

Customer Service for Municipal Utilities 101

by Sarah Lynn Cunningham
Environmental Projects Engineer
Louisville and Jefferson County (Kentucky) Metropolitan Sewer District

Introduction

“Utilities” are a subset of what Ukrainians call “communal services” and Americans call “public works.” Unlike street maintenance and lighting, for example, utilities are usually metered. Users pay fees, assessed by the utility, based on the amount of those services they use. The provision of water, wastewater, steam district heating, electricity and (methane) gas, telephone and cable TV services are usually managed as utilities.

Utilities in America and Ukraine were historically provided by governments, usually local governments. Nowadays, however, utilities are increasingly provided by private firms, via contracts with local government.

Governments are increasingly selling publicly-owned infrastructure, such power plants and treatment works, to private businesses. Such a high-risk decision should be very seriously considered by the municipal officials -- and the citizens who own those assets -- before a contract is signed, because replacing them would be very expensive should the short-term gain create long-term customer service problems.

This article assumes that the utilities are publicly-owned and that if they are not also publicly-operated, they are operated by a private sector firm under contract with local government.

Customer Policy

Whether utilities are provided to users by publicly- or privately-operated utilities, their operators should think of the users as customers, even if the utility is operating essentially as a monopoly. Consequently, customer policies that are clear, equitable and defensible are imperative.

“To serve the public faithfully and please it entirely is impossible.”
-- Benjamin Franklin (1706-1790), American public official, scientist, printer, diplomat

A utility’s customer policy must balance the need for the fairness that rules can provide versus the flexibility that special situations require. In other words, customer policy must engender credibility in the minds of the customers. Still, public health and safety often override every other consideration!

Utilities cannot realistically meet all customer demands. Sometimes, the utility must refuse a customer's request. There are right and wrong ways to do so, however. Upon the foundation of clear, equitable and defensible policies, must be honest communication.

Ideally, the customer won't be hearing the policy for the first time when the verdict is given. (That's where customer education campaigns are especially valuable, but that's the subject of another article.) Regardless, be prepared to explain the policy to the customer. Don't just explain what the policy is; also explain why the policy is. Always be courteous.

Handling Complaints and Concerns

Utilities should handle complaints and problems as promptly as possible, though they necessarily must be assigned priorities. Consider evaluating requests in terms of Stephen Covey's Time Management Matrix¹, which asks us to assess how urgent and important each request is and then assigns them to one of the following four priorities:

1. Urgent and important
2. Not urgent, but important
3. Urgent, but not important
4. Not urgent and not important

Customers' requests will cover the range of all four priorities. Public safety and health should be in the first priority. Preventive maintenance and planning for the future usually fall into the second priority. Avoid requests which are genuinely in the latter two categories, but not without telling the customer that the request cannot be met, for example, due to inadequate resources. Never forget that fairness counts. If a customer sees another customer with connections getting special treatment, the utility's credibility will be lost and difficult to repair.

The utility should train all employees on the proper way to work with customers. Staff should understand management's expectations of them regarding customer service; they should thoroughly understand all of those clear, equitable and defensible policies. They should be reminded of the importance of treating customers with respect. Such training is most effective when conducted by managers whom the employees respect well.

The utility should track all complaints and requests. Inevitably, there will be disagreements as to what was requested, done in response, the cause of the problem, etc. Good records can end disputes quickly and easily.

¹ Covey, Stephen R., The 7 Habits of Highly Effective People, 1989, Simon & Schuster, Chapter 3: Put First Things First

On the other hand, each customer must learn to be good consumers. When a customer phones about a problem or request, the utility should strongly encourage him or her to keep a written log of the following information regarding their concerns:

- dates and times of relevant events, phone calls and site visits
- names of utility representatives with whom they have spoken
- content of discussions, agreements and/or decisions

This policy encourages the utility's staff to conduct their duties in an accountable fashion.

Utilities would do well to phone customers after responding to their concerns to ensure satisfaction, or at least a common understanding of how the matter was settled. Lastly, it is wise to have a few people on staff who are very diplomatic and sympathetic to the customers' perspective to mediate disputes.

Privatization

When utilities have been privatized by the local government, municipal officials may not rest. They instead must watch over the utility to ensure that they are operating properly and treating customers appropriately and fairly. Municipalities considering privatization should instruct firms to include their customer policies as part of their proposals. Don't hesitate to include them in negotiations, if they look inadequate. After all, the customers are relying upon their local governments to protect them. And, should their interests go unprotected, they will likely complain on the phone and at the ballot box!