

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

COMPLAINT NUMBER: QN.71/135/108

DR RICHARD JOHN SALLAHO COMPLAINANT

VERSUS

TANZANIA ELECTRIC SUPPLY

COMPANY LIMITED (TANESCO) RESPONDENT

SETTLEMENT AWARD

*(Made by the Board of Directors of EWURA through its Circular Resolution No.19
of the 23rd day of December, 2020)*

1.0 Background Information

On 7th September, 2020 Dr. Richard John Sallaho of Majengo Street, Elerai Ward in Urban Arusha District, Arusha Region ("the Complainant") lodged a complaint at the Energy and Water Utilities Regulatory Authority ("EWURA") ("the Authority") against Tanzania Electric Supply Company Limited, ("TANESCO") ("the Respondent") protesting the Respondent act of deducting fifty percent (50%) of purchased electricity token since 2017 for satisfaction of an unjustified debt.

The Complainant claims that he terminated services with the Respondent in July 2000 in the rented house then the house was demolished and he relocated within the same neighborhood. The Complainant states that the Respondent in May 2017 transferred an unknown debt of TZS 4,677,769.09 to his prepaid meter (LUKU) number 24214479883. The Complainant further claims that in 2017 he reported the matter to the Respondent whereas

discussions on the matter continued up to 1st November 2018 where the deductions were suspended. The Complainant informs that thereafter the Respondent directed him to submit request letter for elimination of the debt for conclusion of the matter. The Complainant further informs that the said letter was submitted to the Respondent on 2nd November 2018. The Complainant states that surprisingly the fifty percent (50%) deductions resumed on 8th March 2020 whereas he contacted the Respondent and was informed the alleged debt was not eliminated. The Complainant further states that in May 2020 the Respondent demanded him to submit another letter on the matter and the letter was submitted on 19th May 2020. Further the Complainant explains that he made several personal visits to the Respondent's Regional Office in Arusha trying to resolve the matter but was not satisfied with the Respondent's action. Consequently, the Complainant prayed for orders that the Respondent be compelled to waive the debt; refund him the monies deducted from the fifty percent (50%) of the LUKU purchases and pay compensation for disturbances caused.

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, G.N. Number 428/2020.

On 30th September, 2020, the Respondent submitted its defense and informed the Authority that the Complainant is their customer with pre-paid meter number 24214479883 and acknowledges that the Complainant terminated the services in July 2000. The Respondent stated that the Complainant had an outstanding debt of TZS 529,098 while terminating service in July 2000 and it generated an interest of TZS 4,138,671.09 up to November 2013 made total debt TZS 4,667,769.09. The Respondent stated that the outstanding debt obtains from final readings in the changed meter. The Respondent further stated that the Complainant had paid TZS 881,822.80 of the alleged debt for the period from May 2017 to September 2020. The Respondent informed the Authority further that the Complainant's remaining debt was transferred to his prepaid meter on 5th August 2020. Additionally,

the Respondent further submitted record of the Complainant's debt history for the period from April 1999 to November 2013.

Mediation meetings involving both parties were conducted on 7th and 26th October 2020; 3rd and 24th November 2020 and 4th December 2020 at EWURA Northern Zone, Offices, Arusha Region. During the Mediation meetings, the Respondent confirmed that the Complainant has already paid a total of TZS 916,322.80 up to 23rd October 2020 through fifty percent deductions on purchases of LUKU. Additionally, the Respondent further confirmed that they suspended the fifty percent (50%) deductions in complainant's meter on 24th October 2020. At the conclusion of the mediation, the matter was settled on the following terms:

- (a) that the Respondent agreed and charged the Complainant only the actual outstanding debt of TZS 529,098;
- (b) that the Respondent shall refund the Complainant the additional amount deducted of TZS 387,224.80 by way of electricity token 1,089.98 kWh within 30 days from date of this Settlement; and
- (c) that the Complainant shall waive all demands contained in his Complaint Form.

The agreed terms were reduced into writing as required by Rule 14 (4) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, G.N. No. 428/2020 and contained in the Settlement Form.

2.0 Decision

The parties have reached an agreement and, pursuant to Rule 14 (5) of the Energy and Water Utilities Regulatory Authority (Complaints Handling Procedure) Rules, G.N. No. 428 of 2020, the said agreement is registered as an Award of the Authority. Each party shall bear its own costs.

GIVEN UNDER THE SEAL of the Energy and Water Utilities Regulatory Authority (EWURA) at Dodoma this 23rd day of December, 2020.



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KAPWETE LEAH JOHN
SECRETARY TO THE BOARD

