



ORGANIZATIONAL STRUCTURE ANALYSIS OF THE BOTSWANA ENERGY REGULATORY AUTHORITY

REPORT AND RECOMMENDATIONS

December 9, 2019

DISCLAIMER

This report is made possible by the support of the American People through the United States Agency for International Development (USAID). The contents of this report are the sole responsibility of Deloitte Consulting LLP and do not necessarily reflect the views of USAID or the United States Government. This report was prepared under Contract Number AID-674-C-17-00002.

ACRONYMS

Acronym	Definition
BERA	Botswana Energy Regulatory Authority
BPC	Botswana Power Corporation
ECB	Namibian Electricity Control Board
EWURA	Tanzanian Energy and Water Utilities Regulatory Authority
LPG	Liquefied Petroleum Gas
MERA	Malawi Energy Regulatory Authority
PPA	Power Purchase Agreement
SAEP	Southern Africa Energy Program
SHE	Safety, Health and Environmental Compliance Specialist
ZERA	Zimbabwe Energy Regulatory Authority

TABLE OF CONTENTS

1	PURPOSE.....	1
2	BACKGROUND.....	1
3	THE BERA ORGANIZATION	2
4	FIELD EVALUATION.....	3
5	OTHER ORGANIZATIONAL STRUCTURES – TANZANIA	5
6	OTHER ORGANIZATIONAL STRUCTURES – ZIMBABAWE.....	6
7	OTHER ORGANIZATIONAL STRUCTURES – MALAWI.....	8
8	OTHER ORGANIZATIONAL STRUCTURES – NAMIBIA	9
9	COMMON ORGANIZATIONAL PRACTICES AND RECOMMENDATIONS.....	11
	APPENDIX A: EVALUATION OF CURRENT UNIFIED POSITIONS.....	17

I PURPOSE

This document is written in partial fulfillment of Activity Y2.01.01.07.BWA, assisting the Botswana Energy Regulatory Authority (BERA) with organizational matters.

BERA began operations in September, 2017. The Southern Africa Energy Program (SAEP) has been supporting BERA since November, 2017.

Like many organizations, after almost two years of actual operations BERA has recognized the need to adapt its organizational structure. As a result, the BERA Board by Resolution requested SAEP's assistance in a restructuring exercise that includes both governance and organizational matters.

This document focuses on organizational matters. It provides background on how regulatory authorities can be organized, provides some perspective by examining regulatory authorities in the Southern Africa Region, takes into account the current BERA organizational structure, and is informed by interviews with Board Members, current management, and staff.

The results are a recommended organogram that is consistent with the BERA Act and next steps on fleshing out the details of the organizational structure and filling the positions.

This document is not intended to set forth all of the steps necessary for a complete restructuring of BERA. Indeed, the recommended organogram is only the first step. Once a high-level structure is agreed with the functions that would be performed in each department, the task of determining the organizational structure below the department level, writing position descriptions, and filling positions are among the next steps.

2 BACKGROUND

Organizational structures for regulatory authorities can be fundamentally done in three ways:

1. By putting the primary organizational emphasis on the sector being organized, e.g., electricity, natural gas, petroleum, telecommunications, water, wastewater
2. By placing the primary organizational emphasis on the actual function being performed. In regulatory authorities this usually consists of: licensing; setting tariffs; setting and ensuring compliance with technical standards; resolving disputes between licensees and customers and between licensees
3. By combining the two concepts into a hybrid organization that is further simplified by dividing the line functions into technical regulation and economic regulation

The support functions of financial management, human resources, information technology, and other similar services would be required in any organizational approach.

This decision as to organizational design is fundamental if one manages a multi-sectoral regulatory authority. That is, a multi sectoral regulatory authority could have, as its organizational basis a water department, electricity department, petroleum department, telecommunications department, and so on. Alternatively, it could organize around, *inter alia*, a licensing department, a tariff department, a technical department, and a consumer services department.

In a single sector regulatory authority, since there is only one sector being regulated, then the only choice is to organize by function since the sector is the entire organization. For example, the Telecommunications Regulatory Authority of Tanzania only regulates the telecommunications sector and thus the detailed organization is organized by function. The same is the case with the Electricity Regulatory Office of Kosovo or, until recently the Electricity Control Board of Namibia.

The hybrid structure combines certain elements of both approaches. Such an organization recognizes that each sector has certain idiosyncrasies, and therefore there is a need for sector experts but at the same time recognizes that the skill sets for some functions are transferrable between sectors, such as rate setting, licensing, legal services, and taking consumer complaints.

3 THE BERA ORGANIZATION

BERA's current organizational structure was developed at a fairly high level by a consultant located in Gaborone in early 2017. It recognized some of the governance issues (as opposed to organizational issues) that confront BERA still today. Yet, on an organizational basis, the recommendation was essentially for BERA to have a hybrid structure.

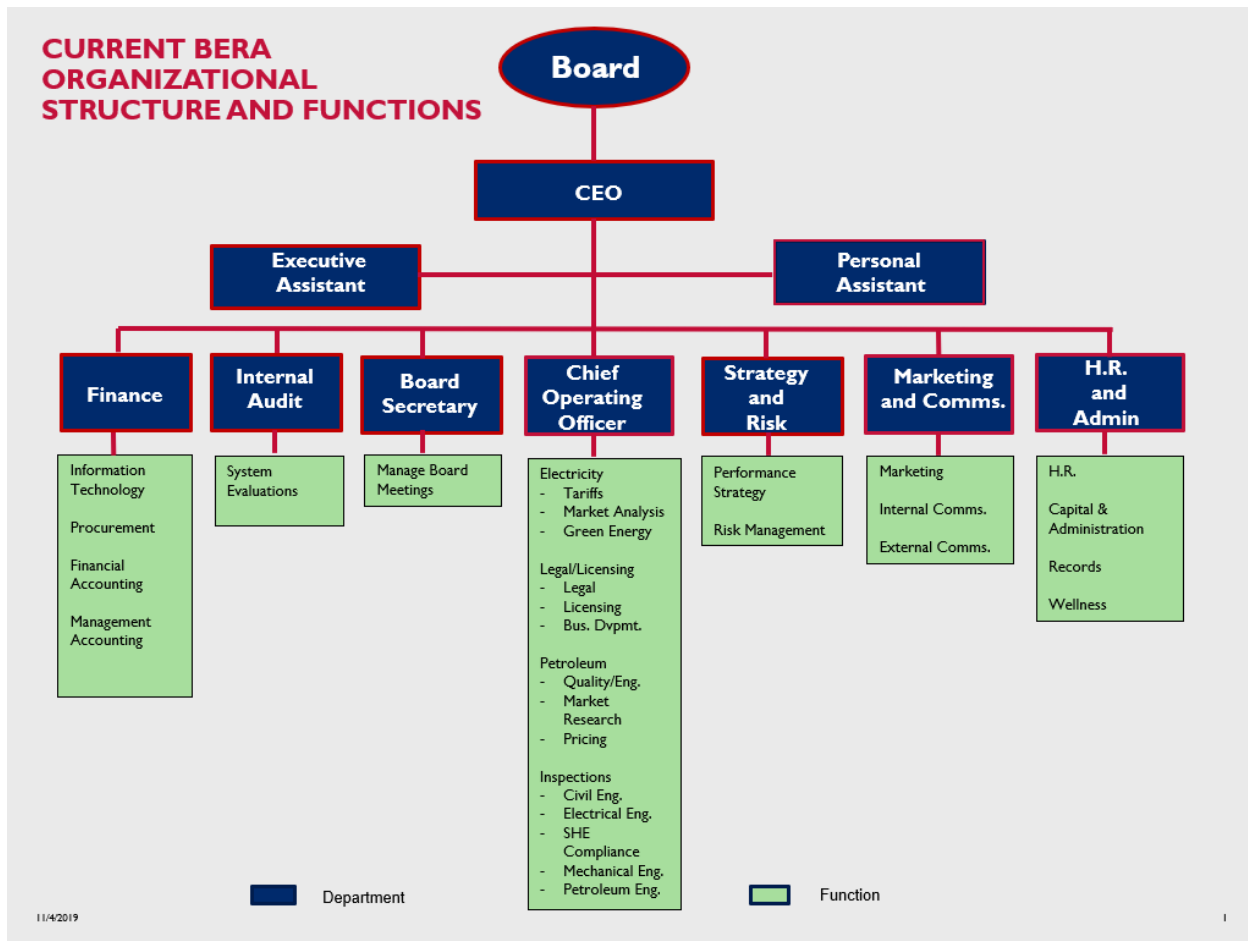
Since BERA has jurisdiction for electricity, petroleum, and natural gas, it could easily have adopted a sector-based organizational structure. However, it chose to implement a hybrid organization that, in simplified form, has four substantive (as opposed to support) departments:

- Electricity
- Petroleum
- Legal and Licensing
- Inspections, Supervisions, and Environmental Compliance

As can be seen, electricity and petroleum are sectors, while legal/licensing and inspections are functions. In addition to these departments there are a myriad of support services that exist in order to help the departments carry out their mandates. Those include:

- Finance
- Human Resource
- Administration
- Risk Management
- Internal Auditing
- Information Technology
- Procurement
- Legal (can be considered a support or line function), and
- Communications

BERA's existing organogram at a high level, with the accompanying functions is as follows:



4 FIELD EVALUATION

April 2019

SAEP consultants travelled to Botswana in April 2019 to present to the BERA Board and Management SAEP's proposed approach to the evaluation of, *inter alia*, BERA's organizational structure juxtaposed against the responsibilities contained in the BERA Act.

SAEP findings based on discussions related to the organizational structure included:

- The current organizational structure may have gaps, for example, there is no Economic Regulation Department or Consumer Protection Department
- Staff reporting lines and frequency of reporting are not clear
- An examination of the current staffing levels shows that there are more support staff than substantive regulatory staff
- Due to the lack of proper delegation of authority, BERA is not able to execute its statutory mandate efficiently; BERA was requiring one month to process a license application, whereas it had been done in 2 weeks by the local authority
- A desire that the CEO should be given greater powers to make HR related decisions
- The BERA Act has overlapping functions between the board and management
- There may be some duplication of positions currently within the structure

June 2019

In furtherance of this task, SAEP travelled to Botswana again in June 2019. Additional talks were held with representatives of each department at various levels to further understand the factors that could constrain effective and efficient performance in the Authority and to solicit potential solutions.

The meetings included:

- The CEO, COO and HR Manager
- Representatives from the following departments: Supervision, Inspection & Environmental Compliance; Internal Audit; Legal & Licensing; Petroleum; Marketing, Communications and Records Management; Human Resources & Administration; Electricity; and Finance, Procurement and IT
- The management team as a group

The discussions during this mission largely mirrored what was heard in the April Mission:

- That despite the fact that the entire BERA board had been suspended, the organizational restructuring exercise should continue
- There appears to be a significant overlapping of functions between the sector departments (Petroleum and Electricity) and the functional departments (Inspections and Legal and Licensing)
- Some staff believed that there is a conflict with having Finance and Procurement in the same Department
- The CEO does have a vision for BERA to be an independent regulator, respected by stakeholders and she recognizes the importance of a rational organizational structure to get BERA to that position
- At the time, BERA had a total of 91 positions in terms of the current organizational structure, with only 43 of them filled and had questions as to whether all vacancies should be filled
- The options to be considered in revising BERA's organizational structure are either on the basis of sector or functions, or, a hybrid of both these options. Currently, BERA is a hybrid organization
- There was confusion in that reporting lines were not always clear; staff indicated that they did not on a daily basis report to the individual indicated on the current organogram;
- The Internal Audit Department is newly established and searching for a role
- That consideration should be given to splitting the Legal and Licensing Department into the two functions
- That consideration should be given to creating a Natural Gas Department, a BERA responsibility under the BERA Act
- That consideration should be given as to the proper placement of the IT function, currently in the Finance Department

With this information, SAEP undertook a review of some regulatory authority organograms in the region.

August 2019

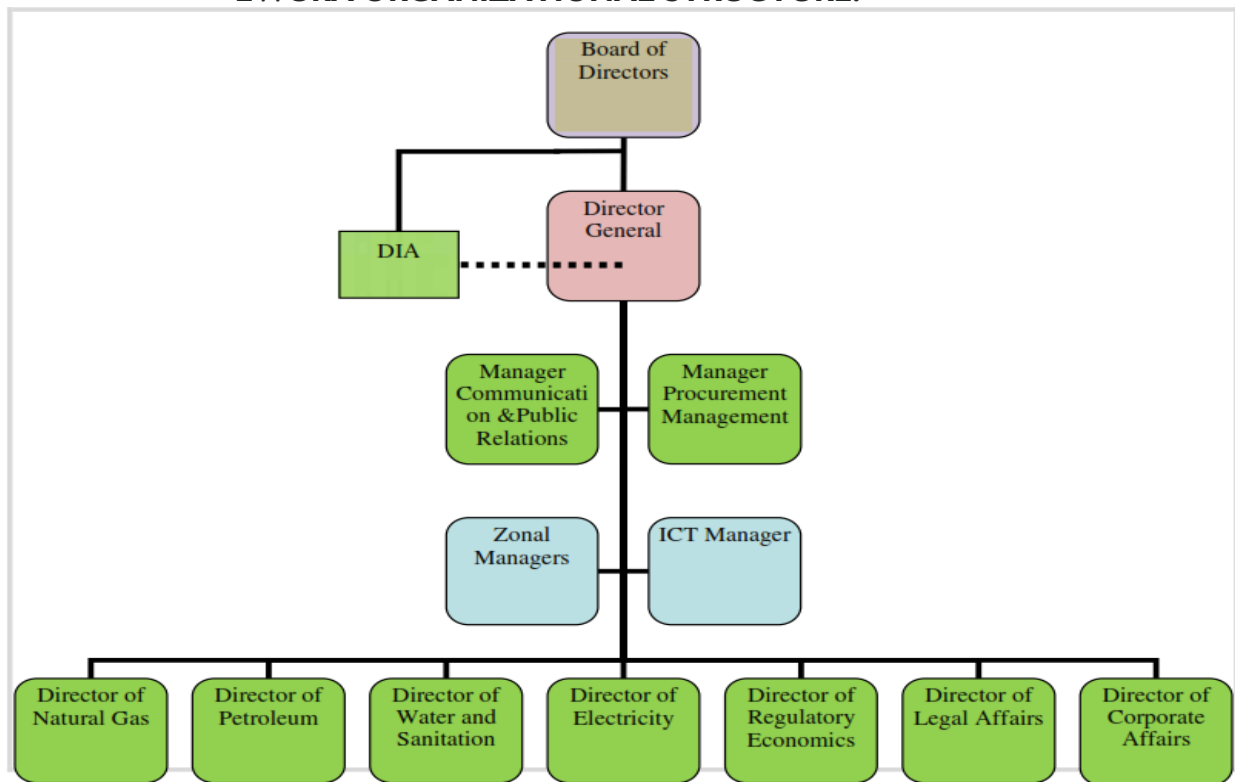
In two meetings in August, 2019, SAEP consultants met with the CEO, COO, and HR staff serving as project manager in Gaborone, Botswana. The purpose of those meetings was to present preliminary conclusions on alternative organizational structures and staffing. The outcome of the sessions was to make some changes to the proposed organizational structure at the request of the CEO and also to

broaden the immediate task to making recommendations on which unfilled positions in BERA should be filled. Those requests are reflected in the present document.

5 OTHER ORGANIZATIONAL STRUCTURES – TANZANIA

The Tanzanian Energy and Water Utilities Regulatory Authority (EWURA) is, like BERA, a multi-sector regulatory authority, responsible for regulation of water, wastewater, electricity, and natural gas. It’s organizational structure and an analysis thereof follows:

EWURA ORGANIZATIONAL STRUCTURE: ¹



The EWURA organizational structure is a classic hybrid organization. It is organized around sectors (Natural Gas, Petroleum, Water/Wastewater, and Electricity) and functions: (Regulatory Economics, Legal, and Corporate Affairs). All report to the Director General.

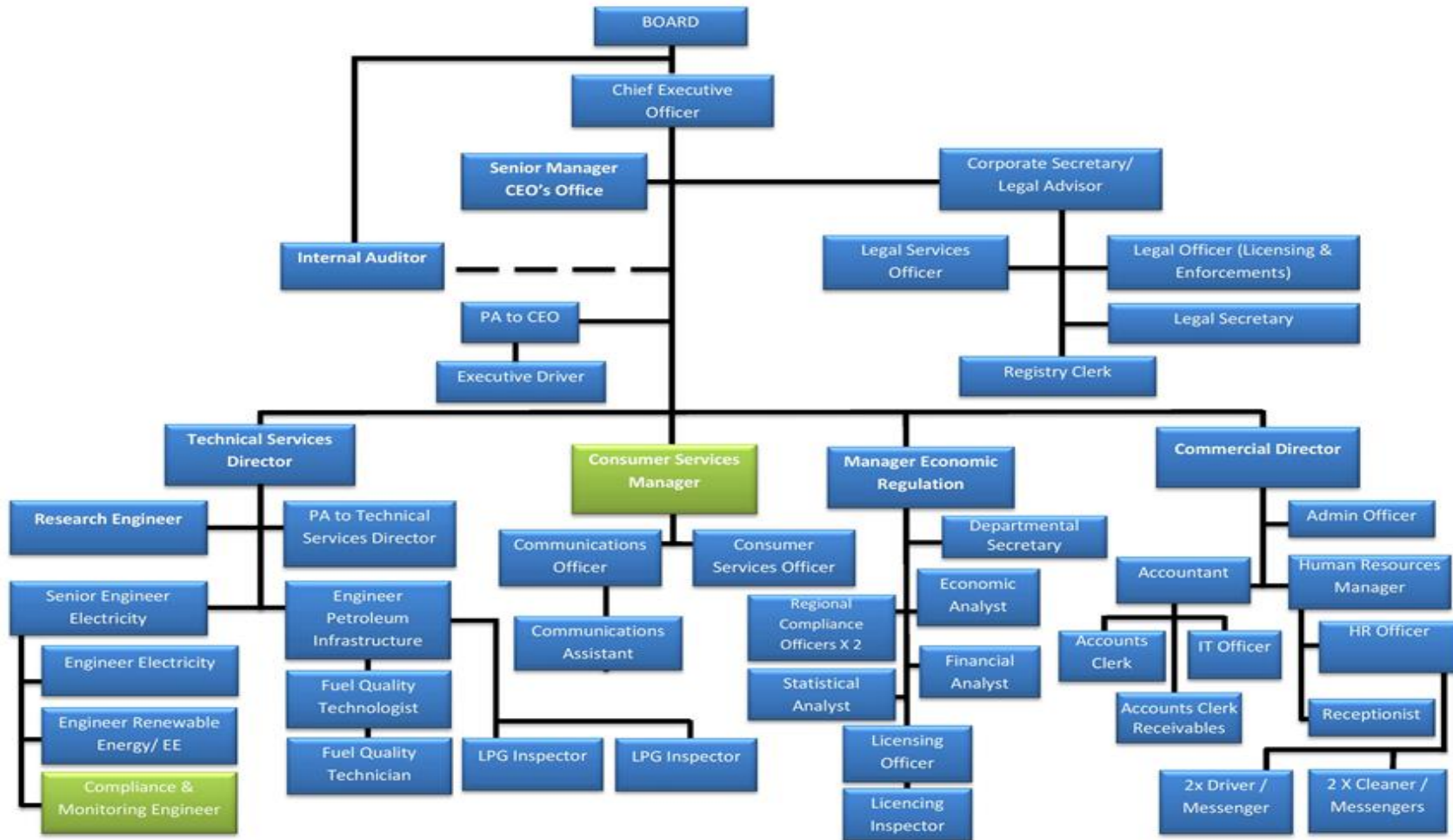
Support functions shown on this chart also report to the Director General. They include Procurement, ICT, and Communications/Public Relations. The Internal Audit function reports to the Board of Directors, with a “dotted line” relationship to the Director General.

While this organizational chart does not go into much detail about other support functions, it is probable that they report to the Director of Corporate Affairs.

¹ Source: <https://www.ewura.go.tz/wp-content/uploads/2015/04/ewstructure.png>

6 OTHER ORGANIZATIONAL STRUCTURES – ZIMBABAWE

ZIMBABWE ENERGY REGULATORY AUTHORITY ORGNIZATIONAL STRUCTURE²



² Source: <https://www.zera.co.zw/index.php/2013-09-26-08-59-22/organogram>

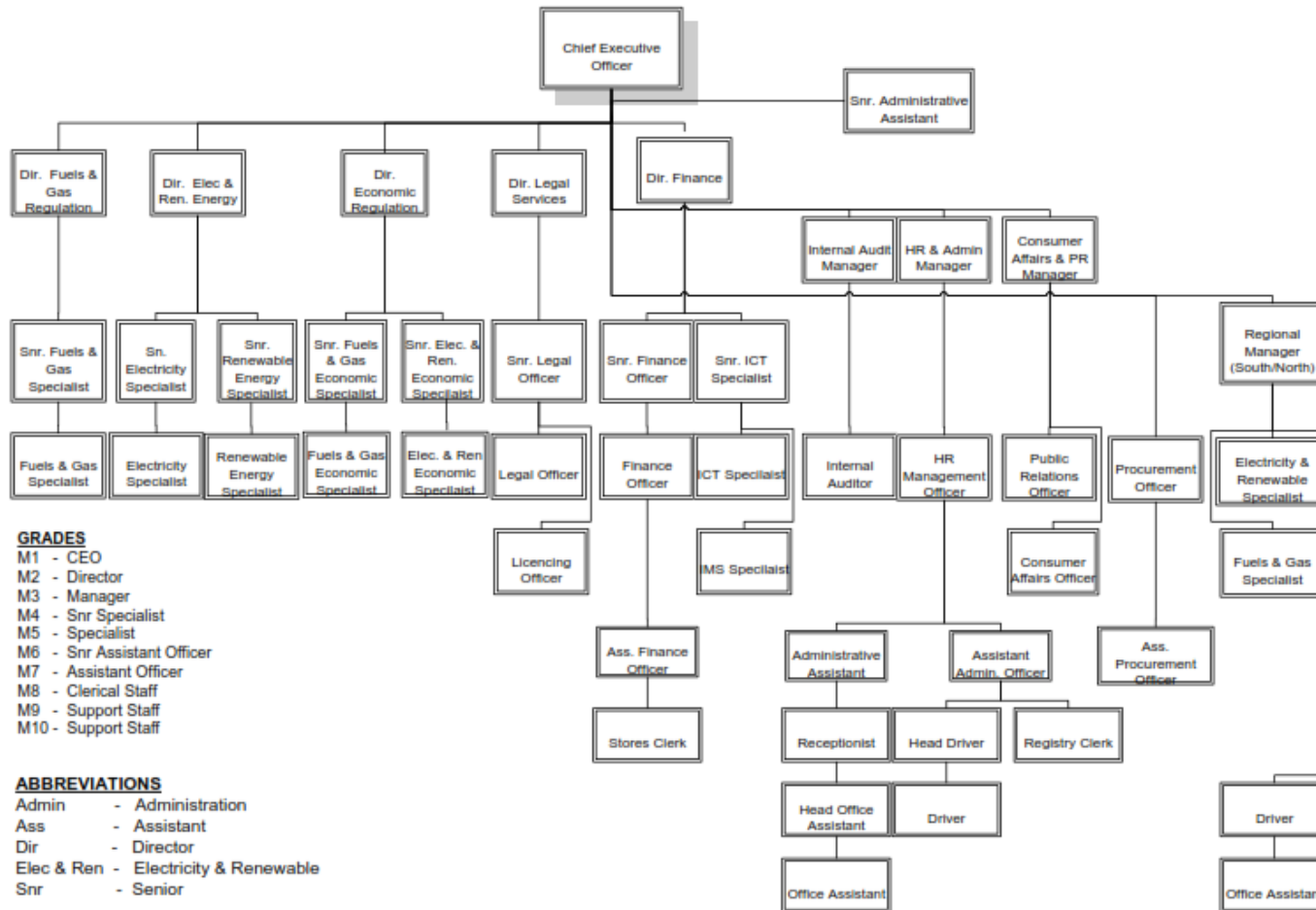
The Zimbabwe Energy Regulatory Authority (ZERA), like EWURA in Tanzania has multi-sectoral responsibilities. ZERA is responsible for the regulation of electricity, petroleum, and LPG. However, ZERA, unlike EWURA, does not have a hybrid organization, instead having opted for a pure functional organization with Technical, Consumer, Economic, and Commercial Departments. There are no departments at the sector level. As can be seen, though, there are electricity, petroleum, and LPG specialists in the Technical Services Department.

Support activities are organized as follows:

- The Internal Auditor, as was the case with EWURA, reports to the Board
- The Corporate Secretary/Legal Advisor is in a staff role to the CEO and may have a dual role, being Board Secretary, and providing legal services to the Authority
- Communications is a part of the Consumer Services Department
- Human Resources is a part of the Commercial Department (a support function)
- Accounting is also a part of the Commercial Department

7 OTHER ORGANIZATIONAL STRUCTURES – MALAWI³

NERA Organizational Chart



GRADES

- M1 - CEO
- M2 - Director
- M3 - Manager
- M4 - Snr Specialist
- M5 - Specialist
- M6 - Snr Assistant Officer
- M7 - Assistant Officer
- M8 - Clerical Staff
- M9 - Support Staff
- M10 - Support Staff

ABBREVIATIONS

- Admin - Administration
- Ass - Assistant
- Dir - Director
- Elec & Ren - Electricity & Renewable
- Snr - Senior

³ Source: <https://www.meramalawi.mw/index.php/about-us/mera-organogram>

The Malawi Energy Regulatory Authority (MERA) is also multi-sectoral in that it regulates electricity and liquid fuels.

MERA's organizational structure is, like EWURA's, a hybrid. There are line Departments for Fuels and Gas, as well as for Electricity. In addition, there are Departments for the cross-cutting functions of Economic Regulation, and also for Legal Services. Finally, there is a Finance Department that groups together the support functions that in some organizations might be called a Corporate Service Department, a Management Services Department, or an Administrative Services Department.

MERA's support activities are organized as follows:

- A Licensing Officer is a subordinate in the Legal Services Department
- ICT reports to the Director of the Finance Department
- Internal Audit is a separate support function, one level below the department level and reports directly to the CEO
- Similarly, Human Resources is a separate support function at the same level as Internal Audit and reports directly to the CEO
- There is a combined Consumer Affairs and Public Relations support function that reports directly to the CEO
- There is a Procurement Office that, while below the level of Internal Audit, Human Resources, and Consumer Affairs/Public Relations, reports directly to the CEO

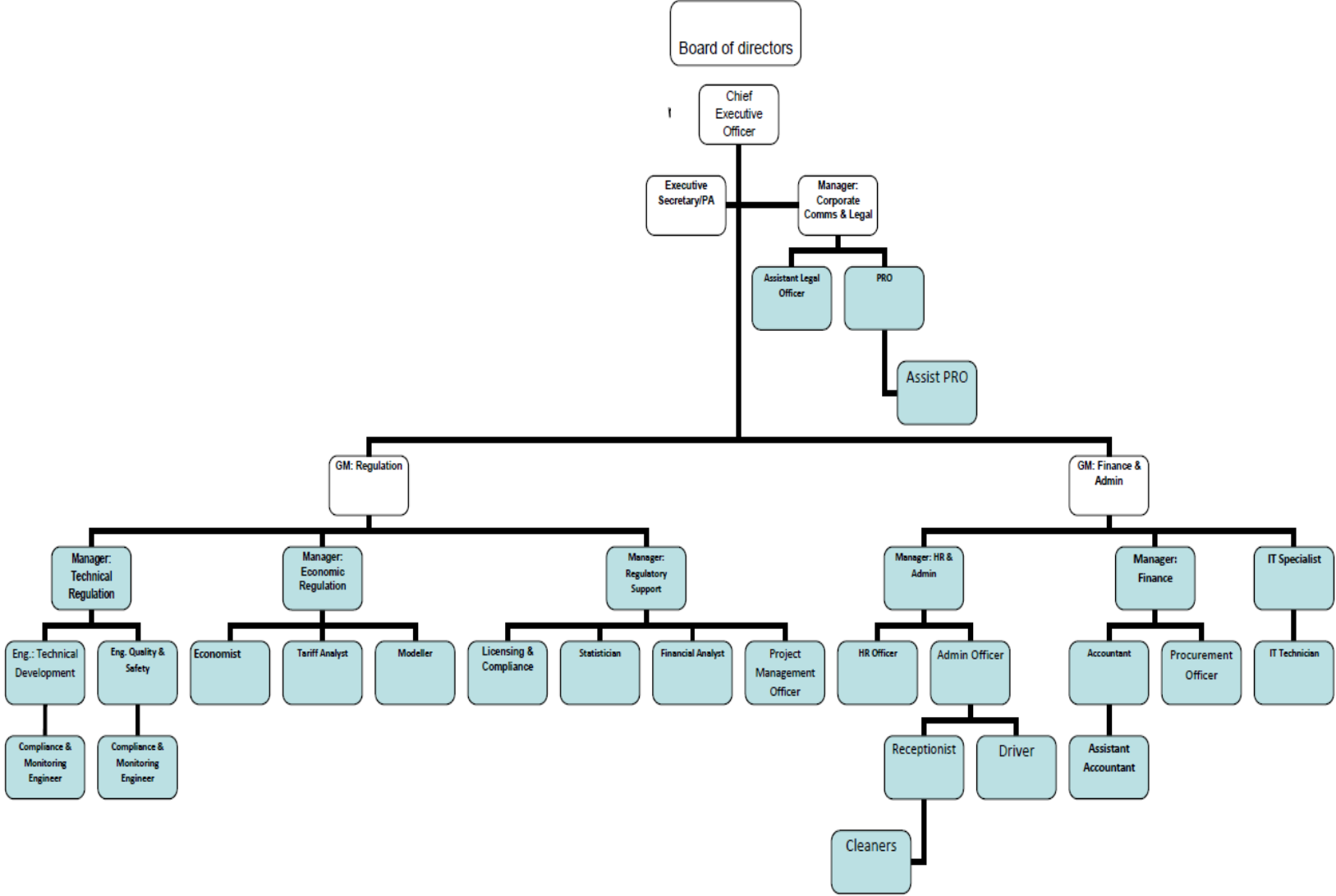
8 OTHER ORGANIZATIONAL STRUCTURES – NAMIBIA

Until recently, the Namibian Electricity Control Board was a single sector regulatory authority. Hence, the organizational structure had to be based around the functions being performed. (In Namibia, natural gas has recently been added to the ECB portfolio and the organization will be recast as the Namibian Energy Regulatory Authority. However, the ECB organogram is used here to provide another example of where support functions are placed, and to provide an example of a single sector regulatory authority organogram.)

The salient parts of the ECB organogram include:

- A Communications Office reports to the CEO in a staff role. This is presumably an office that handles both internal and external communications since there is a Public Relations officer in that Office as well
- The organization is (as befits a single sector authority) functional with a General Manager for Regulation and a General Manager for Finance and Administration
 - The General Manager for Regulation has reporting to him: Technical Regulation; Economic Regulation; Regulatory Support Services (that includes a Licensing Office)
 - The General Manager for Finance and Administration oversees: an HR and Administration Office; a Finance Office (that contains Procurement); the IT function

NAMIBIA ELECTRICITY CONTROL BOARD



9 COMMON ORGANIZATIONAL PRACTICES AND RECOMMENDATIONS

1. *There is no single “correct” way to organize.* As is seen in the examples given, the substantive organization can be done, by sector, by function, or by a combination of both. (Although, there are no examples above that are organized by sector only and based on SAEP’s experience, this type of organization by sector is rare.)

Insofar as support functions are concerned their organizational location, too, depends upon the philosophy of the CEO. That is, some CEOs are content to have a communications function in a Management Services Department, while others want to be more hands-on with internal and external communications and have them report directly to the CEO. Similarly, IT functions in many organizations were historically a part of a Management Services Department, but now due to the prevalence of IT in daily business functions and its essential role in an organization, IT may be a department in its own right reporting directly to the CEO, or a COO.

2. *It is clear that in single-sector regulatory authorities the functional organization is appropriate because the sector is the entire organization (Namibia).* Additionally, in multi-sectoral organizations, based on (anecdotal) evidence and experience regulatory authorities tend to organize around functions (Zimbabwe) or around sectors and functions in a hybrid arrangement (Tanzania and Malawi).
3. *Accordingly, SAEP recommends that since BERA already has a hybrid organizational structure, that it maintains that type of structure.* The hybrid structure would involve both sector departments that focus only on one sector and crosscutting departments that focus on all sectors.⁴

The Technical Regulation Department would largely be charged with three primary tasks: establishing technical guidelines; monitoring licensees for compliance with those guidelines and standards; special tasks that are highly technical or specialized. In the three sectors regulated by BERA – electricity, petroleum, and natural gas – there are idiosyncrasies in each of those sectors and special skill sets required, largely revolving around technical issues.

The Economic Regulation Department would be involved in the licensing of new entrants to the market, economic and financial analysis of individual firms and market conditions to detect changes in market structure, and analyses of the tariffs of the regulated entities. Economic regulation would be involved in all sectors since the types of activities involved apply to all of the sectors regulated and there is transferability of the skill set used in those activities between sectors. That is, the same approach used to set tariffs in the electricity sector is often used in natural gas local distribution pricing. Retail petroleum pricing is different in that it is usually tied to a benchmark of world oil prices. That said, this is not a difficult additional skill set for a Tariff Analyst to possess.

In addition to these departments the existing Human Resources/Administration, and Finance Departments are maintained. The existing Licensing and Legal Department is split with Licensing falling under Economic Regulation and Legal becoming a staff function reporting to executive

⁴ In a conversation with the BERA CEO in August, 2019, she indicated a preference for a Technical Regulation Department and an Economic Regulation Department. While not, strictly speaking, a hybrid organization it does fit with the general trend of regulatory authorities to organize around function, or have a hybrid organizational structure as indicated in Recommendation 2. The balance of this discussion is so organized.

management. The current Inspections Department largely becomes a part of Technical Regulation.

The recommended departments and a brief description of their duties are as follows:

- 3.1 Technical Regulation Department. This Department would be responsible for the following functions for electricity, petroleum, and natural gas:
- Establishment of technical guidelines
 - Final recommendations to the CEO on the technical aspects of Interconnection Agreements (electrical)
 - Inspection/monitoring of electrical and natural gas-related licensee activities to ensure compliance with guidelines. Since the Licensing Department (see below) is charged with issuing licenses, for check and balance purposes a separate department should be charged with monitoring the activity of licensees since a licensing department might have a disincentive to vigorously monitor an entity to which it had granted a license
 - Random sampling of petrol quality to ensure adherence to standards
 - Development, monitoring and enforcement of safety standards
 - All matters related to green energy. This emerging field is replete with technical considerations. The new Rooftop Solar Guidelines being developed by the ministry, for example, will require significant effort by BERA to effectuate their implementation. Similarly, the spread of mini-grids to electrify rural areas of Botswana will require a regulatory framework, a large part of which will be technical. Hence, SAEP believes at the outset that green energy should be a part of the Technical Regulation Department
- 3.2 Finance and Information Technology Department. This Department would be responsible for the following activities:
- Finance. The Finance Office would be responsible for all finance-related activities, including accounts payable; accounts receivable (such as penalties and regulatory assessments, should the latter come into being); and internal accounting
 - Information Technology. This, too, is a crosscutting function that could be in a staff role, reporting to the CEO (EWURA in Tanzania), a line role reporting to the CEO, or it could be a part of the Management/Corporate/Support Services Department, reporting to the Director of that Department

The main reason for having an IT Department in a line, as opposed to staff, role is to emphasize that its function is to support the other line departments in their activities, whether it be developing and maintaining an online licensing platform for license applicants, or automating records for each licensee. Hence, it is not recommended that the IT function be in a staff role to the CEO, as is the case in Tanzania

Whether or not it is a department unto itself depends upon the profile that the CEO wants to give to IT and/or whether the CEO believes that there are significant enough IT problems in the Authority to warrant having IT report directly to the CEO.

While this is ultimately a judgement call on the part of the CEO, SAEP believes that, given the span of control that the CEO would have over the proposed organization of BERA, we recommend that the IT Manager report to the Management Services Department. Its functions would generally include:

- Maintenance of all IT functions within BERA
- Prioritizing the development requests of the substantive and operational units within BERA.⁵

3.3 Human Resources and Administration Department. This office would carry out traditional HR activities as well as the typical administrative functions that any organization has. (This activity currently exists as a Department and has an incumbent in the position.)

3.4 Legal Services Department. The legal function would be separated from the licensing function. There is no reason for them to be in the same department. To the extent that the Licensing personnel ever needed legal advice on a particular issue (e.g., whether or not an entity had to be licensed) the Licensing personnel would simply consult with Legal staff members. Indeed, all departments would work in this manner if they required legal assistance

In short Legal is a crosscutting function that merits its own organizational location. And, the Legal function can either be a line or a staff role

The Zimbabwe organogram has the legal function in a staff role reporting to the CEO. It appears from the Zimbabwe organogram that the Legal Office may also perform the duties of a Board Secretary

Whether there is a Legal Office that reports in a staff capacity to the CEO or a Legal Department that is in a line role, there is no difference in the functions that the legal staff would perform. That said, SAEP recommends that the Legal function be housed in a Legal Department – not as staff to the CEO - to emphasize that it provides crosscutting legal services to the other line departments in BERA.⁶

3.5 Economic Regulation Department. This is another crosscutting function that regulatory authorities generally have as separate departments. BERA does not have such a department, but the BERA CEO suggested and SAEP concurs that one be established.

Setting rates (the term is used interchangeably with tariffs in this context) is done with the same basic methodology for electricity providers, natural gas distribution companies, water and wastewater utilities, irrigation systems, and telecommunications. The one exception in the case of BERA is that petroleum pricing (unregulated in many parts of the world) if regulated would be priced by being tied to the world price of oil in some manner. Hence in most cases, the knowledge required to set rates for one type of licensee are transferable to licensees in other sectors. Having Tariff Analysts in one section will provide some economies of scale over having them in each department.

To be sure, from time to time Tariff Analysts will have to consult with Electrical Engineers on a particular topic and vice versa. Indeed, when evaluating a rate change application from BPC, for example, that is typically done by setting up an ad hoc interdisciplinary team to evaluate the request. The team would typically be made up of

⁵ At the August Meeting the CEO agreed that it be a line function, but desired that it be placed within a Finance and IT Department, thus elevating its profile to some degree, but not making it an IT Department on its own. This is similar to the current organizational arrangement where there is an incumbent Finance Department Director that has an IT person reporting to it.

⁶ At the August meeting with BERA, the CEO opted to have Legal Services in a staff role reporting to Executive Management.

personnel from (in the case of a BPC rate application) BERA’s Technical Regulation Department; the Economic Regulation Department; Legal Services; Consumer Services. The Team “Leader” is designated by the CEO when the rate case begins, and the team disbands after the Board has made a decision on the application.

Generally, the functions of the Economic Regulation Department would be:

- Being a part of the team – if not the lead – on all rate cases
- Reviewing PPAs for reasonableness and to ensure that they are in the public interest
- Recommending changes in the market structure of one of the regulated sectors in Botswana

Licensing is also recommended to be included as a part of this Department. (It would be separated from what is now the Legal and Licensing Department. Licensing is the beginning of the regulatory life cycle. Licensing would be charged with deciding whether applicants for the various types of licenses required under the BERA Act are “fit and proper” entities to receive a license.

The Department would take applications and evaluate the managerial, financial, and technical ability of applicants. Sometimes this will mean interacting with specialists in the sector-specific departments. Licensing would also be responsible for the records repository. Since the Department has a record of all licensees in Botswana, it should also maintain a record of all actions taken against a particular licensee as well as changes in a licensee’s condition. It would also house the records that would be filed with BERA by BPC in its tariff change applications. It should over time automate these functions with the assistance of IT personnel and should also provide assistance to individuals that seek to examine publicly-available records. Hence its functions should be defined as:

- Taking license applications
- Examining license applications and making a recommendation as to whether license applicants are “fit and proper” entities to receive licenses
- Being the custodian of records on all licensees

- 3.6 Consumer Services. This is also a crosscutting function that would primarily take and resolve complaints from customers. In the vast majority of the cases being a Consumer Services Specialist does not require specific sector expertise; rather, it involves the ability to understand and solve problems. Hence, this Department would take complaints from consumers about petroleum, electricity, and natural gas issues. Periodically there might be a more technical issue (such as a complaint over an interconnection from a customer with rooftop solar) that would require some technical expertise. In those instances, Consumer Services personnel would seek the assistance of a technician in the Technical Regulation Department.

Over time as the sectors evolve, the Consumer Services Department will likely have to resolve disputes between licensees, that is it might have a dispute between an Independent Power Producer and BPC over interconnection arrangements. In the short term, the same approach would hold; the Consumer Services Specialist would seek assistance from in this case the Technical Regulation Department. In the longer term the skills of Consumer Services personnel might have to be upgraded, depending upon the volume of these types of complaints.

4. Other Organizational Issues

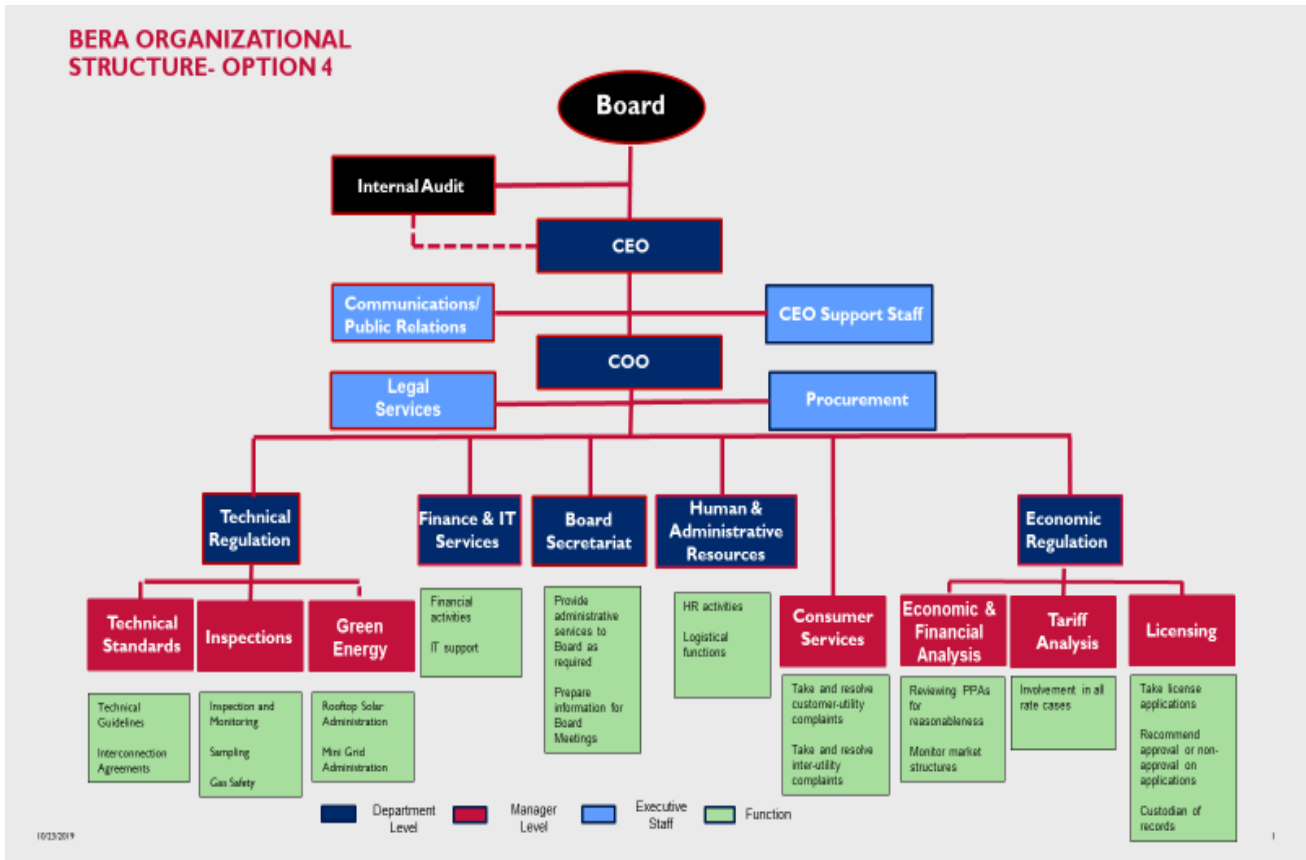
- 4.1 Procurement. The previous BERA Board and current CEO have asserted that procurement should be a separate activity from Finance (where it is presently located). In the absence of a line Corporate Services Department, SAEP recommends that Procurement be placed in a staff role. Also, due to the importance and sensitivity of the activity, it should report to Executive Management. (This is similar to the organizational arrangement in Malawi.)
- 4.2 Board Secretary. The Board Secretary, being an individual or individuals that support the Board, should report to the Board. This position works for the Board and that should be reflected in the organogram and in practice
- 4.3 Internal Audit. The Internal Audit function is one where the task is to ensure the Board that the systems of the organization are in place and working as expected. Hence, the position virtually always reports to the Board. (While there is in some organizations a “dotted line” relationship to the CEO – see the organograms for Zimbabwe and Tanzania - SAEP takes no position on this subject in the present recommendations.)
- 4.4 Inspections Department and Petroleum Department. SAEP’s observation is that much of the uncertainty among staff as to their duties, responsibilities, and even their supervisors are in these two departments. That observation is based not only on direct staff interviews, but also on an analysis of the organograms for both Departments. Finally, the fact that only 5 of 14 positions in the existing Petroleum Department and 5 of 17 in the Inspections Department are filled further bolsters that conclusion

5. Next Steps. The following are the recommended next steps in amending BERA’s organizational structure

- 5.1 Discussion with BERA management about the recommendations contained herein to ensure that executive management’s input has been accommodated.
- 5.2 Review with Executive Management of the Annex to this report wherein recommendations are made as to which currently vacant positions should be filled.⁷
- 5.3 A spreadsheet should then be created showing the existing positions that are currently filled and where they would be placed in the new organogram.
- 5.4 After reaching agreement on the overall organization, descriptions of both the functions of the department and the job descriptions of department heads should be developed. (SAEP can support, but not be the originator, this activity.)
- 5.5 For the Department Head positions that are vacant, after the above step has been completed, an open competition should be had from the personnel currently within BERA to determine who should fill those Department Head positions. To the extent that it is determined by the hiring authority that there is no qualified candidate within BERA to fill a department head position, an open recruitment process should take place to find a qualified outside candidate.
- 5.6 Once Department Head positions are filled, each Department Head should develop detailed position descriptions and begin a competitive hiring process for each position that would include existing BERA personnel.

⁷ This request was added by the CEO in the August 2019 meeting.

The new BERA Organogram would appear as follows down to the department level. Functions for each department are defined on the organogram, however the actual sub-departmental structure must wait for a decision on the macro-level organization.



APPENDIX A: EVALUATION OF CURRENT UNIFIED POSITIONS

Objective: At the request of the BERA Chief Executive Officer, SAEP has made preliminary recommendations as to which vacant positions should be filled, which positions should be considered priority.

These recommendations are not intended to be a substitute for the judgement of the Department Heads and Managers that will ultimately take responsibility for their organizational units, responsibilities, and personnel. Nevertheless, as of August, 2019, BERA had 43 of 91 positions filled, as indicated in the Table below.

Table 1: Authorized and Filled Positions August, 2019

Department	Current Establishment	Staff Complement
Office of CEO	13	9
Finance and Procurement	15	8
Human Resource and Administration	13	10
Electricity	12	3
Petroleum	14	5
Legal and Licensing	7	3
Inspections Supervision and Environmental Compliance	17	5
Total	91	43

Source: BERA Human Resources Department

It should also be noted that of the 43 positions filled, according to organograms supplied by BERA, 14 (including the CEO and COO positions) of the 43 filled positions are positions that perform the regulatory roles of BERA. The balance of the positions – 29 – are staff and support positions. The recommendations as to which positions should be filled are, to some degree, idiosyncratic and based upon the experience of the SAEP Team in managing regulatory authorities and in corporate governance. They were also guided by the seeming underrepresentation of regulatory personnel relative to support staff. And, as noted above, these recommendations are preliminary and should be supplemented by the “on-the-ground” knowledge of the supervisory personnel in BERA once appointed. Finally, this analysis, as requested by the CEO, evaluates only positions that are currently unfilled.

Structurally, this analysis will evaluate each current organizational unit as depicted on organograms provided by BERA, list the unfilled positions, make a “yes/no” recommendation on each unfilled position and make brief comments on the rationale for a “yes” or a “no” recommendation where warranted. The net effect of these recommendations is to fill 15 of the 48 unfilled positions. Thirteen of the 15 positions would be directly involved in regulating licensees. Additionally, the staff compliment of BERA would total 58, with 27 positions directly working with licensees and 31 in support roles. While it is acknowledged that this is not an optimal mix of personnel, further refinement would be best accomplished by the relevant Department Heads as they gain more experience in the regulation of licensees.

Table 2: Chief Executive Officer’s Office – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Strategy & Risk Manager	No	Not a significant issue in a CEO Office in a regulatory institution
Risk and Compliance Officer	No	Not a significant issue in a CEO Office in a regulatory institution
Marketing/Communications Manager	No	A Marketing Officer currently in staff. That position should be adequate, with other staff available, to manage external and internal communications

Table 3: Finance and Procurement Department – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Management Accountant	No	Position not generally found in regulatory authority
Financial Analyst	No	Would report to the Management Accountant and presumably have similar duties. Somewhat duplicative skill set to what is generally in Economic Regulation Department
Accountant	No	An Accounts Officer currently exists, that would be sufficient for an organization of BERA’s size
Supplies Assistant	No	Currently would report to Procurement Officer. No readily-apparent need established
Systems Administrator	Yes	IT function is increasingly core to BERA performing its duties

Table 4: Human Resources and Administration Department – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Human Resource and Administration Officer	No	Position seems unnecessary in light of: 1) Director of Human Resources; 2) Human Resources/Capital and Administration Manager; 3) Senior Human Resources and Administration Officer
Cleaner	Yes	If not outsourced to a service
Employee Wellness Officer	No	If one should exist, would likely be a central government function

Table 5: Electricity Department⁸ – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Director, Electricity	No	Under proposed reorganization position no longer exists. A Department Head for Economic Regulation would be required, however

⁸ Recommended to be included in Economic Regulation Department in new organizational structure.

Tariff Specialist/Tariff Analyst (3 positions)	Yes (3 positions)	This is one of the primary functions of BERA affecting significant numbers of people. (One of these three may be a Financial Analyst, depending upon the needs of the Department Head.)
Senior Market Analyst	Yes	Trends in the electricity and natural gas industries are evolving. Also, evidence of improper market practices in retail petroleum make this position warranted
Industry Analyst (3 positions)	Yes (2 positions)	For same reason as noted immediately above. Two are recommended: one for electricity/natural gas; one for petroleum. Two positions are considered sufficient due to the Senior Market Analyst position assumed to be a working position

Table 6: Legal and Licensing Department⁹ – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Director, Licensing and Legal	No	Position no longer exists in new organizational structure. However, Legal Officer would be required (one exists in existing staff). Licensing Manager recommended in new organization
Business Development Officer	No	A regulatory authority does not try to develop business
Business Development Assistant	No	Same reason as immediately above
Licensing Assistant	Yes	New Licensing Department will likely require more than the one-person handling licensing on existing staff

Table 7: Petroleum Department¹⁰ – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Director, Petroleum	No	Position no longer exists in new organizational structure
Market Research Manager/Commercial Manager	No	Would be duplicative of Industry Analysts in Economic Regulation Department. Also, a Senior Market Research Officer is on staff that would likely be merged into Economic Regulation

⁹ In recommended organization Legal and Licensing are separated.

¹⁰ In recommended organization Petroleum Department functions split between Technical and Economic Regulation Departments.

Market Research Officer	Yes	A front-line market analyst for petroleum sector would be advisable in new Economic regulation Department
Senior Petroleum Quality Inspector	No	Petroleum Quality Manager on staff. Four Petroleum Quality Inspector positions unfilled. This position seems unnecessary
Petroleum Quality Inspector (4 positions)	Yes (4 positions)	Important function for public confidence. These positions should be filled
Pricing Officer	No	Pricing would be handled by one of Tariff Analysts in Economic regulation Department

Table 8: Inspections, Supervision, and Environmental Compliance Department¹¹ – Unfilled Positions

Position	Recommendation	Rationale for Recommendation
Director, Inspections, Supervision, & Environmental Compliance	No	Position no longer exists in new organizational structure
Civil Engineer (Inspection & Supervision)	No	Position, along with all other Manager positions in this Department are unfilled. A Civil Engineer – Senior Civil Inspector currently on staff.
Assistant Civil Inspector	No	For same reason as stated immediately above
Electrical Engineer (Inspection & Supervision)	Yes	Electrical engineering inspections likely to increase with additional IPPs and Rooftop Solar
Electrical Engineer (Inspections) – Senior Electrical Engineer	Yes	For reason stated immediately above
Electrical Inspector	Yes	For reasons stated immediately above
Safety, Health and Environmental Compliance Specialist	No	A SHE Coordinator currently on staff. That position is sufficient to provide liaison with line ministries that manage environmental, safety, and health matters
SHE Compliance Assistant	No	For same reasons as stated immediately above

¹¹ Department would not exist under proposed BERA organization. As of August, 2019, this Department had 5 of 17 positions filled.

Mechanical Engineer (Inspection and Supervision)	No	A Senior Mechanical Inspector currently exists on staff. That position is sufficient to handle mechanical engineering issues
--	----	--