

Regulation: What Do We Mean?

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REGULATORS HANGED

After the Regulators were defeated at Alamo, May 16, 1836, six of their number were hanged, 1/4 mile east, June 19, 1836.

ANY
TIME

Regulation: What Is It?

the rules and institutions which set, monitor, enforce and change maximum and minimum allowed tariffs and minimum allowed service standards for electricity providers. +

Some Observations on the Definition

- “ These are the **core**+tasks. (There are others.)
- “ It does not imply that all service providers must be regulated exactly in the same way.
- “ Not just what regulators do. Regulation **need not** be performed by the **official**+regulator.

The Two Dimensions of Regulation

“ Regulatory Governance

- . Institutional and legal design
- . Laws, processes and procedures
- . Who is regulated and by whom?
- . The ~~how~~+of regulation

“ Regulatory Substance

- . The content of regulation
- . The actual decisions, whether implicit or explicit
- . The ~~what~~+of regulation

Regulatory Governance: Some Examples

- “ Whether regulator’s decisions are advisory (Mozambique) or final (Tanzania)
- “ Division of responsibility between regulator and Rural Electrification Agency [Regulator formally or informally relies on the REA (Tanzania) or REB (Bangladesh)]
- “ Processes - formal and informal - by which decisions are made [Deemed to be approved if no objections after 30 days?]
- “ Light handed regulation + for small off-grid providers. [Tanzania’s definition] Regulation by the rural cooperative agency? [Bangladesh’s REB]

Regulatory Substance: Some Examples

- “ Tariff levels and structures. [Model firm costs(Peru) vs actual costs (Bangladesh)]
- “ Monitoring technical (SAIDI & SAIFI) and commercial performance (Mozambi que-survey of public opinion)
- “ Quality of service standards [Peru-rural vs urban concession areas]
- “ Handling of consumer complaints
- “ Annual reporting requirements.