

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

COMPLAINT NUMBER: GA.71/135/131

BETWEEN

TANGANYIKA INSTANT COFFEE

COMPANY LIMITED 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 77th Meeting held at Dar es Salaam on the 23rd day of August
2017)*

1.0 Background Information

On 15th June 2017, Tanganyika Instant Coffee Co. Ltd ("TANICA") represented by Eng. Leonidas Tshansha of Custom Road, P.O. Box 410, Bukoba, ("the Complainant"), lodged a complaint at EWURA against the Tanzania Electric Supply Company Limited, ("TANESCO") ("the Respondent") demanding a refund of TZS 22,235,812.00 being charges for purchase and installation of a new transformer of 315 KVA. The Complainant claimed that in 2016 they constructed a drinking bottled water plant which required a stepdown transformer for electricity supply and which the Respondent was unable to supply. Following the failure by the Respondent to supply such transformer the Complainant was advised to purchase the same. After being advised by the Respondent the Complainant purchased the said transformer and the Respondent constructed and installed the same at the Complainant's costs.

After receipt of the complaint, the Authority ordered the Respondent to submit its defense to the complaint within twenty one [21] days as required by the EWURA (Consumer Complaints Handling Procedures) Rules, GN 10/2013. On 5th July 2017, the Respondent submitted its defence and stated the following:

- (a) that the Complainant is indeed their longtime customer even before the installation of the drinking bottled water plant. The Complainant was supplied with electricity using Respondent's electrical infrastructure that also supplied electricity to other customers in the area;
- (b) that it is true the Complainant requested for a new transformer for the drinking bottled water plant. However the Respondent informed the Complainant that there is no need since the one in the area is capable of supplying electricity to Complainant's drinking bottled water plant;
- (c) that the Complainant insisted in having another transformer that will supply power only in their drinking bottled water plant. The Respondent advised the Complainant to purchase the transformer and gave quotation for the construction and instalment of a new transformer at the Complainant's costs;
- (d) that after the Complainant had purchased a transformer and paid the construction and installation costs, the Respondent constructed and installed a new transformer at Complainant's drinking bottled water plant as required; and
- (e) that there was no agreement between the parties that the transformer and installation costs incurred by the Complainant will be refunded by the Respondent.

A mediation meeting scheduled on 21st July 2017 was held at Bukoba and the parties agreed on the following:

- (a) that the Respondent shall refund the sum of TZS 17,431,197.60 to the Complainant being charges for purchasing a transformer, exclusive of VAT;
- (b) that the refund in (a) above shall be by way of deducting from Complainant's monthly electricity bills for the period of eighteen months (18) starting from the bill of August 2017; and
- (c) that the installation costs of TZS 6,414,258.00 shall not be refunded by the Respondent.

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.

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 23rd day of August, 2017.


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EDWIN KIDIFFU
SECRETARY TO THE BOARD