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**Electricity Regulatory Authority
Ministry of Energy and Natural Resources**

**Dispute Settlement Rules and
Regulations 2025**



Ministry of Energy and Natural Resources
Electricity Regulatory Authority

FOREWORD

I am pleased to present the Dispute Settlement Rules and Regulations, a crucial framework designed to guide and resolve conflicts fairly and efficiently. This Regulation reflects our commitment to transparency, impartiality, and protecting all parties' rights, ensuring that disputes are addressed in a structured and equitable process.

In today's complex environment, disputes are inevitable, but how they are resolved truly defines the integrity and sustainability of any organization or community. This regulation serves as a mechanism for dispute resolution and a safeguard to maintain harmony and foster trust among all stakeholders.

I hope this Regulation will provide clarity, promote cooperation, and facilitate the timely and just resolution of conflicts. I encourage all parties to engage with this Regulation in the spirit of mutual respect and understanding, ensuring that we can collectively uphold the values that our society stands for.


Signature of Chairperson

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In exercise of the powers conferred by Section 11.1 of the Electricity Act of Bhutan, 2001, the Electricity Regulatory Authority (ERA) hereby makes the following Rules and Regulation as follows:

Title

1. These Rules and Regulations are cited as the Dispute Settlement Rules and Regulations 2025.

Commencement

2. These Rules and Regulations come into force on May 1, 2025.

Application

3. These Rules and Regulations apply to:
 - (1) Licensee;
 - (2) Consumer;
 - (3) Complainant; and
 - (4) Electricity Regulatory Authority.

Scope

4. The scope of these Rules and Regulations shall cover disputes arising from the following, but not limited to:
 - (1) the guaranteed Service Level under the Distribution Code issued by ERA; and
 - (2) the provisions of the Electricity Act of Bhutan 2001, Rules, Regulations, Licenses, Standards, Procedures, etc., issued by ERA.
5. Notwithstanding section 4 of the Rules and Regulations, disputes arising from contractual agreements such as Power Purchase Agreements, Partnership Agreements, etc., shall not be covered under these Rules and Regulations unless explicitly mentioned in the agreement.
6. Nothing in these Rules and Regulations shall prejudice the parties' rights to recourse to dispute settlement procedures available under any other Laws of the Kingdom of Bhutan.

7. The ERA shall not accept or entertain any dispute that is presently pending before any court of law or other adjudicatory body within the Kingdom of Bhutan.

Purpose

8. The purpose of these Rules and Regulations is to establish a clear and structured procedure for resolving disputes, outlining the roles and responsibilities of all parties involved to ensure efficient and fair resolution.

Revocation

9. These Rules and Regulations revoke and supersede the Dispute Resolution Procedure, 2009.

Code of Conduct

10. The officials involved in the settlement of disputes under these Rules and Regulations shall observe and adhere to the following Code of Conduct:
 - (1) comply with the Principles of Natural Justice in all proceedings;
 - (2) perform duties according to these Rules and Regulations;
 - (3) ensure that actions are not ultra vires to the Constitution and do not conflict with other legislation in the Kingdom of Bhutan;
 - (4) avoid conflicts of interest in the discharge of their duties;
 - (5) maintain transparency and fairness in all proceedings; and
 - (6) ensure the timely and just settlement of disputes.

Structure of the Dispute Resolution Mechanism

11. The dispute resolution mechanism under these Rules and Regulations constitutes the following:
 - (1) Consumer Affairs and Advocacy Unit (CAAU);
 - (2) Dispute Resolution Committee (DRC); and
 - (3) The Authority.

Consumer Affairs and Advocacy Unit

12. Consumer Affairs and Advocacy Unit is the first point of contact with the following responsibilities:
 - (1) registration of complaint;
 - (2) facilitate and manage the disputes;
 - (3) referring the dispute to DRC; and
 - (4) carry out any task assigned by the DRC and the Authority.

Dispute Resolution Committee

13. The DRC consists of the following, who shall be appointed by the Authority on such terms and conditions:
 - (1) one Authority Member as Chairperson;
 - (2) the CEO;
 - (3) the Director or Specialist;
 - (4) at least 2 Division heads (Technical and Legal); and
 - (5) the Division head of the Consumer Affairs and Advocacy Unit as Member Secretary.
14. The DRC shall have the following responsibilities:
 - (1) assess the disputes referred by CAAU;
 - (2) conduct hearings and investigations if required;
 - (3) summon witnesses if required;
 - (4) hearing, investigation, and witness summoning shall be done as per the Standard Operating Procedures approved by the Authority;
 - (5) provide decisions based on the facts and evidence within the regulatory norms;
 - (6) facilitate mutual settlement (negotiation or mediation) between the parties where necessary;
 - (7) undertake any task assigned by the Authority in respect of the dispute; and
 - (8) assign relevant officials of ERA to undertake tasks that support the fair and transparent resolution of disputes.

The Authority

15. The Authority under these Rules and Regulations shall consist of;
 - (1) the Chairperson of the Authority as the presiding adjudicator of;
and
 - (2) other Authority Members, excluding the member in the DRC.
16. The Authority shall have appellate jurisdiction over the DRC with the following responsibilities:
 - (1) review the appeal submitted by an appellant;
 - (2) conduct hearings if required; and
 - (3) pronounce decisions not later than 30 days from the date of appeal.

Complaint Filing Procedures

17. The complainant shall first raise a complaint with the relevant party with whom the issue has arisen.
18. The complainant shall lodge a formal complaint with the ERA if:
 - (1) the other party to whom the complaint was raised fails to respond within seven (7) days; or
 - (2) the other party to whom the complaint was raised fails to satisfy the complainant's claim or grievance within one month from the date of the complaint.
19. The complainant shall lodge a formal complaint with the ERA through any of the following channels:
 - (1) in person or by an authorized representative;
 - (2) registered post;
 - (3) email; and
 - (4) any other online portal of ERA.
20. The complainant shall file a complaint in writing to the ERA along with a duly filled-up Form A under Schedule 1 of these Rules and Regulations, providing the following information:
 - (1) name and address of the complainant;
 - (2) name and address of the party complained against or the parties, as the case may be;

- (3) facts of the complaint, which include the following:
 - (a) brief description of the event;
 - (b) provisions of the Act, rules, and regulations that are set to have been infringed;
 - (c) claims or remedies sought; and
 - (d) any documentary evidence to support the allegation contained in the complaint.

Procedures for Admission and Rejection of Complaint

- 21. The CAAU shall register the complaint for settlement upon fulfilling the following conditions:
 - (1) the subject matter of the complaint is within the scope of these Rules and Regulations;
 - (2) submission of duly filled Form A under Schedule 1 of these Rules and Regulations;
 - (3) the claim made under the complaint is civil;
 - (4) the complaint is not pending before any settlement bodies, including the Royal Court of Justice; and
 - (5) the complaint is filed within six months of the date of occurrence.
- 22. If the information submitted in Form A is incomplete or if any other information required for the complaint is missing, the CAAU shall notify the complainant to provide the complete information within three (3) days.
- 23. A complaint shall be rejected if it does not meet the criteria under sections 19, 20, 21, and 22 of these Rules and Regulations.
- 24. The CAAU shall communicate the rejection of the complaint to the complainant within three days of receiving complete information with a written justification.
- 25. If the complaint meets the admission criteria under Sections 19, 20, and 21 of these Rules and Regulations, the CAAU shall register it as a dispute and forward it to the DRC for resolution within seven (7) days from the date of receipt.

Proceeding before the DRC

26. The DRC shall undertake the following upon receiving the dispute from the CAAU:
 - (1) send a copy of the complaint lodged against the respondent, along with instructions to respond within 10 days from the date of this notice;
 - (2) send a copy of the response to the complainant.
 - (3) evaluate the complaint and response, considering the following:
 - (a) the allegations and claims made in the complaint;
 - (b) denial of the allegation by the respondent and counterclaims, if any;
 - (c) evidence submitted by parties to support the allegations;
 - (4) investigate if necessary for gathering information to support the issue;
 - (5) summon witnesses if required;
 - (6) conduct hearings; and
 - (7) provide decisions not later than 45 days from the date of the dispute referred by CAAU.
27. The parties may settle the disputes amicably (negotiation and mediation) at any stage of the proceedings under these Rules and Regulations;
28. Any party dissatisfied with the decision of the DRC shall appeal to the Authority through CAAU within 10 days from the date of the decision.

Proceedings before the Authority

29. The Authority shall hear only appeal cases from the DRC upon fulfilling the following grounds:
 - (1) procedural lapses; and
 - (2) question of law.
30. Upon fulfilling the grounds of appeal under Section 30, the Authority shall:
 - (1) assess the appeal by reviewing any procedural irregularities or lapses involved;

- (2) examine the principles such as interpretation and applicability of the laws, rules, and regulations employed by the DRC; and
 - (3) conduct investigations and hearings where necessary.
31. The Authority shall provide the decision within 30 days from the date of the appeal, either:
- (1) upholding the DRC's decision; or
 - (2) a new (original) decision which shall be final and binding.
32. Any party dissatisfied with the decision of the Authority may appeal to the Royal Court of Justice in accordance with the Civil and Criminal Procedure Code of Bhutan (amendment) 2021.

Dismissal of Complaint

33. The Dispute Settlement Body (DSB) may dismiss the case if the complainant fails to cooperate with it in settling the disputes.

Hearing Procedures

34. The hearing under these Rules and Regulations shall be conducted as follows:
- (1) a maximum of two hearings shall be conducted by the DSB in resolving the disputes;
 - (2) a hearing calendar shall be shared and communicated to the parties at least 7 days before the commencement of the hearing by the Member Secretary of the DSB, upon approval by the Chairperson;
 - (3) hearing may be conducted either in person or virtually, as determined by the DSB;
 - (4) hearings shall be conducted in the presence of both parties to the case;
 - (5) the parties may send their representatives to the proceedings by filling up Form B under Schedule I of this Rules and Regulation, which shall be sent to CAAU three (3) days before the date of the hearings;
 - (6) hearings shall be presided over by the respective Chairperson of the DSB in the presence of a simple majority of the members of the committee;

- (7) the participants of the proceedings shall be in formal attire and comply with the rules of procedures or code of conduct established by the ERA;
- (8) the Chairperson of the DSB shall ensure that both parties are provided with equal opportunities to present their submissions and justifications during the hearing;
- (9) no person other than the parties involved or their legal representatives shall be permitted to attend the proceedings unless approved by the Chairperson of the DSB; and
- (10) the hearings shall be accurately recorded and maintained in strict confidentiality unless disclosure to the public is mandated by law.

Investigation

35. The DSB shall investigate if:

- (1) the facts of the issue cannot be determined;
- (2) there is insufficient evidence (when documentary evidence is not available);
- (3) require verification of the submissions made by the parties; and
- (4) for any other reasons necessary to provide fair and transparent decisions.

Expert Advice

36. The DSB may, on the request of a party or its initiative, seek expert advice from any person or body, including qualified independent experts, on any scientific or technical matter to support the issue at hand.

Evidence

37. The DSB shall allow parties to submit the following evidence to support their case, but not limited to:

- (1) written document;
- (2) visible objects or pictures, or videos; and
- (3) witness.

38. The DSB shall call the witnesses if it feels essential to provide a fair decision or upon the request of the party to testify.

39. The parties to the case shall pay the witnesses reasonable travel fares and daily allowances at the minimum wage rate determined by the Royal Government of Bhutan.

Interim Orders

40. During the proceedings, the DSB may issue temporary restraining orders if:
- (1) the act is going to impact the claims made by the complainant;
 - (2) if it is going to cause serious injury to another party or third party; and
 - (3) It is going to hamper providing fair decisions.

Decision

41. The DSB shall issue an ex-parte decision if the person complained against fails to respond even after notification served by the DSB.
42. The decision of the DSB shall:
- (1) be in writing with appropriate reasoning;
 - (2) the relevant provisions of the Act, rules, and regulations that have been violated, if any;
 - (3) any remedies including monetary value and any obligations such as restriction of certain actions, etc., to be performed by the losing party within a certain time frame;
 - (4) compliance order, especially to licensees notifying of strict adherence to the regulatory provisions, henceforth, or may be associated with fines;
 - (5) the opportunity for appeal in case of dissatisfaction with the decision.
43. Unless otherwise decided by the DSB, any decision provided shall be in the public domain.

Fee for the DSB Member

44. The members of the DSB shall be paid a fee for each case by the ERA at a rate determined and approved by the Authority.

Rule of Construction

45. In these Rules and Regulations, unless the context indicates otherwise, the singular shall include the plural and the masculine gender shall include the feminine gender and vice versa.

Interpretations and Definitions

46. Any words or expressions used to which a meaning has been assigned in the Electricity Act of Bhutan, 2001, shall have that meaning unless explicitly indicated in these Rules and Regulations:
- (1) “Authority” means the highest dispute resolution body under these Rules and Regulations;
 - (2) “Authority Member” means members of the Authority appointed by the Minister under Section 8.1 of the Electricity Act of Bhutan 2001;
 - (3) “CAAU” means the Consumer Affairs and Advocacy Unit.
 - (4) “Complaint” means an issue raised by a consumer or licensee when they are dissatisfied with the service provided or when they encounter a problem with another licensee;
 - (5) “Complainant” means any person or entity who expresses dissatisfaction or raises an issue in the form of a complaint to the ERA;
 - (6) “Consumer” means any person who is supplied with electricity for his use by a Licensee or by any other person engaged in the business of supplying electricity to the public under the Act or any other law for the time being in force and includes any person whose premises are for the time being connected to receive electricity with the works of a Licensee, or such other person, as the case may be;
 - (7) “Day” means a working day other than a Saturday, Sunday, or public holiday;
 - (8) “Dispute” means any issues within the scope of these Rules and Regulations;
 - (9) “DRC” means the Dispute Resolution Committee;
 - (10) “DSB” means both the Authority and the Dispute Resolution Committee;
 - (11) “ERA” means the Electricity Regulatory Authority established under Section 7 of the Electricity Act of Bhutan 2001;

- (12) “Fee” means a monetary value paid to each member of DSB for handling the dispute;
- (13) “Licensee” means any person issued with a license under Part 3 of the Electricity Act of Bhutan, 2001;
- (14) “Official” means those ERA officials involved in the settlement of disputes;
- (15) “Person” means any individual, firm, company, association, partnership, or body of persons, whether incorporated or not, and
- (16) “Respondent” means any person against whom a complaint is filed and who must provide a defense or explanation.

Schedule I

FORM A: COMPLAINT FORM

1. Personal details:

Name:
Address:
Contact No:
E-mail:
Date of filing:

2. Details of the party complained against:

Name:
Address:
Contact No:
Email ID:

3. General Requirements:

(1) Have you reached out to the party before submitting the complaint to ERA? Please tick the box.

- (a) Yes, but dissatisfied with the response:

☐
- (b) Yes, no action:

☐
- (c) No

☐

(2) Has the complaint been filed with any other similar forum in the Kingdom of Bhutan? If so, please specify.

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(3) Details of the Complaint:

Provide a clear description of the facts of the event and any claims made:

[illegible]

**Use additional shit if required.*

(4) Evidence Supporting the Complaint:

Tick the type(s) of evidence submitted:

- (a) Documents
(b) Videos
(c) Photos
(d) Others specify.....

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4. Declaration

I hereby declare that the information provided in this complaint form is true and accurate to the best of my knowledge, and any false information may result in the dismissal of my complaint and liability for any negative consequences.

Further, I consent to the processing of my complaint in accordance with the Dispute Settlement Rules and Regulations of the ERA, and commit to cooperating fully throughout the resolution process.

Name & Signature of the Complainant (Affix Legal Stamp)

Place:

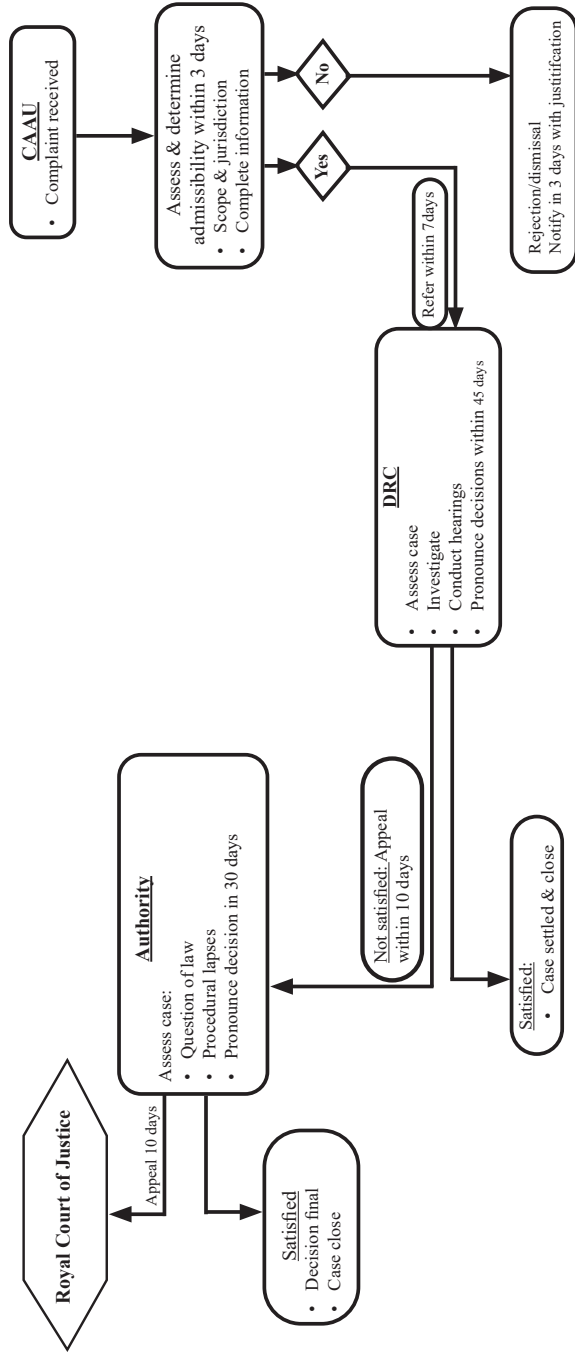
Date:


FORM B: AUTHORIZATION

I.....hereby authorize Mr/Ms.....
fromGewog under
Dzongkhag..... holding CID No.....
to act on my behalf in all matters related to the complaint filing/attending
proceedings before the ERA.
I affirm that Mr./Ms.....is fully authorized to
represent me in this regard and to act in my best interest.

Name & Signature
(Affix Legal Stamp)

Dispute Settlement Flow Chart





Electricity Regulatory Authority
Ministry of Energy and Natural Resources
Royal Government of Bhutan

Land line: +975-02-327317
Email: era@era.gov.bt