

THE ENERGY AND WATER UTILITIES REGULATORY AUTHORITY

COMPLAINT NUMBER EWURA/33/1/88

BETWEEN

LAKE OIL LIMITED COMPLAINANT

VERSUS

TANZANIA ELECTRIC COMPANY LIMITED RESPONDENT

AWARD

**(Made by the Board of Directors of EWURA at its 88th Extra- Ordinary
Meeting held at Dar es Salaam on 19th December 2011)**

1.0 Background Information

On 8th June 2011, M/S Lake Oil Ltd ("the Complainant") lodged a complaint to EWURA against the Tanzania Electric Supply Company Limited - TANESCO ("the Respondent") for being denied power on the basis of vandalism of the infrastructures done by the previous owner. The Complainant is disputing the Respondent's claims that he should replace the vandalized 500KVA transformer and the metering system before power is restored. On the other hand, the Respondent claims that he was not informed of the transfer of ownership from the previous landlord to the Complainant. The Respondent further claims that no power will be connected to Plot No. 49 Block B, Mikocheni Industrial Area, Dar es Salaam unless the facilities of the same capacity are replaced.

On 16th June 2011, EWURA wrote to the Respondent requesting a report on how it has dealt with the matter, which report was supposed to be

submitted by 30th June 2011. On 18th July 2011, a reminder letter was written to the Respondent with a response deadline of 28th July 2011. On 19th July 2011, the Respondent replied and claimed that an invoice for power installation was served to the Complainant and power will be restored after payment has been effected. On 26th July 2011, a letter was sent to the Complainant requesting a reply on the Respondent's raised argument. On 9th August 2011, the Complainant responded by holding that the liability for the vandalized transformer does not lie on him but to the previous owner. Further efforts were made by the Complaint Unit and a mediation session was scheduled to take place on 22nd September 2011.

During a mediation session held on 22nd September 2011 involving the parties and EWURA, a settlement was reached whereby:

- (a) the Complainant agreed to pay the Respondent the sum of TZS 6,807,156.00 which amount has been paid through Cheque No. 199155 with a respective receipt number 302224361 dated 20th September 2011, to cover the cost of installation and vandalized infrastructure;
- (b) the Complainant agreed to contribute 12.5% of the cost of the vandalized transformer which was paid through cheque No. 199156 with a respective receipt No. 30224357 dated 20th September 2011; and
- (c) the Respondent agreed to connect power to the Complainant's premises after the payments in (a) and (b) has been effected. The Complainant may change the account name pursuant to the existing laws and procedures.

The points of agreement were provided in writing as required by Rule 5 (6) of the EWURA (Complaints Handling Procedure) Rules, GN. No 30/2008 and are contained in the attached Settlement Form.

2.0 **Decision**

The parties have reached an agreement and by virtue of Rule 5 (6) of the EWURA (Complaints Handling Procedure) Rules, GN. No 30/2008, the Authority hereby registers the agreement contained in the Settlement Form attached hereto as the Award of the Authority.

Each party shall bear its own costs in pursuing this matter.

GIVEN UNDER SEAL of the Energy and Water Utilities Regulatory Authority (EWURA) at Dar es Salaam this 19th day of December 2011.



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Mr. Haruna Masebu
(Director General)