

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

COMPLAINT NUMBER: QN.71/135/124

**ZAKAYO ISAIA KAAYA FOR AND ON
BEHALF OF RADIO KILI FM STEREO LIMITED..... COMPLAINANT**

VERSUS

TANZANIA ELECTRIC SUPPLY COMPANY LIMITED.....RESPONDENT

SETTLEMENT AWARD

*(Made by the EWURA Board of Directors through its Circular Resolution No. 8 of
22nd June, 2021)*

1.0 Background Information:

On 19th April 2021, Mr. Zakayo Isaia Kaaya of Soweto, Korongoni Ward, P. O. Box 6841 Moshi Municipality, in Kilimanjaro Region ("the Complainant") on behalf of Radio Kili FM Stereo Limited lodged a complaint at the Energy and Water Utilities Regulatory Authority ("EWURA") ("the Authority") against the Tanzania Electric Supply Company Limited, ("TANESCO") ("the Respondent"). The Complainant complains against fifty percent (50%) deductions done by the Respondent from his LUKU purchases in settlement of the alleged unpaid previous energy bills amounting to TZS 1,639,676.41.

The Complainant states that on 5th July 2018 the Respondent denied the Complainant access to purchase electricity tokens demanding payment of outstanding debt of TZS 1,639,676.41 being unpaid energy bills consumed in 2013. The Complainant further states that the said debt was fully paid on 5th July 2018 at TZS 845,194.05 after the Respondent waived interest of TZS

794,482.36. The Complainant informs that before the payment of the said debt he filled in a Form of Application for account incentive for payment of arrears and signed by both parties. The Complainant further informs that recently in April 2021 he failed to purchase electricity token whereas he visited the Respondent Offices and was informed he had outstanding debt on the use of conventional meter number 73058963 which was replaced by prepaid meter number 43135834646 on 4th September 2013. The Complainant states that on 12th April 2021 he wrote to the Respondent seeking clarifications about the fifty percent (50%) deductions from his LUKU purchases and the debt. The Complainant informs that the Respondent replied his letter on 14th April 2021 but he was not satisfied with the explanations about the debt.

Consequently, the Complainant filed a complaint with the Authority praying for orders that the Respondent be compelled to:

- i) refund all the monies deducted from the fifty percent (50%) of the LUKU purchases;
- ii) pay compensation TZS 2,000,000.00 for disturbances caused; and
- iii) apologize in writing

After receipt of the complaint, on 20th April 2021 the Authority ordered the Respondent to submit their defense to the complaint within twenty-one (21) days as required by the Energy and Water Utilities Regulatory Authority (Consumer Complaints Handling Procedures), Rules, G.N. Number 428/2020.

On 25th May 2021, the Respondent filed its defense and stated that the Complainant has a debt amounting to TZS 1,639,676.41 being outstanding debt on the use of conventional meter number 7305896 in 2013. The Respondent further stated that breakdown of the debt was TZS 845,194.05 as principal and TZS 794,482.36 interest. The Respondent acknowledged that under the special incentive scheme the Complainant paid the principal debt TZS 845,194.05 and they were supposed to eliminate interest TZS 794,482.36

in his account. The Respondent further stated that they have deducted TZS 650,000 as debt recovery through the Complainant's LUKU purchases and remained debt was TZS 144,482.36. The Respondent explained that they have adjusted the Complainant's account hence waived the remained debt of TZS 144,482.36 and they shall refund electricity token 1,824.61 worth TZS 650,000. Finally, the Respondent declared that the Complainant has settled his debt fully hence and urged him to waive his complaints against them.

Mediation meeting involving both parties was conducted on 2nd June, 2021 at Immigration Regional Training Academy conference room in Moshi, Kilimanjaro Region. During the mediation meeting, the Respondent informed Parties that they have waived with immediate effect the fifty percent (50%) deductions in Complainant's prepaid meter (LUKU) and reconciled the alleged debt. Additionally, the Respondent informed Parties that the actual outstanding debt for Complainant was TZS 1,639,676.41 and verified that the Complainant had paid his debt fully at TZS 845,194.05 on 5th July 2018 in agreement to waive the interest TZS 794,482.36. At the conclusion of the mediation, the matter was settled on the following terms:

- (a) that the Respondent shall refund the Complainant the amount incorrectly deducted of TZS 650,000 by way of electricity token 1,824.61kWh on or before 11th June 2021;
- (b) that the Respondent shall issue debt clearance letter to the Complainant; and
- (c) that the Complainant shall waive all other demands contained in his Complaint Form.

The agreed terms were reduced into writing as required by Rule 14 (4) of the EWURA (Complaints Handling Procedure) Rules, G. N. 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, G.N. 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 22nd day of June, 2021.



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GERMANA QORRO

For: **SECRETARY OF THE BOARD**

**MAMLAKA YA UDHIBITI WA HUDUMA ZA NISHATI NA MAJI
(EWURA)**

MALALAMIKO NAMBA. QN.71/135/124

BAINA YA

**ZAKAYO ISAIA KAAYA KWA NIABA YA MLALAMIKAJI
RADIO KILI FM STEREO LIMITED**

NA

SHIRIKA LA UGAVI WA UMEME NCHINI (TANESCO).....MLALAMIKIWA

TUZO YA MAKUBALIANO

***(Imetolewa na Bodi ya Wakurugenzi ya EWURA kupitia Waraka wake
namba 8 wa tarehe 22 Juni, 2021)***

1.0 Maelezo ya Awali:

Mnamo tarehe 19 Aprili, 2021, Mamlaka ya Udhibiti wa Huduma za Nishati na Maji "EWURA" ("Mamlaka") ilipokea malalamiko kutoka kwa Bw. Zakayo Isaia Kaaya wa Soweto, Kata ya Korongoni S. L. P 6841, Manispaa ya Moshi, Kilimanjaro akilalamikia Shirika la Ugavi wa Umeme Nchini ("TANESCO") (Mlalamikiwa). Mlalamikaji amelalamikia makato ya asilimia hamisini (50%) kwenye manunuzi ya umeme wa LUKU ambapo Mlalamikiwa amedai makato hayo ni malipo ya deni la ankara za matumizi ya umeme ambazo hazikulipwa.

Mlalamikaji ameeleza kwamba mnamo tarehe 5 Julai 2018 alishindwa kununua umeme na alipowasiliana na Mlalamikiwa ili kupata ufumbuzi alijulishwa kuwa ana deni la mwaka 2013 kiasi cha TZS 1,639,676.41 ikiwa ni matumizi ya mita yake ya zamani. Mlalamikaji ameeleza kwamba Mlalamikiwa alimfahamisha deni halisi lilikua TZS 845,194.05 na riba TZS

Makubaliano haya yamefupishwa kimaandishi kama inavyoainishwa kwenye kifungu cha 14(4) cha Kanuni za Taratibu za Kutatua Migogoro namba 428/2020 na kama inavyoainishwa kwenye fomu ya makubaliano.

2.0 Makubaliano

Pande zote mbili zimefikia muafaka na kwa mujibu wa kifungu cha 14(5) cha Kanuni za Taratibu za Kutatua Migogoro namba 428/2020, makubaliano haya yameandikishwa kama Tuzo ya Mamlaka. Kila upande utabeba gharama zake katika shauri hili.

IMETOLEWA NA LAKIRI ya Mamlaka ya Udhibiti wa Huduma za Nishati na Maji (EWURA) Dodoma tarehe 22 June, 2021.



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GERMANA QORRO
Kny: **KATIBU WA BODI**