

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

COMPLAINT NUMBER: QN.71/135/98

**HUMPREY M. MANDARA ON BEHALF OF
STEMA GIFT SHOP AND STATIONERYCOMPLAINANT**

VERSUS

TANZANIA ELECTRIC SUPPLY COMPANY LIMITED..... RESPONDENT

SETTLEMENT AWARD

(Made by the Board's Legal and Corporate Affairs Committee through its meeting held at Dar es Salaam and Dodoma on the 14th day of August, 2020)

1.0 Background Information:

On 26th June, 2020 Mr. Humphrey Melkizedeck Mandara being the land lord and owner of premises on behalf of Stema Gift Shop and Stationery, P. O. Box 1014, YWCA Building, Boma Road in Mawenzi Ward in Moshi Municipality, Kilimanjaro 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"). The Complainant is complaining against the Respondent's act of deducting fifty percent (50%) of the value of electricity purchase transactions since May 2020 for his prepaid meter (LUKU) with number 24218573327.

The Complainant states that the Respondent informed him that the deductions are in respect of the debt of TZS 827,856.28 for the use of

electricity in 2009. The Complainant further states that the Respondent explained to him that the claimed debt is for the recovery of revenue for energy consumed by Aikama Foods Services who was using the same prepaid meter (LUKU). The Complainant states that the Respondent notified him that the debt was incurred through the use of conventional meter number 0036245-G-63/12/18401. The Complainant further states that the said Aikama Foods Services was a tenant in the Complainant's premises and had moved out a long time ago and the premises are now occupied by another tenant in the name of Stema Gift Shop and Stationary. The Complainant says he requested the Respondent to transfer the debt to Aikama Foods Services' current meter account and remove it from his prepaid meter account but the request was not honoured. Consequently, the Complainants lodged a complaint praying before the Authority for an order that the Respondent be ordered to cease the deductions, transfer the debt to the bearer and refund all monies deducted since May 2020.

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 10/2013. On 9th July, 2020, the Respondent submitted its defense and informed the Authority that the Stema Gift Shop & Stationery is their customer who is using prepaid meter (LUKU) number 24218573327 previously used by and registered in the name of Aikama Food Services. The Respondent further informs that they owe the Complainant the principal debt of TZS 342,502.70 and accrued interest of TZS 485,353.55 making the total debt of TZS 827,856.28. The Respondent stated that the current customer name on their records is Aikama Foods Services hence the Landlord is responsible to locate the defaulter and make her settle the outstanding debt.

Mediation meeting involving both parties was conducted on 28th July 2020 at Immigration Regional Training Academy conference room in Moshi,

Kilimanjaro Region. During the meeting the Respondent informed that the Complainant's debt had been reviewed and the actual debt was debt of TZS 18,146.18 and not TZS 827,856.28. The purported balance of TZS 809,710.10 has therefore been waived. It was also noted that the Complainant has already paid TZS 50,000.00 through the 50% deductions. At the conclusion of the mediation, the matter was settled on the following terms:

- (a) that the Respondent shall with immediate effect stop deductions of 50% on the Complainant's prepaid meter electricity purchases;
- (b) that the Respondent shall refund the Complainant TZS 31,853.82 in terms of electricity token within 14 days from date of this Settlement; and
- (c) that the Respondent shall remove service charge and interest of TZS 809,710.10 from the Complainant's prepaid meter account.

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 14th day of August, 2020.


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KAPWETE LEAH JOHN
SECRETARY TO THE BOARD