

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

COMPLAINT NUMBER: EWURA/33/1/428

BETWEEN

**ADVOCATE LUPYANA N. MASSAWA ON BEHALF OF
M/S INTERTRADE LTD..... COMPLAINANT**

VERSUS

**TANZANIA ELECTRIC SUPPLY
COMPANY LIMITED RESPONDENT**

AWARD

*(Made by the Board of Directors of EWURA at its 122nd Ordinary Meeting
held at Dar es Salaam on the 15th day of September 2017)*

1.0 Background Information

On 22nd March 2017, Advocate Lupyana N. Massawa on behalf of M/s Intertrade Ltd ("the Complainant") of SIDO Industrial Area, Kibwabwa in Iringa Municipality, 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 is disputing the supplementary electricity bill raised by the Respondent as a result of an error in the meter observed during meter audit exercise.

The Complainant stated that they are the customer of the Respondent with meter number 209420816. The Complainant claims that on 30th June 2012, the Respondent conducted an audit exercise at his premises and claimed that his meter was found under reading by -30.22% for both kWh and kVA. The Complainant further stated that on 23rd June 2015, three years after the audit exercise, the Respondent served them with the supplementary

electricity bill of TZS 14, 972,955.08. The bill was said to be revenue recovery inclusive of VAT as well as REA and regulatory levies on percentage errors of -30.22% for both kWh and kVA from November, 2011 to June 2012. The Complainant disputed the supplementary electricity bill on the grounds that the sale of products produced at the particular time was based on cost of production by then, and he was misled by the Respondent to wrongly calculate the price of products sold. The Complainant insisted that they are the Respondent's customers who always pay bills on time even though such bills, have been in sometimes unreasonably high and that the error observed in the meter was not his fault. The Complainant further stated that the bills paid during the alleged period were comparatively higher than those paid before and after the alleged period (after inspection) which logically imply that if there was any fault in the meter, it has negatively affected him and not the Respondent.

The Complainant sought the following orders:

- (a) that the supplementary electricity bill be declared unjustifiable;
- (b) that they be compensated TZS 5,000,000 for damages suffered;
- (c) that the Complainant be awarded cost of the complaint; and
- (d) that the Complainant be granted any other relief that the Authority may deem appropriate.

Upon receipt of the complaint, on 27th March 2017, the Authority ordered the Respondent to submit its 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 10th April 2017, the Respondent submitted its defence and stated that on 30th June, 2012 four auditors from its Head Office conducted a site meter audit to the Complainant meter number 209420816, at Kibwabwa area in Iringa Municipality. The Respondent states that during inspection it was found out that there was an open circuit on the current circuit for the yellow phase due to a loose connection at TTB which caused the meter to have an error of -30.22%. The problem was rectified on the same day after informing the Complainant who agreed and signed the TANESCO Electricity Meter Audit Test Certificate. The Respondent claims

that the revenue recovery of TZS 14,972,955.08 for the period from November, 2011 to June 2012 was calculated and submitted to the Complainant. Furthermore, the Respondent states that on 23rd June 2015, the letter was issued to the Complainant reminding him to pay TZS 14,972,955.08 which he didn't respond. The Respondent claims that a seven days power disconnection notice was issued on 9th March 2017 to remind the Complainant to pay the said amount failure of which power would be disconnected from the Complainant's premises.

The mediation meeting involving both parties was held on 16th and 17th May 2017 at Lutheran Center Conference Room, Iringa Municipality. During the meeting, the Respondent acknowledged and apologized for poor communication and wrong debit submitted to the Complainant. The parties settled the matter on the following terms:

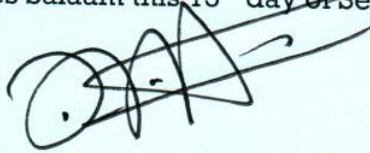
- (a) that the actual supplementary bill shall not exceed TZS 3,000,000;
- (b) the Respondent shall calculate the actual supplementary bill and submit the same to the Complainant on or before Friday 26th May 2017;
- (c) the Complainant shall pay the submitted supplementary bill within 21 days from the date of receipt; and
- (d) the Complainant shall withdraw all other claims.

The agreed terms were reduced into writing as required by Rule 13 (4) of the Energy and Water Utilities Regulatory Authority (Consumer Complaints Settlement 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 (Consumer Complaints Settlement 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 15th day of September 2017.



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ENG. GODWIN SAMWEL
DIRECTOR GENERAL

