

Agenda

- 1 Motivation
- 2 Indicators:
 - a Pillar I – Quality of Regulations on Utility Services
 - b Pillar II – Quality of the Governance and Transparency of Utility Services
 - c Pillar III – Operational Efficiency of Utility Service Provision
- 3 Changes in Methodology
- 4 Parameters
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1. Motivation – Why do Utility Services matter?

Unreliable, inefficient, or costly utility services hinder firm growth and firm productivity

- 29.3% of businesses globally identified electricity supply as a major constraint to their activities (World Bank Enterprise Surveys).
- Inadequate water supply may also lead to decreased productivity, deterioration of machinery, and reduced profits.
- Unreliable networks and the high cost of establishing a broadband connection may prevent firms from adopting and upgrading digital technology in their business operations.

Regulatory frameworks can improve governance and accountability of utility service providers

- Effective regulatory frameworks, good governance, transparency, and efficiency of utility services are pivotal elements of a good business environment.

2. Indicators



Regulatory Framework

Quality of electricity, water, and internet regulations



1. Regulatory Oversight of Tariffs and Service Quality
2. Requirements on Coordination in Utility Connections and Infrastructure Development
3. Regulations on Safety of Utility Connections
4. Requirements on Environmental Sustainability



Public Services

Quality of the governance and transparency of utility services



1. Digital Services and Interoperability
2. Monitoring of Service Supply in Practice
3. Availability of Information and Customer Notification
4. Enforcement of Safety Regulations in Practice and Consumer Protection Mechanisms



Operational Efficiency

Efficiency of utility service provision in practice



1. Affordability
2. Time to Obtain a Connection
3. Reliability of Supply



Environmental Sustainability



Adoption of Digital Technologies

a. Pillar I – Regulatory Framework: Quality of Electricity, Water, and Internet Regulations

1.1 Electricity

- 1.1.1 Regulatory Oversight of Tariffs and Service Quality
- 1.1.2 Requirements on Coordination in Electricity Connections and Infrastructure Development
- 1.1.3 Regulations on Safety of Electricity Connections
- 1.1.4 Requirements on Environmental Sustainability

1.2 Water

- 1.2.1 Regulatory Oversight of Tariffs and Service Quality
- 1.2.2 Requirements on Coordination in Water Connections and Infrastructure Development
- 1.2.3 Regulations on Safety of Water Connections
- 1.2.4 Requirements on Environmental Sustainability

1.3 Internet

- 1.3.1 Regulatory Oversight of Anticompetitive Practices and Service Quality
- 1.3.2 Requirements on Coordination in Internet Connections and Infrastructure Development
- 1.3.3 Cybersecurity Regulations
- 1.3.4 Requirements on Environmental Sustainability

a. Pillar I – Regulatory Framework: Quality of Electricity, Water, and Internet Regulations



Subcategories 1.1.1, 1.2.1, 1.3.1 Regulatory Oversight of Tariffs and Service Quality

› What

This subcategory measures good practices in regulatory and institutional frameworks that govern tariff approval processes, as well as standards to ensure an adequate quality of supply.

› Why

Reliable provision of utility services are linked to the presence of strong regulatory systems and agencies with clear mandates.



Subcategories 1.1.3, 1.2.3, 1.3.3 Regulations on Safety of Utility Connections

› What

This subcategory measures professional certification requirements and inspection and liability regimes for electricity and water connections, as well as cybersecurity capability.

› Why

Good regulatory practices can promote safety of electricity and water installations and cybersecurity mechanisms, thus mitigating public health hazards and cyber threats.



Subcategories 1.1.2, 1.2.2, 1.3.2 Requirements on Coordination in Utility Connections and Infrastructure Development

› What

This subcategory assesses good regulatory practices that aim to promote efficient deployment of utility connections.

› Why

Regulations on sharing infrastructure among utility providers and timelines for approvals in construction/excavation works help guarantee efficient utility service supply.



Subcategories 1.1.4, 1.2.4, 1.3.4 Requirements on Environmental Sustainability

› What

This subcategory measures the environmental sustainability of utility services such as requirements and standards for sustainable provision and use of electricity, water, and internet.

› Why

The positive impact for society is derived from enhanced environmental sustainability and improved adherence to environmental standards.

a. Pillar I – Regulatory Framework: Quality of Electricity, Water, and Internet Regulations

Preliminary Scoring

		N° of indicators	FFP	SBP	Total points	Rescaled points
1.1	Electricity					
1.1.1	Regulatory Oversight of Tariffs and Service Quality	3	3	3	6	8.33
1.1.2	Requirements for Coordination in Electricity Connections and Infrastructure Development	2	2	2	4	8.33
1.1.3	Regulations on Safety of Electricity Connections	3	3	3	6	8.33
1.1.4	Requirements on Environmental Sustainability	6	3	6	9	8.33
1.2	Water					
1.2.1	Regulatory Oversight of Tariffs and Service Quality	3	3	3	6	8.33
1.2.2	Requirements on Coordination in Water Connections and Infrastructure Developments	2	2	2	4	8.33
1.2.3	Regulations on Safety of Water Connections	3	3	3	6	8.33
1.2.4	Requirements on Environmental Sustainability	6	2	6	8	8.33
1.3	Internet					
1.3.1	Regulatory Oversight of Anticompetitive Practices and Service Quality	3	3	3	6	6.67
1.3.2	Requirements on Coordination in Internet Connections and Infrastructure Development	4	4	4	8	15.00
1.3.3	Cybersecurity Regulations	3	3	3	6	6.67
1.3.4	Requirements on Environmental Sustainability	2	n/a	2	2	5.00
	Total	40	31	40	71	100.00



*Scoring will consider the perspectives of entrepreneurs (firm flexibility points) and broader public interests (social benefits points).

b. Pillar II – Quality of Governance and Transparency of Utility Services

2.1 Electricity

- 2.1.1 Digital Services and Interoperability
- 2.1.2 Monitoring of Service Supply in Practice (includes environment)
- 2.1.3 Availability of Information and Customer Notification
- 2.1.4 Enforcement of Safety Regulations in Practice and Consumer Protection Mechanisms

2.2 Water

- 2.2.1 Digital Services and Interoperability
- 2.2.2 Monitoring of Service Supply in Practice (includes environment)
- 2.2.3 Availability of Information and Customer Notification
- 2.2.4 Enforcement of Safety Regulations in Practice and Consumer Protection Mechanisms

2.3 Internet

- 2.3.1 Digital Services and Interoperability
- 2.3.2 Monitoring of Service Supply in Practice
- 2.3.3 Availability of Information and Customer Notification
- 2.3.4 Enforcement of Cybersecurity Regulations in Practice and Consumer Protection Mechanisms

b. Pillar II – Quality of Governance and Transparency of Utility Services



Subcategories 2.1.1, 2.2.1, 2.3.1 Digital Services and Interoperability

› What

This subcategory measures the availability of online applications and payments for utility connections, along with efficient permitting processes for new utility connections.

› Why

Online applications eliminate the need for in-person visits and allow for cost savings. Efficient utility systems and permitting processes facilitate infrastructure rollout.



Subcategories 2.1.3, 2.2.3, 2.3.3 Availability of Information and Customer Notification

› What

This subcategory evaluates transparency practices: direct communication of outages, and tariff changes, and online availability of connection requirements and complaint timeline.

› Why

Transparent service provision allows firms to calculate costs and anticipate expenses and timelines, thus supporting efficient planning of operations.



Subcategories 2.1.2, 2.2.2, 2.3.2 Monitoring of Service Supply in Practice

› What

This subcategory measures the monitoring practices for the reliability and quality of electricity, water, and internet supply (including environment for electricity and water).

› Why

Measuring the quality of public service provision helps to establish “what works” in achieving the set objectives, identify functional competencies, and enhance public accountability.



Subcategories 2.1.4, 2.2.4, 2.3.4 Enforcement of Safety Regulations in Practice and Consumer Protection Mechanisms

› What

This subcategory assesses the implementation of safety regulations for electricity and water, cybersecurity, as well as the availability of independent complaint mechanisms.

› Why

Regulations that ensure utility connections comply with safety standards benefit both firms and the economy, thus protecting social welfare.

b. Pillar II – Quality of Governance and Transparency of Utility Services

Preliminary Scoring

	N° of indicators	FFP	SBP	Total points	Rescaled points
2.1 Electricity					
2.1.1 Digital Services and Interoperability	4	4	4	8	8.33
2.1.2 Monitoring of Service Supply in Practice (includes environment)	2	1	2	3	8.33
2.1.3 Availability of Information and Customer Notification	4	4	4	8	8.33
2.1.4 Enforcement of Safety Regulations in Practice and Consumer Protection Mechanisms	2	2	2	4	8.33
2.2 Water					
2.2.1 Digital Services and Interoperability	5	5	5	10	8.33
2.2.2 Monitoring of Service Supply in Practice (includes environment)	3	2	3	5	8.33
2.2.3 Availability of Information and Customer Notification	4	4	4	8	8.33
2.2.4 Enforcement of Safety Regulations in Practice and Consumer Protection Mechanisms	2	2	2	4	8.33
2.3 Internet					
2.3.1 Digital Services and Interoperability	4	4	4	8	8.33
2.3.2 Monitoring of Service Supply in Practice	1	1	1	2	8.33
2.3.3 Availability of Information and Customer Notification	4	4	4	8	8.33
2.3.4 Enforcement of Cybersecurity Regulations in Practice and Consumer Protection Mechanisms	2	2	2	4	8.33
Total	37	35	37	72	100.00



*Scoring will consider the perspectives of entrepreneurs (firm flexibility points) and broader public interests (social benefits points).

c. Pillar III – Operational Efficiency of Utility Service Provision

3.1 Electricity

3.1.1 Affordability

3.1.2 Time to Obtain a Connection

3.1.3 Reliability of Supply

3.2 Water

3.2.1 Affordability

3.2.2 Time to Obtain a Connection

3.2.3 Reliability of Supply

3.3 Internet

3.3.1 Affordability

3.3.2 Time to Obtain a Connection

3.3.3 Reliability of Supply

c. Pillar III – Operational Efficiency of Utility Service Provision



Subcategories 3.1.1, 3.2.1, 3.3.1

Affordability

› What

This category assesses the cost it takes to obtain new electricity, water, and internet connections, as well as monthly service costs for these utilities.

› Why

Expensive utility connections are burdensome and can impact firms. Less costly utility connection processes are associated with better firm performance.



Subcategories 3.1.2, 3.2.2, 3.3.2

Time to Obtain a Connection

› What

This category assesses the time it takes to obtain new electricity, water, and internet connections.

› Why

Delays in obtaining permits could lead to higher transaction costs and fewer connections. A straightforward process requiring less time to receive connections can positively impact firm revenues and lower connection costs.



Subcategories 3.1.3, 3.2.3, 3.3.3

Reliability of Supply

› What

This category assesses the reliability of electricity, water, and internet connection in terms of interruption of service supply.

› Why

Reliability of utility services impacts end-user behavior. Reliable utility services enable predictable production processes and business planning to boost firms' productivity.

c. Pillar III – Operational Efficiency of Utility Service Provision

Preliminary Scoring

	Nº of indicators	FFP	SBP	Total points	Rescaled points
3.1 Electricity					
3.1.1 Affordability	1	100	n/a	100	11.11
3.1.2 Time to Obtain a Connection	1	100	n/a	100	11.11
3.1.3 Reliability of Supply	1	100	n/a	100	11.11
3.2 Water					
3.2.1 Affordability	1	100	n/a	100	11.11
3.2.2 Time to Obtain a Connection	1	100	n/a	100	11.11
3.2.3 Reliability of Supply	1	100	n/a	100	11.11
3.3 Internet					
3.3.1 Affordability	1	100	n/a	100	11.11
3.3.2 Time to Obtain a Connection	1	100	n/a	100	11.11
3.3.3 Reliability of Supply	1	100	n/a	100	11.11
Total	9	100	n/a	100	100.00



*Scoring will consider the perspectives of entrepreneurs (firm flexibility points) and broader public interests (social benefits points).

3. Changes in Methodology B-Ready 2026

Major Revisions

➤ Pillar I

- Addition of indicators / questions:
 - ✓ In Category 1.1 *Electricity*, Subcategory 1.1.4 *Requirements on Environmental Sustainability*: 2 new indicators were added – *Regulatory Enablers for Renewable Energy Integration into the Grid* & *Regulatory Enablers for Renewable Energy Self-Generation*.
 - ✓ In Category 1.2 *Water*, Subcategory 1.2.4 *Requirements on Environmental Sustainability*: new question was added on *Permitting Requirements for Water Withdrawal* feeding into the indicator on *Environmental Sustainability of Water Use*.
 - ✓ In Category 1.2 *Water*, Subcategory 1.2.4 *Requirements on Environmental Sustainability*: new question on legally mandated effluent quality limits for wastewater intended for reuse feeding into the *Wastewater Reuse* indicator.
- Deletion of specific questions:
 - ✓ In Subcategory 1.1.4 *Requirements on Environmental Sustainability (Electricity)*, the questions on energy efficiency requirements for electricity generation, and for transmission and distribution; the question on requirements for fossil fuel plants to reduce emissions; the question on requirements for firms to adopt energy efficient practices were removed. The questions on enforcement measures for all the above requirements were kept in the survey.
 - ✓ In Subcategory 1.2.4 *Requirements on Environmental Sustainability (Water)*, the question on requirements for water utilities to increase efficiency in water provision, the question on requirements for businesses to adopt practices of efficient water use were removed. The questions on enforcement measures of the above requirements were kept in the survey.

3. Changes in Methodology B-Ready 2026

Major Revisions

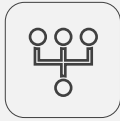
➤ Pillar II

- Addition of indicators / questions:
 - ✓ In Category 2.2 *Water*, Subcategory 2.2.1 *Digital Services and Interoperability*: a new indicator was added – *Platform for Water Withdrawal Permitting and Reporting*.
 - ✓ In Subcategories 2.1.3, 2.2.3, and 2.3.3 *Availability of Information and Customer Notification*, new questions have been added on the availability of online complaint mechanisms and transparency of timelines for complaint resolution feeding into the indicator on the transparency of *Complaint Mechanisms*.
- Deletion of specific questions (due to low data variability):
 - ✓ In Subcategories 2.1.1, 2.2.1 and 2.3.1 *Digital Services and Interoperability*, the questions on electronic payments of monthly bills have been removed, while the questions on online payments of connection fees were kept.
 - ✓ In Subcategories 2.1.3, 2.2.3, and 2.3.3 *Availability of Information and Customer Notification*, the questions on online availability of tariff schedules and formulas have been removed, while the questions on advance notification of tariff changes was kept in the survey.
 - ✓ In Subcategories 2.1.3, 2.2.3, and 2.3.3 *Availability of Information and Customer Notification*, the questions on the list of documents to file a complaint, the types of reportable issues, and the steps of the complaint process have been removed.

4. Parameters – Electricity

Specific Parameters

Utility Provider – Electricity: Largest utility provider in the largest city



Some cities can have one or several utility providers. Utility services provision may vary depending on the utility provider.

Load Capacity: 180 and 60 kVA



180 kVA is for the firms relying on electricity for production and business operations and use electricity more intensively than the basic level.

60 kVA is for the firms in sectors with relatively low power demand.

Consumption: 34,560 kWh



This parameter is correlated with load capacity. For a warehouse with a capacity of 180 kVA that operates 8 hrs/day for 30 days/month, the monthly energy consumption will be 34,560 kWh.

Length of Connection: 10 and 75 meters



10 meters is for the simplest connection cases.

75 meters is for more complex cases which could require network expansion.

General Parameters

Business Location: Largest City



Geographic location determines availability of electricity, water, and internet connections, as well as the type of connections and construction required.

4. Parameters – Water

Specific Parameters

Utility Provider – Water: Largest utility provider in the largest city



Some cities can have one or several utility providers. Utility services provision may vary depending on the utility provider.

Pipe Diameter: 0.5 and 1 inch



The pipe diameter directly affects water connection costs.

The 0.5-inch diameter pipe is applicable to smaller businesses with lower water needs, while the 1-inch diameter pipe suits medium-sized businesses.

Consumption: 20 and 1,000 cubic meters per month



Water consumption reflects the impact of varying water usage levels on service costs.

The 20 m³ scenario represents lower consumption, more common in smaller businesses or facilities, while the 1,000 m³ scenario is typically for medium-sized commercial operations.

Distance from Water Mains: 5 meters



The distance from the water mains affects connection costs as greater distances require materials and labor to extend the pipe network.

The 5-meter distance represents typical urban settings, facilitating a consistent and comparable assessment of costs.

General Parameters

Business Location: Largest City



Geographic location determines availability of electricity, water, and internet connections, the type of connections and construction required.

4. Parameters – Internet

Specific Parameters

Utility Provider – Internet: Largest utility provider in the largest city



Some cities can have one or several utility providers. Utility services provision may vary depending on the utility provider.

Speed: 10-30 Mbps, 30-100 Mbps, and >100 Mbps



Internet service packages are usually categorized and priced based on the data usage and speed requirements.

General Parameters

Business Location: Largest City



Geographic location determines availability of electricity, water, and internet connections, the type of connections and construction required.

5. Preliminary Topic Scoring

Pillar	Title	N° of indicators	FFP	SBP	Total points	Rescaled points	Weight
I	Quality of Regulations on Utility Services	40	31	40	71	100.00	0.33
II	Quality of the Governance and Transparency of Utility Services	37	35	37	72	100.00	0.33
III	Operational Efficiency of Utility Service Provision	9	100	n/a	100	100.00	0.33



*Scoring will consider the perspectives of entrepreneurs (firm flexibility points) and broader public interests (social benefits points).

6. Data Sources

Data collection sources

Pillars I & II



- **Private sector experts:** include practitioners and lawyers working in the areas of electricity, water and internet.

Pillar III



- **Private sector experts:** include practitioners and lawyers working in the areas of electricity, water and internet.
- **Enterprise Surveys:** provide representative data on time to receive utility connections and on the reliability of utility services (i.e., service interruption and associated losses experienced by businesses in practice). A representative sample of companies captures variation of user experience within each economy. Businesses with different characteristics, such as size, region, and sector participate in the surveys.

Screening and selection of experts

Knowledge of laws and regulations concerning utility services regulatory oversight, environmental sustainability, safety standards (including cybersecurity) and consumer protection mechanisms

Experience with quality assurance mechanisms and enforcement of regulations and consumer protection mechanisms in practice.

Q&A

Utility Services

January 2026
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