Consumer representation in network industries
Responsibilities and expectations

This interdisciplinary CERRE Expert Workshop will draw on insights from economics, law and political science. It will consider the principles of consumer involvement in regulatory decisions. It will also examine the practical experience of different patterns to identify the benefits and challenges that each presents. The workshop’s objectives are:

- Bringing together expert practitioners working at the consumer/customer interface in regulated undertakings and in regulators, and senior academics concerned with the role of the consumer in regulation;
- Comparing different ways in which regulators, businesses and customers/consumers interact, in particular to identify the role of the customers/consumers in determining regulatory processes and outcomes;
- Identifying the need for further research/discussion in this area.

Programme

13:45  Registration
14:15  Welcome
14:20  Introduction and potential models

Professor Catherine Waddams
Joint Academic Director, CERRE
Professor, Centre for Competition Policy, University of East Anglia
Regulation is usually introduced to protect consumers from exploitation of market power; the importance of active consumers is increasingly understood in competitive markets, but what are the implications for regulated markets? What are the different models of consumer representation, and what does each imply for the rights and responsibilities of the main actors in the market, including consumers, providers and regulators? What are the implications for the outcomes for consumers? Should consumers be empowered or protected, and how does this differ between markets where they have an individual choice and aspects (e.g. energy security) where decisions have to be made for a group of consumers?

How is each of these models affected by behavioural consumers, and what are the appropriate mechanisms to ascertain consumers' true preferences and the trade-off between current and future consumers?

14:40 Legal issues

Professor Saskia Lavrijssen
Research Fellow, CERRE
Professor, University of Amsterdam
Associate Professor, University of Tilburg

Who is the consumer? How can the legal concept of the 'average consumer' be interpreted as our understanding of the 'behavioural' consumer develops? What different legal models are there within the EU for representing consumers in decisions taken by the regulator? What recourse do consumers have to formal consumer bodies, ombudsmen or the courts if their rights as consumers are not adequately considered? What are the implications of the different 'economic' models for the legal protection of the consumers?

14:55 A political science perspective

Francesca Vantaggiato
Centre for Competition Policy, University of East Anglia

Do consumers need more or different representation? How do participations, empowerment and protection affect the regulatory process? How does the role of the consumer of a regulated industry differ from their role as a citizen? How do consumers perceive their role in network industries? What can we learn about the impact of consumer representation from the role of consumer advocates in the US?

15:15 General discussion
15:45  Tea/Coffee break

16:00  A consumer organisation perspective

Monika Štajnarová  
*Economic Officer,*  
*BEUC*

What are the formal and informal institutions to protect consumers at European level? How far is there a common understanding of the preferences of the rights, responsibilities and preferences of the 'European consumer'? How do outcomes for consumers in different dimensions (e.g. quality, price) differ across Member States?

16:15  Three examples of consumer involvement

Water sector in England and Wales

Dr Tony Ballance  
*Director, Strategy & Regulation,*  
*Severn Trent Water*

Introduction to Consumer Challenge Groups and their roles in discussing the 2014 price determination. How have they affected the development of the company business plans and the response of the regulator? Who are/should be members, and how does membership affect trade-offs between quality and price, particularly on environmental issues?

16:30  Electronic communications sector in Italy

Luce Mariniello  
*Lawyer Officer,*  
*Agcom*

How are consumers represented in the Italian telecom industry? What difference does the ability to choose suppliers make? How far is representation made through a formal external body, as compared with internally within the regulator?
16:45  Energy sector in Austria

Dr Florian Pichler  
*Consumer affairs, E-Control*

How are consumer interests represented in the Austrian energy sector? Are there different arrangements for the consumer interest in relation to the monopoly and contestable markets? The talk will draw on the recent CEER report on consumer representation.

17:00  General discussion

Discussion of different models, including:
1. Any evidence on the effect of consumer representations on outcomes, including examples
2. The responsibilities as well as the rights of consumers
3. The implication of ‘behavioural consumers’

17:40  Summary and conclusions

**Professor Catherine Waddams**  
*Joint Academic Director, CERRE*  
*Professor, Centre for Competition Policy, University of East Anglia*

- What are the implications of institutional representation on outcomes for consumers?
- What is the role of informal representation? e.g. media, social media, Right2Water campaign.
- How can the interests of ‘behavioural’ consumers best be represented in regulated sectors?
- How should consumers be represented? In different Member States? Where there is individual choice in markets?
- What are the implications for future regulatory models?
- What are the issues in need of further research?

18:00  End