including aged distribution networks and high non-revenue water. These were the realities of the electricity and water utility companies, resulting in poor service quality, low consumer awareness of responsibilities and consumer dissatisfaction.

Overall, reforms introduced were aimed at creating an enabling environment that would attract the needed investment in the sectors. The reforms also sought to restructure the electricity and water industries by introducing the necessary legal and regulatory frameworks. As part of the reforms, the PURC was established as a multi-sector regulator in 1997 under the Public Utilities Regulatory Commission Act, 1997 (Act 538) to regulate and oversee the provision of utility services by public utilities to consumers and to provide for related matters.

Given this overarching mandate, the PURC operates in accordance with stipulated functions. Among these functions is the protection of the interest of both consumers and utility service providers. While many in Ghana associate the Commission with utility tariff reviews and approvals, the Commission has also made remarkable strides in the area of consumer protection which appear not to receive equal attention in the public domain. For that reason, this article will focus on some initiatives the

Commission has championed in the interest of consumers.

PURC - Championing Consumers' Interest!

In a marked departure from what pertained prior to its establishment, it is instructive to note that PURC fully involves consumers in tariff decision processes. Before 1997, tariff proposals were submitted by utilities to sector Ministers and decisions were handed down from Government to the people. It was not uncommon to wake up to news of tariff increases without notice. The Commission places a premium on providing an opportunity for consumers to understand the tariff processes and make inputs. For instance, during the 2022 major tariff review process, the Commission conducted public hearings across the country. This offered consumers the opportunity to interrogate the tariff proposals presented by the utilities and also to make valuable contributions.

The Commission further conducted a Consumer Expectation Survey to gauge consumers' perception and experiences with water and electricity utilities as well as their expectations on the impending utility tariff review. Findings from this survey informed, to a greater extent, considerations in the determination of the approved tariff.

In response to the experiences of consumers especially in relation to billing, the Commission developed a Tariff Reckoner to enable consumers calculate their cost of usage of service rendered by the utility service providers. This helps to address the issue of billing discrepancies which is one of the main categories of complaints lodged by consumers. The development of the Tariff Reckoner was directly borne out of the Commission's consumer

consultations.

In order to bring its services closer to consumers, the Commission has established Regional Offices in ten regional capitals (Accra, Kumasi, Koforidua, Cape Coast, Tamale, Ho, Bolgatanga, Wa, Sunyani, and Takoradi), and plans to establish others in the remaining regional capitals. The regional offices receive, investigate and resolve complaints in relation to billing, payments, metering, unlawful disconnections, damaged property and other matters reported by consumers. On average, the Commission receives about 12,000 complaints annually and resolves over 95% of these. In the year 2021 alone, out of 10,987 complaints received, the Commission resolved 10,701, representing a resolution rate of 97%. Prudent investigation of these complaints resulted in credit sales adjustment to the tune of GHS 5,778,379.20 in favour of consumers. Consumers who reported damages to their equipment have also had them replaced or repaired after investigations. The Commission has leveraged the use of technology such as a toll-free number, PURC complaint App (which can be downloaded on Google Play Store), a Data Base Management System and WhatsApp, to facilitate lodging of complaints by consumers and ensure efficient resolution. PURC Consumer Service Committees have also been established in areas where the Commission's services are not readily accessible. These Committees serve as the eyes and ears of the Commission in their areas of jurisdiction. Creditably, the Commission in its quest for fairness has successfully carried its partners along, by establishing strong structures for settlement, mediation and formal hearing which are applauded by consumers and utilities alike.

The Commission periodically undertakes public education to create awareness about its functions, educates consumers on the efficient use of utility services, and sensitizes consumers about their rights and responsibilities. By working with Parliament, the Commission has legislated some of these consumer rights and responsibilities to provide force of law, such as the right to connection and the grounds upon which service can be disconnected. PURC public education programmes are mostly undertaken in churches, mosques, schools, markets, town

hall settings, and on radio and are conducted nationwide.

Recently, the Commission introduced Complaints Clinics as part of its public education strategy. These clinics are organised to bring consumers and utility companies together for purposes of education on the Commission's and utilities' complaints management processes and also to provide an opportunity for consumers to lodge complaints. In 2022, Complaints Clinics were held in the Greater Accra Region, Volta

Region, Ashanti Region, and Western Region.

Dear reader, I guess you are startled at these revelations. Yes! These and many more consumer-focused interventions have been embarked upon by PURC, an indication that indeed, the Commission protects the interest of consumers. Going forward, the Commission will strengthen its consumer-centric interventions and continually create more awareness through public engagements with the general public.

Twenty-Five Years of Independent Utility Regulation in an Emerging Economy: Positioning PURC as a Model of Excellence for Utility Regulation on the Continent

By Bryan Adaare, ICT Department, PURC

The Public Utilities Regulatory Commission of Ghana was established 25 years ago, in October 1997, after the enactment of the Public Utilities Regulatory Commission Act, 1997 (Act 538). The Act, combined with the Energy Commission Act, 1997 (Act 541) and Public Utilities Regulatory Commission (Consumer Service) Regulations, 2020 L.I. 2413 form the current legal basis for the Commission's operations. PURC oversees the regulation of entities that provide public utility services in the form of the supply, transmission or distribution of electricity, natural gas and water to the public for a fee, whether directly or indirectly.

Over the past 25 years, the Commission has grown from a single office in the capital city to eleven offices in 10 of the 16 regions in the country, simultaneously increasing its ability to fulfil its role in the lives of the general public and the growth of the country.

Every Ghanaian has been affected by PURC's action in one way

or another. This implies that knowledge of the Commission and its activities are relevant to us all, including the fact that it is now 25 years old! The purpose of this write-up is to highlight what those 25 years have meant not only to PURC or the country, but Africa as a whole. By the end of this article, it is hoped that you would appreciate the contribution of PURC's operations in Ghana and Africa.

A key aspect of PURC is that it is an independent utility regulator, meaning it is somewhat insulated from government and is allowed to exercise its mandate while being kept in check itself by Parliament. The most noticeable benefit of this is that all of the Commission's decisions are driven by evidence and data. That means the tariffs it approves, the rulings it makes on industry, complaints, and more, are independently determined after the Commission has weighed inputs received from extensive consultation. In reality, this is the only way a regulator can truly be effective at its job.

As an independent regulator, PURC is responsible for:

Providing guidelines for rates to be charged for the provision of utility services.

- Examining and approving rates for utility services;
- Protecting the interest of consumers and providers of utility services;
- Monitoring and enforcing standards of performance for provision of utility services;
- Promoting fair competition among public utilities;
- Receiving and investigating complaints; and

Advising any person or authority in respect of any public utility.

For 25 years, the Commission has undertaken these functions with great success and benefits that can be seen today. Consider public utility service providers like the Electricity Company of Ghana (ECG): they have recovered

millions of Ghana Cedis in unpaid bills through complaints made to PURC, which acts as a mediator, enabling ECG to recover what it is owed while supplying power to the consumer rather than resorting to power cuts or costly legal action. PURC also acts as a mediator between the utility providers themselves, acting as a neutral party to ensure fair and equal treatment in their partnerships.

The Commission's Pro-poor programme has the sole focus of reaching far out communities to give them access to potable water that would otherwise not reach them. The programme has made a remarkable impact on many communities around the country.

Perhaps the most widely known function of the Commission is its role in ensuring guidelines are followed in the setting of tariff rates. By ensuring transparency, fairness and accuracy, PURC protects consumers from unfair rates while giving the utility providers what they need to function appropriately. This means the growth of the water and electricity sectors to reach more consumers, improving quality of life for the population and helping businesses and thus the economy grow. According to the World Bank, Ghana's electricity access rate has jumped from 36.6% in 1997 (the year of PURC's establishment) to 85.9% in 2020, an achievement in which PURC undoubtedly plays a part. In light of this, it is safe to say that the Commission plays a key role in the growth of Ghana's economy.

All of PURC's contributions to Ghana have come about because

the Commission is driven by its desire to be a model utility regulatory institution in Africa. That means more than just ensuring customers get value for their money, or utility providers do not become unsustainable. It also means contributing to Ghana's growth and supporting the nation's founder's vision of a united Africa. In this connection, the Commission hosted some of the preliminary meetings that led to the establishment of the African Forum for Utility Regulation (AFUR), to promote effective utility regulation for the economic growth and development of Africa. PURC has also held exchanges with utility regulators from other countries on the continent to exchange information, data and processes, most recently with a delegation from the Liberia Electricity Regulatory Commission (LERC), a testament to its role on the front line of improving utility regulations across the continent.

The Commission is in constant contact with continental bodies like the ECOWAS Regional Electricity Regulatory Authority (ERERA) and African Development Bank (AfDB) for information exchange and undertaking of projects. Through these actions, one can tell PURC is very much an institution with pan-African values.

PURC also provides reliable data to support continent-wide indexes and rankings intended to inspire African countries to achieve better utility services performance through regulatory frameworks. The Commission ranked 4th out of 44 regulators in sub-Saharan Africa, in the 2022 Electricity Regulatory Index for Africa published by the African

Development Bank Group. This is a marked improvement from the Commission's rank of 7th in 2021. This continent-wide achievement is an indication of progress made by the Commission in good regulatory practices that support the development of effective regulation in Ghana and across Africa.

PURC has been at the forefront of Ghana's digitization drive, with the development of a Database Management System (DBMS) to improve productivity and manage the information of utilities and consumers and their complaints, a drive for which the head of the institution was recognized in 2021.

The pattern of positioning PURC as a bridge between the utility service providers and their consumers continues with initiatives like the Public Utilities Regulatory Index (PURIS) intended to make information on the ratings and performance of public utility service providers publicly available. This commitment to transparency is aimed at making Ghana attractive for investment in the energy sector since investors know what to expect and know that PURC's oversight is reliable.

After 25 years, PURC has positioned itself as a model for excellence on the continent, and it is still growing in its role. Its contribution to Ghana's growth is undeniable and continues to positively expand. It is just a matter of time for the average Ghanaian to be wholly appreciative of the Commission.

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