

1. INTRODUCTION

Importance of Communications and Public Outreach

Communication with the public plays a key role in creating perceptions, that is, the ways for the public to understand how institutions function. The method of communication is of particular importance in the period of reforms and structural changes. In the processes of sector liberalisation and transition, deregulation and electricity market opening it is necessary both to inform the public in a timely manner of the major phases and to continuously communicate with all key stakeholders about the reform and educate them about the way the sector as a whole functions.

It is good practice of regulatory commissions in the energy sector to implement direct and indirect public outreach activities to explain and clarify the changes brought by the liberalisation of the sector and market opening. In line with this, in Bosnia and Herzegovina (BIH) as well, the regulatory commissions which as independent and unbiased organisations protect the interests of customers by regulating relationships in the sector and energy market, have a key role in raising awareness of the changes in the sector and regulators' activities in the liberalisation process.

The existing practice of the State Electricity Regulatory Commission (SERC) includes sharing information and experiences on regulatory practice with regulated companies' employees. Furthermore, SERC provides quality professional information on the energy sector and its reform not only to specialists in the sector but also to the general public. Special activities were conducted at the end of 2014 during a public campaign on full electricity market opening. In that framework, in a simple and informative manner, through notices tailored for the general public, SERC informed household customers of their rights as electricity consumers and the opportunity to freely choose their suppliers, that is, companies from which they want to buy electricity and to choose the supply offer that suits them best. Customers are also informed and educated through various thematic conferences, seminars and workshops, in which the representatives of the State Regulator have a prominent role.

However, taking into account the results of conducted surveys on understanding how the electricity market works, it is evident that there is a need to improve the existing and adopt new (digital) communication methods with the public and media to ensure knowledgeable and positive opinions by the public and media on the sector liberalisation and regulators' work. It is clear that communication with the public in the whole energy sector has been put on hold or does not exist at all, which is evident from the frequent completely incorrect opinions or concepts that exist among citizens (and journalists, even among some stakeholders in the sector) on some developments or situations in this field.

The overarching goal of communications and public outreach is for the public and other key stakeholders to have increased confidence in the transparency and decision-making processes of the energy regulators, thereby fostering a more secure and competitive energy market within the country. The goal is to have the well-informed and educated general public who understand the changes in the energy sector which are in the interest of the whole society as they improve the quality of life.

Background

There are three regulatory commissions in the BiH electricity sector: State Electricity Regulatory Commission, Regulatory Commission for Energy in the Federation of BiH (FERK) and the Regulatory Commission for Energy of Republika Srpska (RERS), which cooperate and harmonise their activities since their establishment. Acting in this manner, under the activities of the United States Agency for International Development (USAID) through the Energy Investment Activity (EIA) project, a *Public Outreach Concept* was prepared (September 2016). The Concept aims to serve as guidelines for all relevant stakeholders to create harmonized public outreach plans in order to explain very complex energy sector topics in a simple and comprehensible way to all interested parties. Furthermore, through cooperation with the National Association of Regulatory Utility Commissioners (NARUC) and the USAID EIA team the document titled *General and Web-Based Communications Best Practices* was prepared (March 2017). The ongoing USAID Energy Policy Activity (USAID EPA) supports, *inter alia*, a suitable public outreach and awareness program with the aim of promoting a liberalised, market-oriented energy sector and informing the general public of benefits from the changes taking place in the energy sector.

Within the Energy Regulatory Partnership of the three Regulatory Commissions from BiH and NARUC, which has been continuously supported by USAID since 2014, several activities have been implemented in the field of communications. In this context, of special relevance is the *Communications Strategy Development Guide* (October 2019), which is intended to enable the development and implementation of an effective strategy for managing communications and public outreach with all stakeholders. The particularly useful skills were gained in November 2019 during a study visit during which experiences were exchanged with the regulatory commissions from Ohio (Public Utilities Commission of Ohio – PUCO) and Kentucky (Kentucky Public Service Commission – PSC). Professional training in the period from May to July 2021, which was organised through online sessions, additionally strengthened communication skills, which is of particular relevance in extraordinary circumstances, including events after the outbreak of a new coronavirus, SARS-CoV-2, which caused the COVID-19 pandemic.

SERC provided a significant contribution to the development of the first primer in the series titled *Promoting Transparency and Public Participation in Energy Regulation: A Communications Primer for Utility Regulators*, published by NARUC in September 2019. SERC readily shares its knowledge gained in the field of communications and public outreach with all interested parties, with a particular emphasis on education of employees of other regulatory authorities all over the world. SERC's experience and practice in communications and public outreach were particularly helpful in developing the documents of the Energy Community Regulatory Board (ECRB) in this field: *Communication Policies of National Energy Regulators in the Energy Community* (December 2017) and *Next generation of customers and digital channels of communications in the Energy Community Contracting Parties* (February 2021).

The content of the Communications and Public Outreach Plan of the State Electricity Regulatory Commission has the form of a framework communication strategy and follows the recommendations from the aforementioned documents to the maximum extent possible, adjusting them to the actual competences and expanding them in line with new skills and taking into consideration the examples of good practice in this field in particular.

2. FUNDAMENTAL COMMUNICATION PRINCIPLES

The State Electricity Regulatory Commission acts in accordance with the principles of objectivity, transparency and non-discrimination. These fundamental principles are of particular importance in communications with the public - transparency gives credibility which means more stable regulations while stability increases the opportunities for realisation of necessary investments.

Transparency is more than just simple public decision-making or publishing a written record of a decision. Transparency implies significant participation and influence by those who are affected by the decisions. Consequently, transparency requires active participation of the public in the decision-making process, not only the possibility of asking questions and commenting but also appropriate access to information in order to enable the submission of substantial comments. Ultimately, the well-informed public, that is, all stakeholders in the sector, understand and use the options offered on the electricity market.

In all fields of communication SERC provides information within its jurisdictions and responsibilities in accordance with the defined legal framework. SERC as an institution as well as its Commissioners and staff follow the following principles:

- Proactiveness,
- Accuracy,
- Timeliness,
- Consistency,
- Accessibility (attentive, that is, considerate approach) and
- Politeness and respectful communication.

The information provided should be adjusted to the language of the audience with a clear and concise content on a particular concrete topic, case, act, or activity, and on a needs basis may make reference to more detailed publicly available materials.

The objectivity and relevance of data, which are prepared in accordance with all the information available to the State Electricity regulatory Commission, are guaranteed in direct and indirect communication.

As a rule, the Commissioners and authorised SERC staff are always available to the public and media. Journalists may be offered assistance, if needed, in understanding some issues and transferring the information to the audience in a suitable manner. The personalisation of questions and topics is avoided in communication.

SERC has the responsibility for protecting the public and balancing the interests of service providers and users, the companies in the sector and their customers, keeping the right to define and specify which information may be confidential while the confidentiality requirements may not be excessive.

SERC follows technological developments and uses traditional and digital channels in its public outreach activities. In its work and activity plans, SERC plans funds for the successful implementation of the Communications and Public Outreach Plan, taking into account possible available funds and following a cost-effective approach.

3. COMMUNICATION MISSION AND GOALS

The goal of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina, which established the State Electricity Regulatory Commission, is to create the conditions for unlimited and free trade and a continuous supply of electricity at defined quality standards to the benefit of the citizens of Bosnia and Herzegovina. In addition to this law, the laws establishing the Company for the Transmission of Electric Power and the Independent System Operator (*Elektroprijenos BiH* and *ISO BiH*) have been passed, while laws on electricity have been passed in both BIH Entities and the Brčko District of BIH.

Essentially, the activities known as natural monopolies (transmission, system operation and electricity distribution as network activities) are legally unbundled through restructuring from the competitive activities in the electricity sector (generation, trading and supply). In a nutshell, in the process also known as deregulation the role of a regulator is to set prices, that is, tariffs at which activities of natural monopolies are performed and to ensure free non-discriminatory access to the network infrastructure for all interested parties. The mission of the regulator is to create the basic prerequisites for trading and introduce competition. At the same time, the regulator monitors the competitive activities.

The most important interest of the customer on the market is the reliability of supply. This is followed by affordable prices because the lack of energy is the most expensive option. Competition on the market is also in the interest of the customer because it improves the system efficiency and decreases the possibility of a price increase. The interest of the customer, as part of a society, is to have a product (electricity in this case) which is environment-friendly, which is especially emphasised in the context of global climate change, that is, changes of climate policies which primarily refer to decarbonisation, the reduction of greenhouse gas emissions, utilisation of renewable energy sources and implementation of energy efficiency measures.

The basic goal of regulator's communication is to explain to the public who is in charge of what in the electricity sector and what is an open electricity market. The primary goal is to explain to the public who determines electricity prices and how they are determined, the electricity price structure for end customers, how to switch suppliers, that is, how to find more favourable supply prices or conditions. Public (and customer) awareness and education are identified as the key activities in order for them to understand the possibilities offered by the liberalised market and changes brought on by the energy transition. In short, the mission is to inform the public and explain very complex energy sector topics in a simple and comprehensible way.

This method of communication is a type of advocacy and its goal is to inform the various parts of the public on possibilities for the customers after market opening in BIH. The effectiveness of such communication will be increased through a combination of activities with the media, interpersonal activities and organisation of different events.

Besides the aforementioned goals, the specific goal of SERC is to explain the role of the regulators in the sector and specific role of SERC on the BIH electricity market. The level of trust in institutions may be changed through their coordinated action, while trust in SERC's work may be enhanced by a proper media presence and the use of direct and indirect communication channels.

4. TARGET GROUPS

The most important target group in communication, in particular with regard to the market opening issues, are all electricity customers, both small and large, commercial customers and households, in short, all of them. They all need additional information on the options offered on an open electricity market as well as on financial and technological challenges of the energy transition. Furthermore, customers are not the only ones who need to be reminded of jurisdictions of various institutions and entities in the sector. However, each customer group has its specificities and each part of the public as a target group requires a specific approach.

It should be taken into consideration that different customer categories have different level of knowledge since the large customers are partly or fully familiar with the liberalisation process and jurisdictions of the electricity sector institutions as well as modalities for the expression of their interest and exercise of their rights.

A particularly important target group includes those legal or physical entities – commercial customers that do not belong to the large customer classification – they are mostly companies and craftsmen, including craft activities and services of various types. All kinds of institutions performing a public activity, regardless of the nature of ownership, are also part of this target group, such as medical or educational institutions. At this time, this group potentially has the greatest interest in changing suppliers or changing their contract with the existing supplier, however, that change carries certain risk of which they should be thoroughly and promptly informed, as well as of issues related to jurisdictions in the sector.

Finally, an equally important target group – households – consists of the people who are mostly insufficiently informed about these possibilities. It is estimated that a significant number of them either do not know that they can legally choose their own electricity supplier in accordance with law and rules, or their knowledge is very superficial.

Taking into consideration the current situation of market functioning, the focus of communication with households should be on the structure and the method of determining electricity price, jurisdictions of various actors, informing households of their rights on the electricity market including the possibility of filing a complaint and the methods of dispute resolution. The focus in the next phase may be on supplier-switching for households.

All target groups need additional information about the changes, challenges, possibilities and consequences brought on by the energy transition, especially taking into consideration the changes introduced by a new set of European Union energy rules to provide competition needed to facilitate the clean energy transition called *Clean Energy for All Europeans*, which become legally binding in Bosnia and Herzegovina through the mechanisms developed under the Treaty establishing the Energy Community. It is of paramount importance to inform of the goals and relevance of the energy transition and educate about its impact on improving the quality of life.

5. PLANNED ACTIVITIES

The State Electricity Regulatory Commissions plans to implement the following activities continuously or on an ad hoc basis:

- (1) Regular updating and modernising the existing website, that is, developing a new website which will include:
 - (a) A special part dedicated to and tailored for customers' needs: to present the electricity sector and the roles of regulators, ministries and companies in a simple and comprehensible manner. To include a sections on frequently asked questions, dispute resolution methods, ways to save electricity and the like,
 - (b) A special part regarding Accession of Bosnia and Herzegovina to the European Union (*BIH Electricity Sector towards the European Union*) for the purpose of explaining requirements and expected further changes, presenting the applicable and new EU rules pertaining to the energy sector and providing information about the activities on transposition of the binding documents (with LINK to integral texts of all relevant rules),
 - (c) Price comparison tool (LINK for the joint tool of the Regulatory Commissions, further development – comparison tool for products on the electricity market),
 - (d) Adaptation of the web design to various devices,
 - (e) Next step: Consider the possibility of giving comments and other feedbacks by the website visitors;
- (2) Preparing annual reports of the State Electricity Regulatory Commission, official information and other publications of informative character in accordance with competence defined by law;
- (3) Issuing press releases and giving press statements with regard to adoption of rules and decisions or latest developments in the sector;
- (4) Organising press conferences on a needs basis;
- (5) Active participation of SERC employees in national and international gatherings in the energy field, with the aim of educating the general public and expert communities about the role and jurisdictions of regulators;
- (6) (Re)defining the standard form of a business letter, notice and press release and other documents used for communication and public outreach activities, including the development of the visual institutional identification;
- (7) Optimising the procedure for preparation of written and verbal responses to media enquiries (receiving an enquiry, its distribution, contributions of relevant departments, consistency and scope of the response, approval of its content, subsequent/additional clarifications);
- (8) Developing cooperation with non-governmental sector, consumers' (customers') associations (informing and educating);
- (9) Monitoring media activities;

- (10) Organising workshops for journalists (informing and educating media representatives) on a needs basis;
- (11) Preparing a glossary of key terms, infographics, database of materials for the media;
- (12) Organising media events on a needs basis;
- (13) Updating the Guidelines for access to information possessed by SERC;
- (14) Updating the Index Register of information possessed by SERC;
- (15) Preparing reports on information access request handling;
- (16) Reviewing a more active presence in social media;
- (17) Review taking a public poll in order to find out how much the public is informed about the sector;
- (18) Capacity building of SERC in the field of communications and public outreach: further education of all employees, development of internal communication for the purpose of consistent and quality external communication;
- (19) Monitoring the implementation and evaluation of the *Communications and Public Outreach Plan*.