

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

COMPLAINT NUMBER: EWURA/33/1/442

BETWEEN

CHICO COMPANY LTD..... COMPLAINANT

AND

TANZANIA ELECTRIC SUPPLY

COMPANY LIMITED RESPONDENT

AWARD

*(Made by the Legal and Corporate Affairs Committee of the Board of
Directors of EWURA at its 73rd Meeting held at Dar es Salaam on the 2nd
day of March 2017)*

1.0 Background Information

On 11th November 2016, Mr. Songtao Shen representing Chico Company Ltd of P. O. Box 75026 Kihanga Village, Karagwe, Kagera Region, ("the Complainant") lodged a complaint at EWURA against the Tanzania Electric Supply Company Limited, ("TANESCO") ("the Respondent") for being forced to pay the sum of TZS 169,815,871.12 as charges for loss of energy caused by the Complainant's three faulty meters at their premises. The Complainant reported that it is the responsibility of the Respondent to take care of the meters and make sure that the meters function properly hence any energy loss should be the Respondent's liability and the Complainant should not be forced to pay additional costs incurred through any faulty meters.

After the receipt of the complaint, the Authority ordered the Respondent to submit a defense to the complaint within twenty one [21] days as required by the EWURA (Consumer Complaints Handling Procedures) Rules, GN

10/2013. On 6th December, 2016, the Respondent informed the Authority the following:

- (a) that the Respondent has a contractual relationship with the Complainant for the supply of postpaid electricity services under the name Chico Company Ltd and not Chico Kyaka Bugene Roadworks;
- (b) that the bill for the sum of TZS 169,815,871.12 is due to the Complainant being under billed and payment arrears. However, the Respondent strongly disputes the rest of the Complainant's claims and states that the burden of proof lies on the Complainant to prove the claims;
- (c) that the Respondent conducted an inspection exercise at the Complainant's premises in the presence of the Complainant whereby it was discovered that the Complainant's load capacity did not reflect the amount billed by the Respondent;
- (d) that the Complainant is aware of how the disputed amount came about as the Complainant had been involved in the revenue recovery calculations ; and
- (e) that the Complainant after being served with a 48 hours' notice for power disconnection on 19th October, 2016 due to unpaid bill, devised a payment schedule of which only one installment has been paid and the rest of the payments remain outstanding.

A Mediation meeting scheduled on 4th & 5th January, 2017 was held at Novert Hotel in Karagwe and the parties noted that the Complainant's official name is Chico Company Ltd as it appears in the Respondent's records. The parties also acknowledges on the need for the Respondent's inspection procedure used to inspect the meters at the Complainant's premises be done in accordance to the law. At the end the parties agreed on the following:

- (a) that the Respondent shall adjust the Complainant's supplementary bill from TZS 169,815,871.12 to TZS 75,481,293.83;

- (b) that the Respondent shall waive the accrued interest on the supplementary bill. However, interest shall begin to accrue where payment is delayed for one month 5th January 2017;
- (c) that the Respondent shall inspect the Complainant's meters every year as provided for by the law;
- (d) that the Respondent and Complainant shall reconcile all the bills in order to ascertain the actual amount to be paid by the Complainant; and
- (e) that the Complainant shall write a letter to the Respondent stating all issues that need the Respondent's clarification and the Respondent shall reply by way of a letter. All letters shall be copied to EWURA.

The above points of agreement were reduced into writing as required by Rule 13 (4) of the EWURA (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 2nd day of March 2017.



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FELIX NGAMLAGOSI
DIRECTOR GENERAL