

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

COMPLAINT NUMBER: EWURA/33/1/465

BETWEEN

CHANDULAL RAMJI COMPLAINANT

AND

TANZANIA ELECTRIC SUPPLY

COMPANY LIMITED..... RESPONDENT

AWARD

*(Made by the Board of Directors of EWURA at its 170th Extra-Ordinary Meeting
held at Dar es Salaam on the 7th day of June 2017)*

1.0 Background Information

On 9th February 2017, Mr. Chandulal Ramji of Upanga, Dar es Salaam, ("the Complainant") lodged a complaint at the Energy and Water Utilities Regulatory Authority ("EWURA") ("the Authority") against the Tanzania Electric Supply Company Limited, ("TANESCO") ("the Respondent") disputing a supplementary bill of TZS 2,855,813.58 raised by the Respondent. As per the Complainant, the basis of the complaint lies on allegation of defective meter and that power was not purchased on some of the months and therefore a revenue loss was calculated and credited in the Complainant account without prior explanation and justification. The Complainant claims that as a businessman, without a family used to travel frequently outside the country and during those away periods there was no need to purchase power. The Complainant claims further that the Respondent forcefully collected the supplementary bill through an automatic deductions from his account of 50% of any purchase of electricity made.

The Complainant decided to file a complaint with the Authority requesting the Authority to order the Respondent to halt the 50% automatic deduction of the purchase price of electricity every time they purchase electricity and that the Respondent should refund the Complainant, all the deducted amount so far made.

After receipt of the complaint, 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, GN Number 10/2013.

On 24th February, 2017, the Respondent wrote to the Authority acknowledging the Complainant as their rightful customer with three phase meter number 04140679764 and customer reference number BA022898 located at Upanga area in Dar es Salaam city. The Respondent claimed that during routine meter inspection which was done on 6th October, 2016 the Complainant three phase meter number 04140679764 was found defective. The Respondent claimed further that the Complainant defective meter had only phase number two working while phase number one and three were not recording the actual power consumed. The Respondent stated that for the period of 17 months from May 2015 to September 2016 the Complainant purchased power four times only (July 2015, December 2015, May 2016 and August 2016) leaving the rest of the months with zero purchases. The Respondent stated further that an audit was conducted on the Complainant electrical appliances and found to have a total capacity of 8.3 kWh and using the load factor of 0.1 gives an average monthly consumption of 597.6 kWh. The average monthly consumption was used to compute the recovery revenue loss that was found to be TZS 2,855,813.58. The Respondent prayed for the following orders:

- (a) that the complaint be dismissed in its entirety with cost;
- (b) that the Complainant be ordered to pay the revenue loss of TZS 2,855,813.58; and
- (c) any other remedy that the Authority deems fit to grant.

Series of mediation meetings involving both parties were conducted on 14th March 2017, 20th March 2017, 12th April 2017 and 28th April 2017 at EWURA Offices in Dar es Salaam. During these mediation meetings it was unanimously agreed to use an average monthly consumption from the period when the meter was working properly instead of using computed load derived from electrical appliances found at the Complainant premises. The matter was settled and the parties agreed on the following:

- (a) that the gross supplementary bill stands at TZS 1,140,427.70 instead of TZS 2,855,813.58;
- (b) that the Complainant shall pay the Respondent TZS 1,140,427.70 minus the amount so far deducted in his account when purchasing LUKU token; and
- (c) that the amount to be paid as computed in (b) above shall be paid in installments of TZS 100,000.00 on monthly basis from the date when the Respondent submits the outstanding bill to the Complainant.

The agreed points were reduced into writing as required by Rule 13 (4) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, GN. No 10/2013 and contained in the Settlement Form.

2.0 **Decision**

The parties have reached an agreement and, pursuant to Rule 13 (4) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, GN. No 10 of 2013, the said agreement is registered as an Award of the Authority. Each party shall bear its own costs.

GIVEN UNDER SEAL of the Energy and Water Utilities Regulatory Authority (EWURA) in Dar es Salaam this 7th day of June 2017.



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EDWIN KIDIFFU

SECRETARY TO THE BOARD