

**THE ENERGY AND WATER UTILITIES REGULATORY AUTHORITY  
(EWURA)**

**COMPLAINT NUMBER. PN.71/135/35**

**JOSIA SIMON FOR AND ON BEHALF OF RESIDENTS OF  
LONDONI VILLAGE.....COMPLAINANT**

**VERSUS**

**POWERGEN RENEWABLE ENERGY.....RESPONDENT**

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**SETTLEMENT AWARD**

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*(Made by the EWURA Board of Directors through its Circular Resolution No.5  
of 10<sup>th</sup> May, 2021)*

**1.0 Background Information:**

On 3<sup>rd</sup> March 2021, the Energy and Water Utilities Regulatory Authority ("the Authority") received a complaint from Mr. Josia Simon a Village Chairperson on behalf of Residents of Londoni village, Manyoni District in Singida Region ("the Complainant") against Power Gen Renewable Energy ("The Respondent"). The Complainant is complaining against poor quality of service to wit unreliable power supply and introduction of tariff bundles that expire even in the event a consumer has not utilized the bundle.

The Complainant states that in 2017, the Respondent approached Village leaders and introduced his intention of supplying renewable energy to residents of Londoni Village. The Residents agreed and a total of 208 residents were connected. The Complainant states further that Unit cost of electricity supplied was TZS 1125. The Complainant informed the Authority

that, in September 2020, the Respondent introduced new bundle payment system following Government directives of selling one unit of electricity at TZS 100 similar to TANESCO tariff to its customer category D1. The Complainant says that the Respondent introduced bundles that are sold to the tune of TZS 300, TZS, 500 and TZS 1000. The said bundles according to the Complainant have a fixed expiry time and if the purchased electricity is not consumed within the prescribed time, it just expires. The Complainant claims that these changes were also followed with unreliable power supply.

The Complainant filed this complaint praying for Orders that the Respondent be compelled to:

- a) provide service that reflects value for money;
- b) get reliable power supply for 24 hours;
- c) remove bundle system and introduce unit price; and
- d) Purchased bundle should match consumer usage.

Upon receipt of the complaint, on 2<sup>nd</sup> March 2021, the Authority wrote to the Respondent instructing them to present their defense to the complaint in terms of Rule 6 (1) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, GN No. 428/2020.

On 31<sup>st</sup> March 2021, the Respondent filed its defense and informed the Authority the following;

- (a) that the Respondent is a Private company that generates and supplies renewable energy (Solar power) in various party of the Country including Londoni village. The Respondent started generation and supply of power at Londoni village in March 2016 whereby a total of 136 customers were connected. In 2018, the Respondent has increased its generation activities and managed to connect a total of 208 customers.

(b) that in August 2020 the Respondent received a directive from EWURA to reduce tariff from TZS 1125 to TZS 100 per unit similar to TANESCO tariff category for D1 customers. The Respondent started implementing the directive and created three tariff bundles to its customers. The Respondent made efforts to communicate to its customers on the proposed changes of *modus operandi* and they both agreed to use bundles for purchasing electricity.

(c) The Respondent informed that, change in price unit has caused a negative effect on company revenue. That necessitates stoppage of use of generator as a booster of power supply and therefore the company rely on only solar for power generation of which is not sufficient as power demand is higher than supply.

Mediation meeting involving both parties was conducted on 22<sup>nd</sup> April 2021 at Londoni Village Manyoni Singida where the matter was settled on the following terms:

- a) parties to wait on Government directives on the Respondent's request to review electricity tariffs in line with the cost of service; and
- b) customers to continue purchasing bundles according to their preference between TZS 300, TZS 500 and or TZS 1000.

The agreed terms were reduced into writing as required by Rule 14 (4) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, GN. No 428/2020 and contained in the Settlement Form.

## **2.0 Decision**

The parties have reached an agreement and, pursuant to Rule 14 (5) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, GN. No 428 of 2020, the said agreement is registered as an award of the Authority. Each party shall bear its own costs.

**GIVEN UNDER THE SEAL** of the Energy and Water Utilities Regulatory  
Authority (EWURA) at Dodoma this 10<sup>th</sup> day of May, 2021.



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**KAPWETE LEAH JOHN**  
**SECRETARY TO THE BOARD**