

1 Q. In the Mediator's Report included in Appendix H of the Decision and Order of  
2 the Board (Order No. P. U. 14 2004), Hydro agreed (point "z") to "work with  
3 the Consumer Advocate to redesign its customer survey to gather  
4 information on customer valuation of service quality versus the costs incurred  
5 to improve and maintain service quality, with the results to be reported to the  
6 Board in time for incorporation in Hydro's 2004 customer survey". Please  
7 respond to the following:

8

9 a. Specifically, how has the survey been redesigned?

10 b. Please provide a summary of the results specific to the redesign for  
11 the 2004, 2005 and 2006 (if available) customer surveys.

12 c. How is Hydro currently using this information, and what are its plans  
13 going forward?

14 d. Please provide a copy of the most recent customer survey.

15

16

17 A. a. In response to the requirement to determine customer valuation of  
18 service quality versus costs, Hydro has included additional questions  
19 to both the residential and commercial surveys to gauge customer  
20 opinion on this issue.

21

22 b. See answer to CA 56 NLH part (c) for the results related to the new  
23 questions on reliability versus cost to supply that reliability from the  
24 2005 customer surveys.

25

26 c. Hydro continues to gauge customer opinion on reliability and cost  
27 through its annual customer surveys. The surveys provide a key  
28 insight on customer expectations, and are used as one of the

1                    qualitative inputs into Hydro's assessment of the appropriate balance  
2                    between cost and reliability.

3

4            d.        Attached are copies of the following 2005 customer surveys:

5                    i)        2005 Residential Customer Satisfaction Tracking Study

6                    ii)       2005 Commercial Customer Satisfaction Tracking Study

# 2005 RESIDENTIAL CUSTOMER SATISFACTION TRACKING STUDY

**Prepared For:**



Newfoundland & Labrador Hydro  
Hydro Place, Columbus Drive  
P.O. Box 12400  
St. John's, NL A1B 4K7

**Prepared By:**



## TABLE OF CONTENTS

<b>1.0</b>	<b>STUDY BACKGROUND AND METHODOLOGY.....</b>	<b>3</b>
1.1	STUDY BACKGROUND .....	3
1.2	STUDY METHODOLOGY .....	3
1.3	THIS REPORT.....	4
<b>2.0</b>	<b>SUMMARY OF KEY FINDINGS .....</b>	<b>5</b>
<b>3.0</b>	<b>CUSTOMER SATISFACTION INDEX (CSI).....</b>	<b>9</b>
<b>4.0</b>	<b>SERVICE ATTRIBUTES.....</b>	<b>17</b>
4.1	IMPORTANCE.....	17
4.2	PERFORMANCE .....	19
4.3	SERVICE GAP ANALYSIS.....	25
<b>5.0</b>	<b>SERVICE RELIABILITY.....</b>	<b>30</b>
5.1	OVERALL SATISFACTION WITH SERVICE RELIABILITY .....	30
5.2	EXPECTATIONS FOR SERVICE RELIABILITY .....	32
5.3	COST VERSUS RELIABILITY .....	33
<b>6.0</b>	<b>CUSTOMER SERVICE .....</b>	<b>34</b>
6.1	OVERALL SATISFACTION WITH CUSTOMER SERVICE.....	34
6.2	EXPECTATIONS FOR CUSTOMER SERVICE .....	36
6.3	RESPONSE TIME TO SERVICE REQUESTS .....	37
6.4	CUSTOMER SUGGESTIONS .....	39
<b>7.0</b>	<b>AWARENESS &amp; USE OF CUSTOMER SERVICES .....</b>	<b>40</b>
7.1	KNOWLEDGE OF METHODS TO OBTAIN BILL/ACCOUNT INFORMATION.....	40
7.2	KNOWLEDGE AND USE OF HYDRO'S WEBSITE AMONG INTERNET USERS .....	42
7.3	BILLING AND PAYMENT OPTIONS .....	45
7.4	HYDROWISE.....	48
7.5	WATTS NEW .....	52
7.6	ENERGY EFFICIENT LIGHT BULBS .....	54
<b>8.0</b>	<b>PROFILE OF SURVEY RESPONDENTS.....</b>	<b>55</b>
8.1	DEMOGRAPHIC CHARACTERISTICS.....	55
8.2	DEMOGRAPHIC CHARACTERISTICS BY REGION.....	57
8.3	DEMOGRAPHIC CHARACTERISTICS BY SERVICE AREA .....	59
8.4	YEARS OF SERVICE RELATIONSHIP: COMPARISON OF 2001-2005 .....	61
8.5	ACCESS TO THE INTERNET: COMPARISON OF 2001-2005 .....	62
	<b>APPENDIX A: QUESTIONNAIRE .....</b>	<b>63</b>

## 1.0 STUDY BACKGROUND AND METHODOLOGY

### 1.1 Study Background

For the seventh year, Market Quest Research Group Inc. conducted the Annual Residential Customer Satisfaction Study, on behalf of Newfoundland and Labrador Hydro (Hydro). The main objective of this study is to assess the performance of Hydro in providing service to residential customers and to identify any changes in customer satisfaction over time.

Service quality is a measure of the degree of discrepancy between the level of service customers feel a company should offer and their perception of the company's actual performance. This study recognizes that customer satisfaction is not only a function of service delivery but also a function of specific attributes of the physical service. As a service company, to achieve sustainable customer satisfaction and loyalty, Hydro must aim to provide customers with excellent value, exceeding their expectations on all aspects of customer service. Customer satisfaction research pinpoints critical performance attributes that directly relate to customer satisfaction and dissatisfaction. The findings of this report identify areas of potential improvement upon which service initiatives and goals should be established and monitored to motivate staff in providing exceptional service that meets or exceeds customer expectations.

While the main objective of the Hydro study is to determine customer satisfaction, the study also includes questions to assess awareness and use of various programs and services offered by Hydro, including '*Hydrowise*,' the automated telephone service, the *Equal Payment Plan*, pre-authorized bill payment, Hydro's website, and the quarterly newsletter '*Watts New*'. In addition, questions are included to assess customer opinions on particular areas of interest, such as "cost versus reliability" and response time to various service requests.

### 1.2 Study Methodology

Consistent with previous years, the study was conducted via a telephone survey of Hydro's residential customers. Data was collected from December 15<sup>th</sup>-23<sup>rd</sup>, 2005. The sampling frame included all households within Hydro's service areas that identified Hydro as their electricity supplier. The sampling unit was the adult household member who is responsible for paying the electricity bill and dealing with Hydro. A total of 649 residential customers completed the survey, which provides a margin of error of  $\pm 3.81$ , 19 times out of 20 or at the 95% confidence level.

To allow for analysis by region, disproportionate stratified sampling was used to draw a random sample from the following areas:

- Labrador West
- Happy Valley/Goose Bay
- Labrador Isolated
- Northern Interconnected
- Northern Isolated
- Central Interconnected
- Central Isolated

Due to the use of disproportionate sampling, weights were developed to ensure that the sample was a proportionate representation of the population at the overall provincial level, at the regional level, and at the service area level.

### 1.3 This Report

This report presents the results of the 2005 Residential Customer Satisfaction Study at the overall level. Results are also presented, where possible, for previous years (2001 to 2004) to allow for comparison and tracking over time. In addition, where informational value is added, results are segmented by region (Labrador, Northern, and Central), sub-region (Happy Valley-Goose Bay, Labrador West, Labrador Isolated, Northern Interconnected, Northern Isolated, Central Interconnected, and Central Isolated) service area (Interconnected and Isolated) and demographics (gender, age, household income, education, employment status, and years of service relationship).

To identify differences between segments, statistical tests of significance have been completed at the 95% confidence level<sup>1</sup>. Essentially, when comparing two values obtained from different populations, a statistical test will guide us to be confident that any apparent difference between the values is *statistically real* or *significant*.<sup>2</sup> **Throughout this report, differences between groups or years are noted only if they are statistically significant.** Where this occurs, we can say that we are 95% confident that the difference between the values in question exists in the population and is not simply due to uncontrollable sampling error. It is important to note that the term 'significant' is used to denote *statistically significant* differences, and is not synonymous with 'important'.

---

<sup>1</sup> From 2001 to 2004, significance was tested at the 90% confidence level.

<sup>2</sup> What may seem to be a difference between percentages may simply be the result of sampling error or the margin of error associated with the sample size, and not a real or significant difference in the population.

## 2.0 SUMMARY OF KEY FINDINGS

### Customer Satisfaction

***Overall, residential customers were generally satisfied with Hydro's performance. However, there is still room for improvement in some areas.***

In 2005, the Customer Satisfaction Index was 8.2<sup>3</sup>. This level of satisfaction is higher than the level of satisfaction reported in 2004 (7.9) and continues to be higher than the level of satisfaction reported five years ago (7.9). Overall, 88% of residential customers were satisfied with the performance of Hydro (49% *very* satisfied, 39% *somewhat* satisfied).

At the service level, satisfaction was higher for customers living in Interconnected service areas (8.2) than for customers living in Isolated service areas (7.9). At the regional level, satisfaction was higher in the Central region (8.5) than it was in the Northern (8.2) and Labrador (7.7) regions.

Satisfaction for Labrador customers increased from 7.3 in 2004 to 7.7 in 2005. This increase was primarily due to an increase in customer satisfaction in the Labrador West and Labrador Isolated regions (each up 0.6 points from 2004). Despite some minor fluctuations, satisfaction in Central and Northern regions remained relatively unchanged over the past five years.

While Hydro's performance can be considered favorable, there are some areas where Hydro may wish to consider focusing on methods to improve performance:

- Electricity at a reasonable cost;
- Contributes back to the community;
- Provides timely and accurate information on power outages; and
- Restores electricity promptly when there is a power outage.

It is important to note that while a large gap exists for 'Contributes back to the community', the importance rating for this attribute was lower in comparison to the other attributes. Furthermore, a large minority of individuals were unable to provide feedback on this attribute, suggesting a lack of familiarity with Hydro's community contributions. Hydro may wish to consider educating customers on its involvement in the community to enable customers to more accurately evaluate Hydro on this attribute.

While 'Electricity at a reasonable cost' has been identified as an area for improvement, it is understood that Hydro is not in a position to change its payment structure. Therefore, Hydro should consider other ways to improve customer perceptions of Hydro's performance in this area. For example, focusing on the overall value of Hydro's service to customers may help to increase Hydro's performance in this area.

---

<sup>3</sup> The attributes used to calculate the CSI for 2005 changed from those used to calculate the CSI for previous years.

## **Service Reliability**

***The majority of residential customers were satisfied with the supply of electricity they receive from Hydro. In addition, most customers reported that Hydro has met or exceeded their expectations with respect to their supply of electricity.***

Residential customers reported a relatively high level of satisfaction with the supply of electricity they received from Hydro (average satisfaction – 8.9), with 94% of customers reporting that they were satisfied (63% *very* satisfied, 31% *somewhat* satisfied). The percentage of customers who were *very* satisfied decreased by 12% since 2001 and by 9% since 2004, while the percentage of customers who were *somewhat* satisfied increased by 11% since 2001 and by 7% since 2004. The strong majority of customers (88%) reported that Hydro met their expectations with respect to their supply of electricity.

When asked which is more important to them, lower electricity costs or greater reliability, approximately five in ten customers said lower costs, while four in ten customers said greater reliability. The remaining customers were undecided. Consistent with last year, this indicates a slight preference for lower costs.

## **Customer Service**

***The majority of residential customers were satisfied with the customer service they receive from Hydro. Most customers reported that Hydro has met or exceeded their expectations with respect to customer service. Furthermore, the majority of customers who have made service requests in the past year were satisfied with Hydro's response time to the requests.***

Residential customers reported a high level of satisfaction with the customer service they received from Hydro (average satisfaction – 8.8), with 93% of customers reporting that they were satisfied (62% *very* satisfied, 31% *somewhat* satisfied). The percentage of customers who were *very* satisfied decreased by 14% since 2001 and by 6% since 2004, while the percentage of customers who were *somewhat* satisfied increased by 11% since 2001 and by 6% since 2004. Eighty-seven percent of residential customers reported that their expectations were met with respect to the overall customer service they received from Hydro.

Consistent with 2004, 12% of residential customers had someone from Hydro visit their home or property in the past year in response to a service request. The most common requests were to check or replace a meter (36%), provide new service (22%), and wire repair (18%). Similar to last year, the majority of customers (72%) were *very* satisfied with Hydro's response time.



## **Awareness and Use of Programs and Services**

***A minority of residential customers with Internet access were aware of the Hydro website, and the ability to access account information and power outage information. Furthermore, site visitation was low, however, customers who have visited the website rated it favorably.***

Approximately 45% of residential customers with Internet access were aware that Hydro has a website, down from 56% in 2004. Of those customers, less than one-quarter (23%) have ever visited the site, and website usage has not increased since 2003.

Of those aware of Hydro's website, 56% were aware that account information can be accessed on the website, of which 23% actually used the site for this purpose. Slightly less than three in ten (29%) customers were aware that planned power outage information can be accessed on the site.

This year, customers who have visited Hydro's website were asked to rate the site in terms of layout and design, ease of navigation, ability to find the right information, and overall quality. The majority of customers who have visited the site rated it favorably on all attributes.

***The majority of residential customers were aware of Hydro's automated toll-free number and the Equal Payment Plan. However, awareness of the pre-authorized bill payment option was lower. Interest in an electronic billing system was also low.***

Approximately 71% of Hydro customers were aware of the 24-hour automated toll-free number operated by Hydro. Awareness of the *Equal Payment Plan* was 62%, consistent with awareness in 2003 and 2004. Also consistent with previous years, 43% of customers were aware of the pre-authorized bill payment option offered by Hydro.

Customers were also asked about their interest in an electronic billing system if it were offered by Hydro. Approximately 34% of residential customers reported that they would be interested in this service. As would be expected, customers with Internet access were more likely to be interested in an electronic billing system than customers without Internet access (49% and 6%, respectively).

***Awareness of 'Hydrowise' has increased over the past year. Feedback on the program has remained positive, and the majority of customers reported that the program has provided them with new and useful information, and that they have used the tips provided to help reduce energy costs.***

Overall awareness of 'Hydrowise', Hydro's energy awareness program, has increased over the past year, from 19% to 44%. Consistent with previous years, most customers indicated that they found out about the program through a brochure inserted with their Hydro statement (69%).

Feedback on the program among those aware of it remained positive this year, with a majority of customers reporting that it provided them with new (59%) and useful (69%) information and that they used some of the tips to reduce their costs (55%). However, in comparison to 2004, customers were less likely to report that the information provided by

'Hydrowise' is useful (81% and 69%, respectively). In comparison to 2003, customers were more likely to disagree that they used the tips to help reduce energy costs (an increase of 12% in 2005).

***Awareness of the new quarterly newsletter 'Watts New' was low. However, among those aware of the newsletter, readership was high. The majority of customers who have read an issue rated the newsletter favorably and also rated the content as informative.***

This year, residential customers were asked about their awareness and readership of 'Watts New', Hydro's new customer newsletter. Just over one-quarter of customers (27%) reported having heard of the newsletter, and of those, 60% have read at least one issue.

The majority of customers who have read an issue rated the content of 'Watts New' as informative (93%), and approximately eight in ten customers rated the newsletter as good or excellent on overall content, usefulness of the information, design and layout, and overall appearance.

### 3.0 CUSTOMER SATISFACTION INDEX (CSI)

The Customer Satisfaction Index (CSI) is based on customer ratings of importance and performance for 16 service attributes. The service attributes were developed based on criterion used by utilities; the Canadian Electricity Association; the SERVQUAL research model; and input of Hydro Management. SERVQUAL, a multiple-item instrument for measuring and monitoring service quality, is based on three quality dimensions shown to be key to the performance of service companies. The dimensions measured by these attributes are corporate citizen, reliability, and service. These dimensions of service and the attributes measured in this study are presented below.

#### **Corporate Citizen**

- Cares about its customers;
- Concern for public safety;
- Contributes back to the community; and
- Operates in an environmentally responsible manner.

#### **Reliability**

- Provides a reliable, uninterrupted supply of electricity; and
- Restores electricity promptly when there is a power outage.

#### **Service**

- Billing statement accuracy;
- Bills that are easy to read and understand;
- Convenient hours of operation;
- Easy access to account information at any time;
- Educates customers on efficient use of electricity;
- Electricity at a reasonable cost;
- Friendly and courteous employees;
- Provides timely and accurate information on power outages;
- Responds to customer questions and concerns in a timely manner; and
- Responds to service requests in a timely manner (e.g., new service, transfer of service, installation/ removal/ repair of).

To determine the CSI, customers were first asked to think about electric companies in general and to rate the importance for any company to provide each service attribute. Importance was rated on a scale of 1 to 10, with 1 being “Not at all Important” and 10 being “Extremely Important”. Second, based on their own experiences, customers were asked to rate the performance of Hydro in providing each service attribute. Performance was also rated on a 10-point scale, ranging from “Very Poor” to “Excellent”. Third, customers were asked to rate their overall satisfaction with Hydro, again on a 10-point scale.

During 2005, an evaluation of the attributes was conducted. Based on this evaluation, several attributes were modified or changed. Ten of the 16 attributes have remained the same. These include:

- Billing statement accuracy;
- Provides a reliable, uninterrupted supply of electricity;
- Bills that are easy to read and understand;
- Concern for public safety;
- Contributes back to the community;
- Convenient hours of operation;
- Easy access to account information at any time;
- Electricity at a reasonable cost;
- Friendly and courteous employees; and
- Operates in an environmentally responsible manner.

The following six attributes were added or modified in 2005:

- Cares about its customers;
- Educates customers on the efficient use of electricity;
- Provides timely and accurate information on power outages;
- Responds to customer questions and concerns in a timely manner;
- Responds to service requests in a timely manner; and
- Restores electricity promptly when there is a power outage.

Service dimensions have also changed for 2005. The dimensions of tangibles, responsiveness, assurance, and empathy have been replaced with corporate citizen and service. The dimension of reliability has remained unchanged.

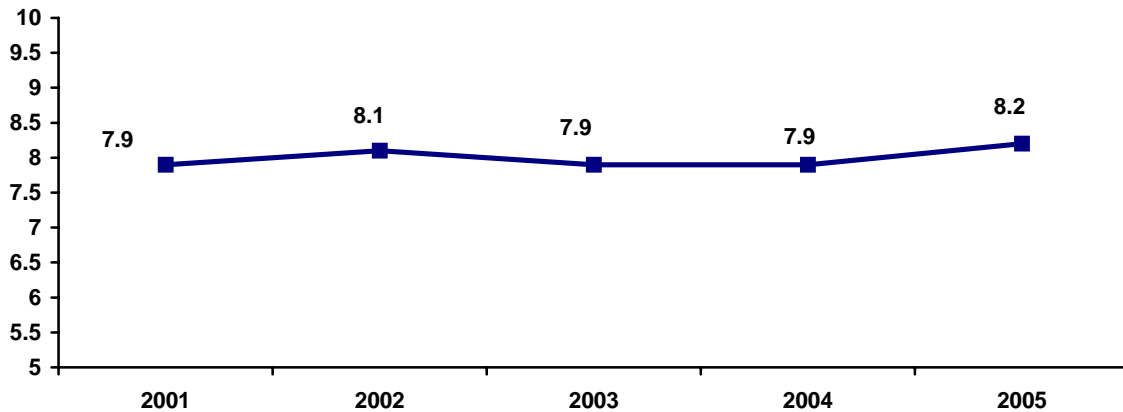
Due to these changes, the overall CSI for 2005 is not directly comparable to the CSIs from previous years. Further to this, the importance, performance, and gap ratings can only be compared across years for the 10 attributes that have remained the same.

### ***Method One: Weighted Average***

Using this method, the CSI is a weighted average of the performance ratings for each service attribute. The importance score for each attribute is divided by the sum of all importance scores and then multiplied by the perceived performance score assigned to Hydro on that one attribute (in effect, weighting the performance score by the relative importance). The resulting values are then summed, yielding a single customer satisfaction value for each respondent. The average of these values is the CSI in any one year. The CSI ranges between 1 and 10, and the higher the index the more satisfied are Hydro's customers.

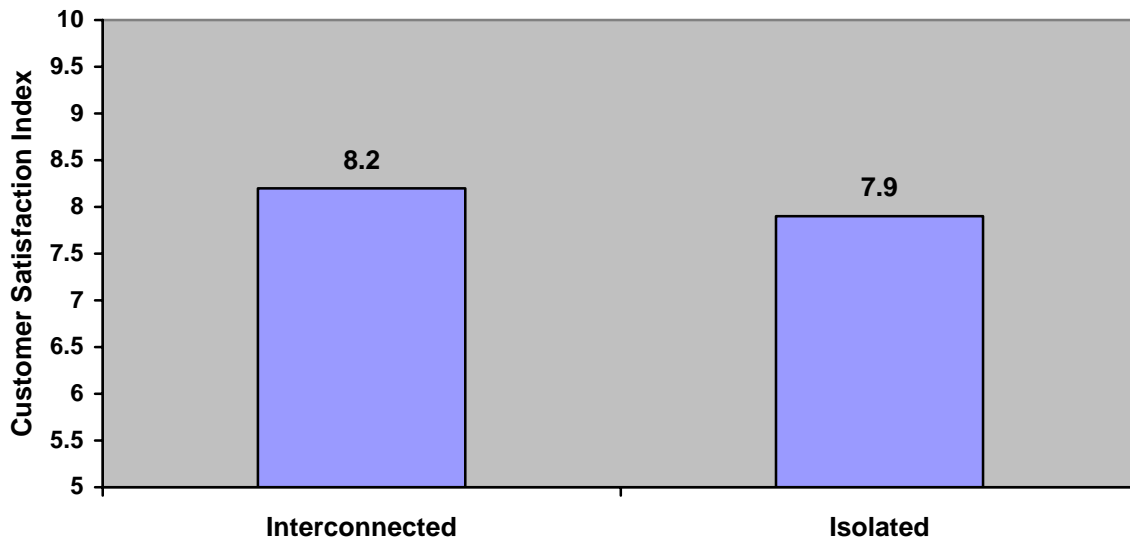
For 2005, the Customer Satisfaction Index for residential customers was 8.2, indicating a relatively high level of satisfaction with the services received by Hydro. As demonstrated below, the CSI has increased since 2001 and 2004 and is consistent with the CSI from 2002<sup>4</sup>.

**Figure 1: Customer Satisfaction Index by Year**



The following figure presents the CSI results by service area. As is evident in Figure 2, the CSI for Interconnected service areas was higher than the CSI for Isolated service areas.

**Figure 2: CSI by Service Area**

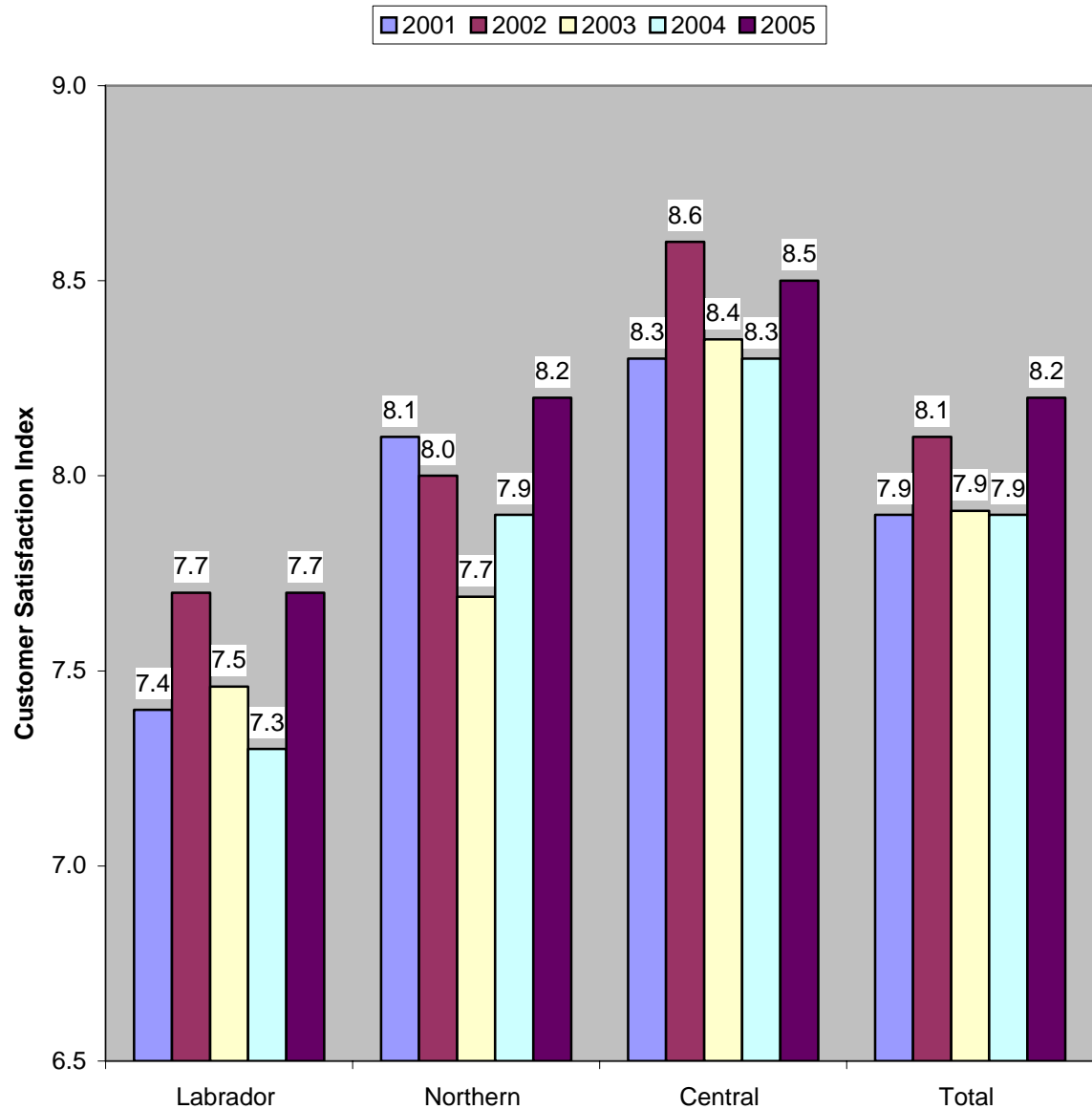


<sup>4</sup> Six attributes were modified or changed from 2004 to 2005.

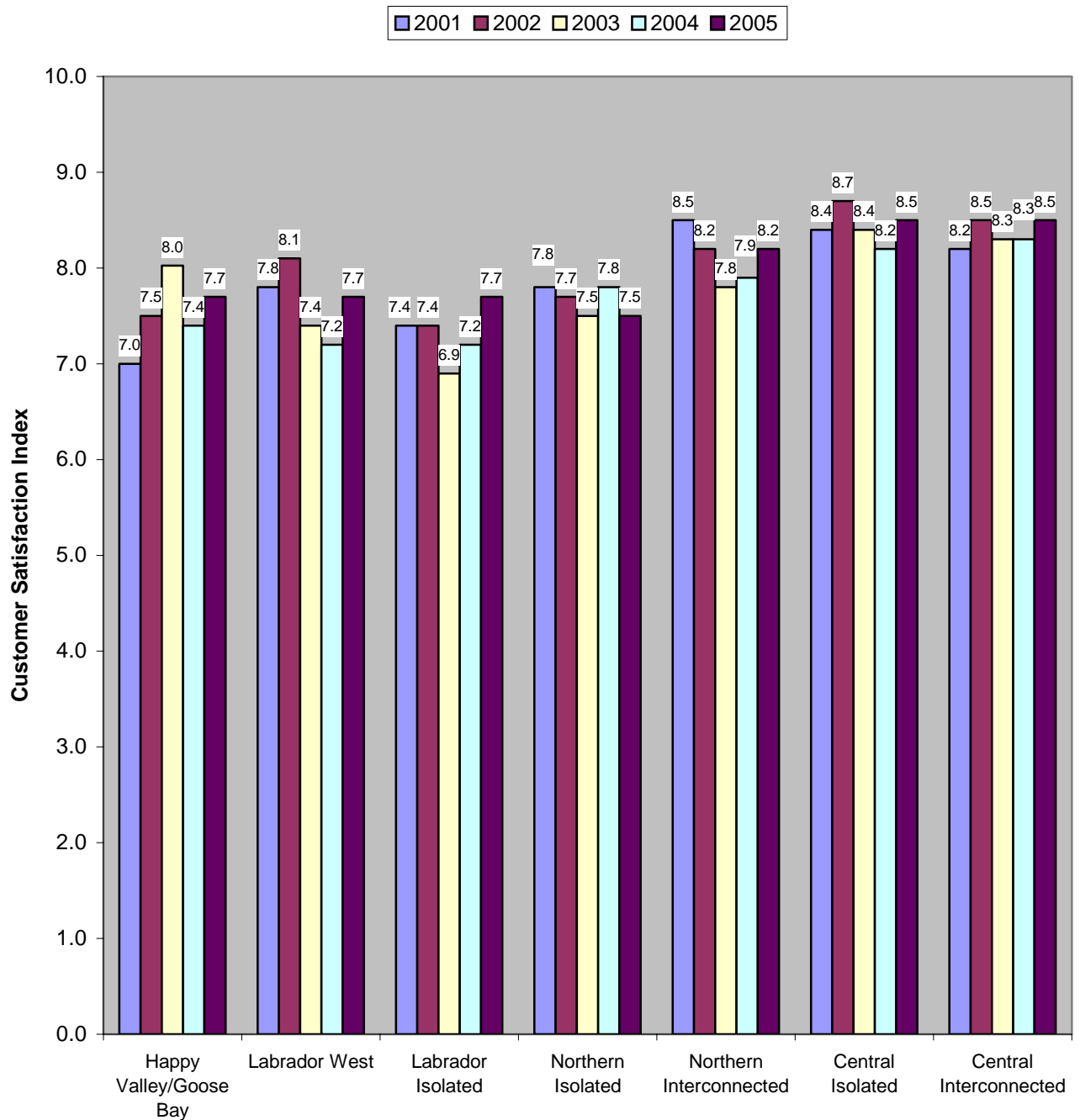
The following figures present the CSI results by region and sub-region. The key findings based on this regional analysis are highlighted below:

- The CSI for the Central region (8.5) was higher than the CSI for the Northern and Labrador regions (8.2 and 7.7, respectively). Similarly, the CSI for the Northern region was higher than the CSI for the Labrador region.
- In general, the CSI for each region has fluctuated over the past five years, and were generally higher this year than they were five years ago. In fact, the CSIs were among the highest than they have ever been for the Northern and Labrador regions. Generally, the regional CSIs for 2005 appear most similar to the regional CSIs for 2002.
- The CSI for the Labrador region increased from 7.3 in 2004 to 7.7 in 2005. This increase was primarily due to an increase in customer satisfaction in the Labrador West and Labrador Isolated sub-regions (each up 0.6 points from 2004).
- Fluctuations in the CSI for the Northern region were primarily the result of changes that have occurred in the Northern Interconnected sub-region. While the CSI for Northern Isolated has remained relatively stable, the CSI for Northern Interconnected peaked in 2001, decreased from 2001 to 2003, and has increased from 2004 to 2005.
- The CSI for the Central region has remained relatively stable since 2001. Analysis at the sub-regional level shows that the CSI has also remained relatively stable among Central Interconnected and Central Isolated sub-regions.

**Figure 3: CSI by Region**



**Figure 4: CSI by Sub-Region**





The following points highlight differences in the CSI when analyzed by demographics:

- Customers with a household income greater than \$60,001 (7.6) had a lower CSI than customers with incomes lower than \$40,000 (8.4).
- Customers who worked full-time year round (7.6) had a lower CSI than those who worked part-time year round (8.4), those who worked seasonally/casually (8.3), those who were homemakers (8.5), those who were unemployed (8.4), and those who were retired (8.1).
- Customers who had less than high school education (8.6) had a higher CSI than customers who had graduated high school (8.1) or who had at least some post-secondary education (7.8).

### ***Method Two: Linear Regression***

In 2005, Customer Satisfaction was also determined using linear regression analysis. Through this method, a linear regression is performed using overall satisfaction with Hydro as the dependent variable and satisfaction with the 16 service attributes as the independent variables<sup>5</sup>. This method relies on how customers rate Hydro in term of its perceived performance on each of the 16 attributes. The regression analysis identifies the service attributes (independent variables) that contribute to the overall satisfaction score (dependent variable), as well as the relative weight each contributes to the overall satisfaction score.

Overall, the majority of residential customers (88%) were satisfied with the performance of Hydro (49% *very* satisfied, 39% *somewhat* satisfied), and customers rated their overall satisfaction as 8.3 out of 10. The service attributes that contributed the most to overall satisfaction were:

- Electricity at a reasonable cost;
- Cares about its customers;
- Electricity restored promptly when there is a power outage; and
- Concern for public safety.

---

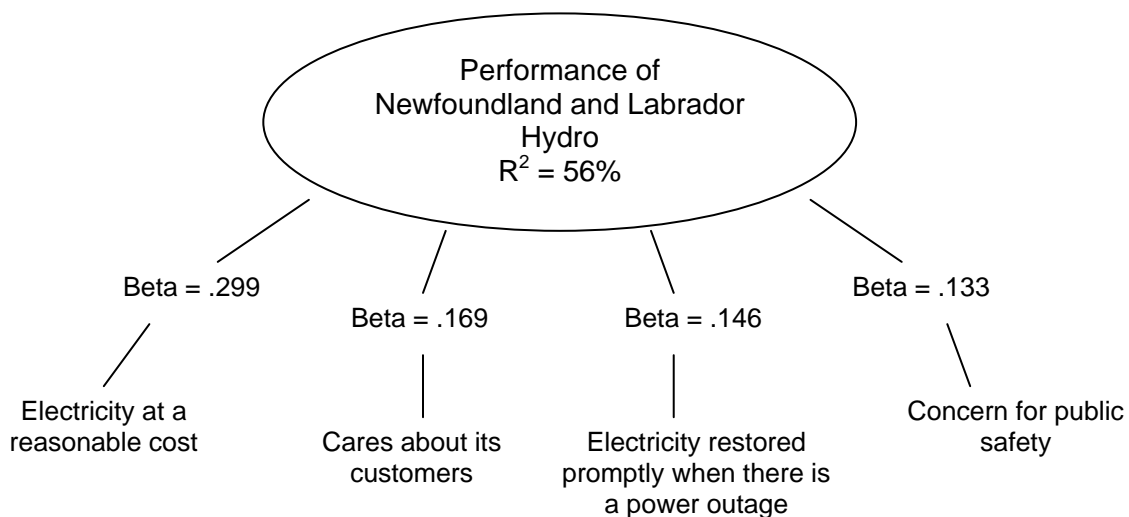
<sup>5</sup> A new question about overall customer satisfaction was added this year to enable a linear regression analysis.

Those that contributed the least to overall satisfaction were:

- A reliable, uninterrupted supply of electricity;
- Bills that are easy to read and understand;
- Billing statement accuracy;
- Response to customer questions and concerns in a timely manner;
- Convenient hours of operation;
- Easy access to account information at any time;
- Timely and accurate information on power outages;
- Response to service requests in a timely manner;
- Educating customers on efficient use of electricity;
- Friendly and courteous employees;
- Operating in an environmentally responsible manner; and
- Contributes back to the community.

The regression analysis identified four key attributes of overall satisfaction: 'Electricity at a reasonable cost', 'Cares about its customers', 'Electricity restored promptly when there is a power outage', and 'Concern for public safety'. Together, these four attributes accounted for 56% of the variability in Hydro's overall satisfaction rating, indicating a strong model.

**Figure 5: Drivers of Customer Satisfaction**



## 4.0 SERVICE ATTRIBUTES

This section presents customers' importance and performance ratings for 2005. It also presents ratings and comparisons for each of the 10 comparable service attributes<sup>6</sup>. This is followed by an analysis of gaps between importance and performance.

### 4.1 Importance

In 2005, residential customers considered all of the service attributes to be highly important, with average ratings ranging from 8.9 for 'Educating customers on efficient use of electricity' to 9.8 for 'Concern for public safety'.

The top-ranked attributes with respect to importance were:

1. Concern for public safety (9.8);
2. Electricity restored promptly when there is a power outage (9.7);
3. A reliable, uninterrupted supply of electricity (9.7);
4. Billing statement accuracy (9.7); and
5. Electricity at a reasonable cost (9.6).

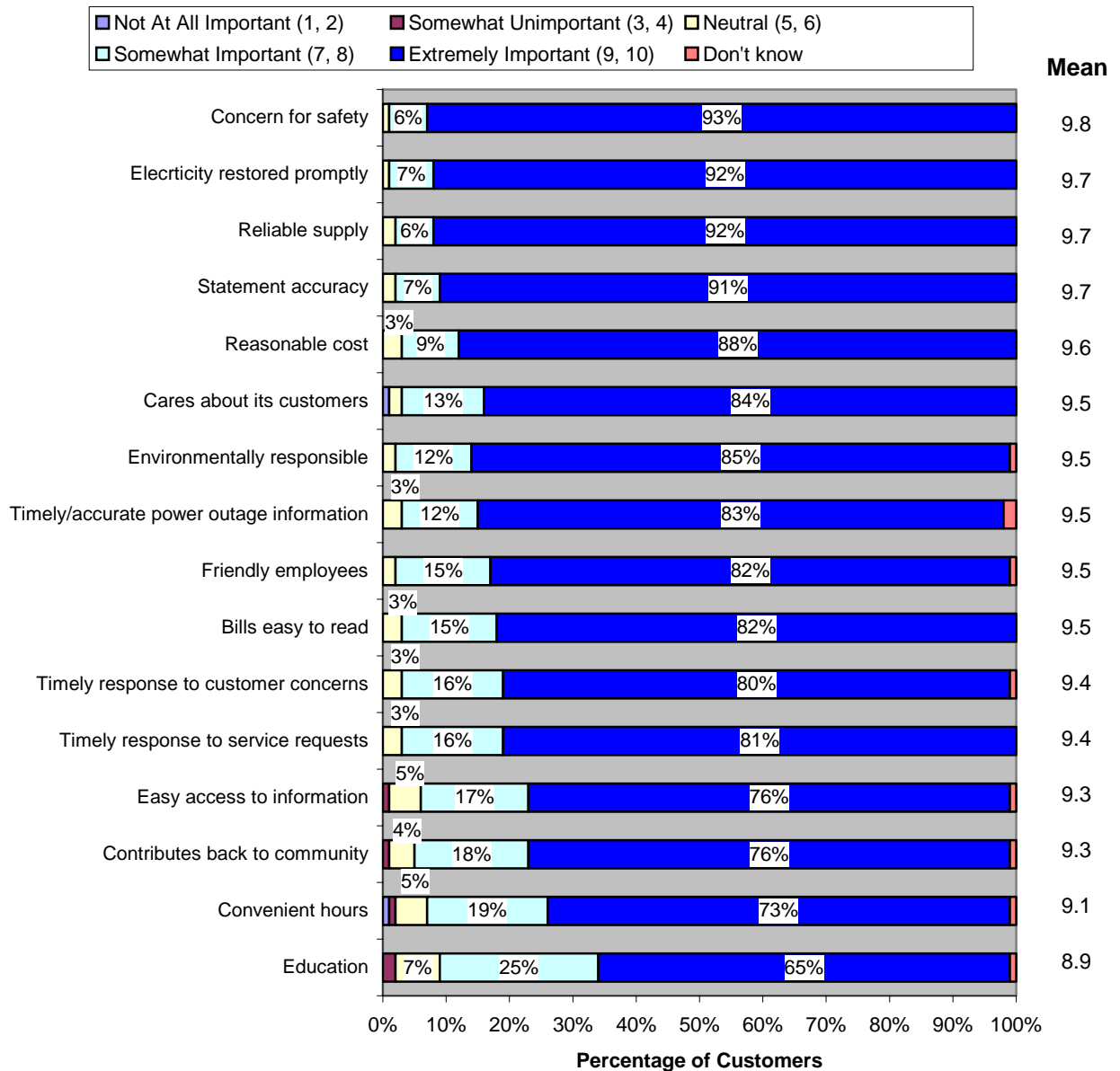
Four of these five attributes were also among the top-ranked attributes in 2003 and 2004. 'Concern for public safety' moved from being the second most important attribute in 2004 to the most important attribute in 2005. In addition, the new attribute 'Electricity restored promptly when there is a power outage' ranked as the second most important attribute in 2005.

Consistent with last year, the attributes ranked among the lowest in importance were 'Contributing back to the community' (9.3), and 'Convenient hours of operation' (9.1). The new attribute 'Educating customers on efficient use of electricity' (8.9) ranked as the lowest in importance.

---

<sup>6</sup> Six attributes were modified or changed from 2004 to 2005. Annual comparisons are only made with the 10 attributes that have remained the same over the five-year period.

**Figure 6: Importance Ratings for 2005**



## 4.2 Performance

In 2005, average performance ratings ranged from 7.0 for 'Electricity at a reasonable cost' to 9.2 for 'Billing statement accuracy'.

The attributes for which Hydro's performance was ranked most highly were:

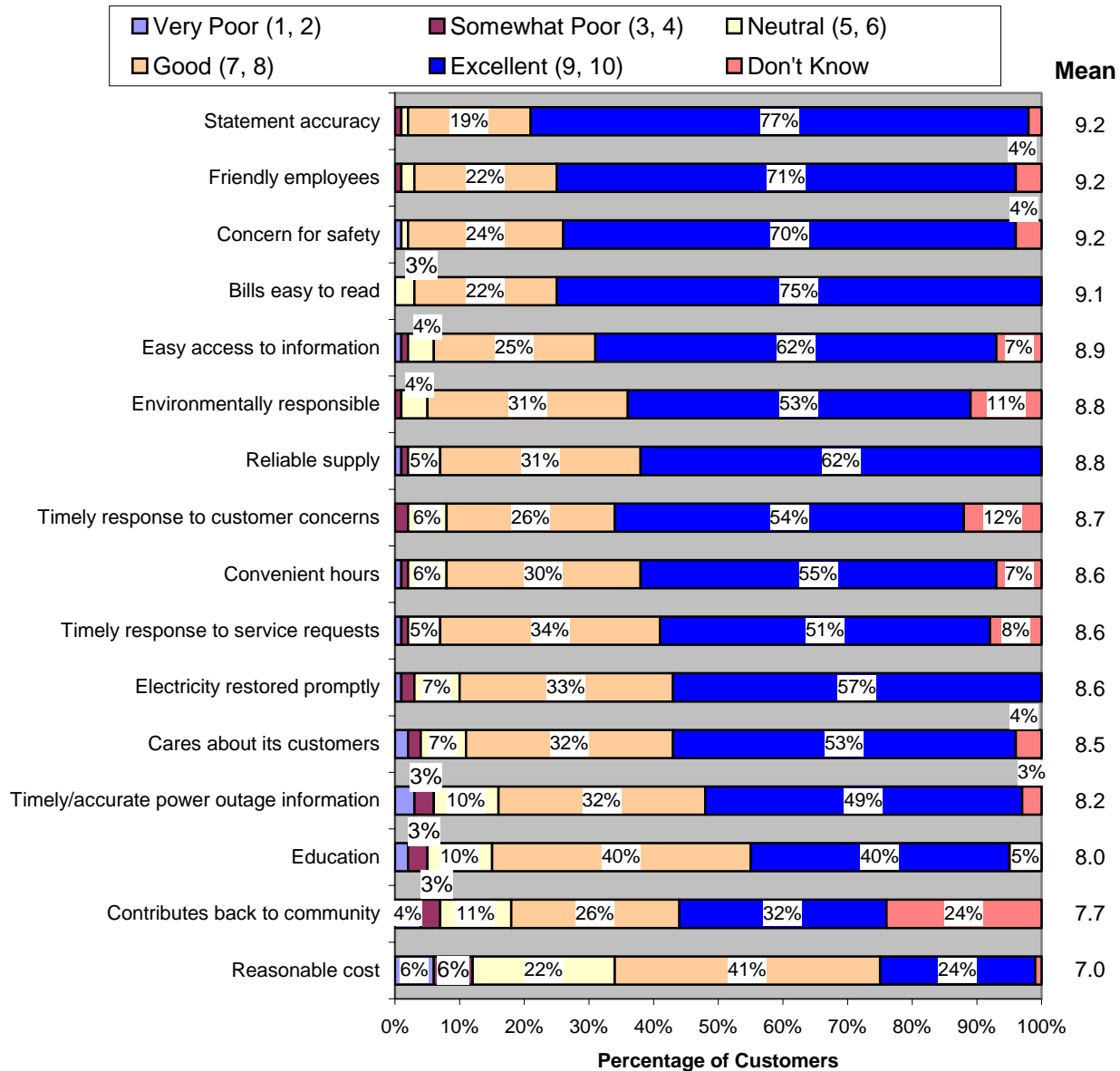
1. Billing statement accuracy (9.2);
2. Friendly and courteous employees (9.2);
3. Concern for public safety (9.2);
4. Bills easy to read (9.1); and
5. Easy access to account information (8.9).

Four of these five attributes were also the top-ranked attributes for performance in 2005. However, 'Billing statement accuracy' moved from the second position in 2004 to the top position ranked performance attribute in 2005. In addition, 'Friendly and courteous employees' moved from fourth position in 2004 to second in 2005. 'Bills easy to read' moved to the fourth position from the third position, and 'Concern for public safety' moved to the third position after being the top ranked performance attribute in 2004.

Average performance ratings were lowest for 'Educating customers on efficient use of electricity' (8.0), 'Contributes back to the community' (7.7), and 'Electricity at a reasonable cost' (7.0). Similar to last year, a large minority of customers were unable to rate Hydro's performance with respect to 'Contributes back to the community', which suggests that customers are less familiar with Hydro's efforts in this particular area of service.

'Concern for public safety' and 'Billing statement accuracy' ranked high in importance and performance this year. In contrast, 'Electricity at a reasonable cost' was among the top-ranked for importance but received the lowest average rating for performance. Slightly more than one-third of residential customers (34%) rated Hydro's performance for this attribute as six or lower.

**Figure 7: Performance Ratings for 2005**



The figures on the following pages demonstrate the five-year trend for each of the 10 comparable service attributes in terms of importance and performance.

The 2005 importance ratings remained consistent with the 2004 importance ratings for all service attributes, with the exception of 'Contributes back to the community', which increased from 9.0 to 9.3.

In comparison to five years ago, perceived importance has changed for six of the service attributes:

- For 'Electricity at a reasonable cost', importance decreased from 9.8 in 2001 to 9.6 in 2005.
- For 'Billing statement accuracy', importance decreased from 9.8 in 2001 to 9.7 in 2005.
- For 'Convenient hours of operation', importance decreased from 9.4 in 2001 to 9.1 in 2005.
- For 'Friendly and courteous employees', importance decreased from 9.7 in 2001 to 9.5 in 2005.
- For 'Operates in an environmentally responsible manner', importance decreased from 9.7 in 2001 to 9.5 in 2005.
- For 'Concern for public safety', importance decreased from 9.9 in 2001 to 9.8 in 2005.

The 2005 performance ratings remained consistent with the 2004 performance ratings for all but one service attribute. In 2005, customers ranked the performance of Hydro more favorably for 'Contributes back to the community' (7.7) than they did in 2004 (7.2).

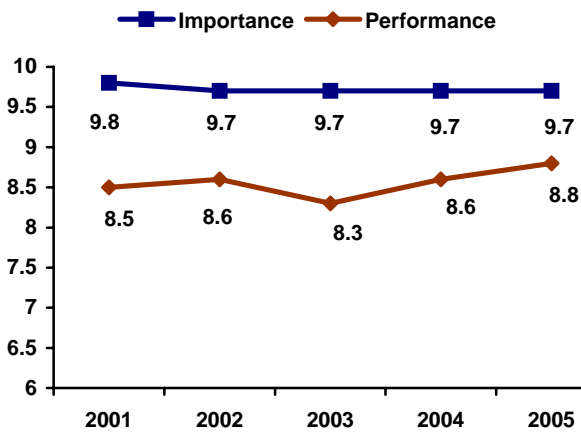
In comparison to 2001, performance has changed for three of the service attributes:

- For 'A reliable, uninterrupted supply of electricity', performance increased from 8.5 in 2001 to 8.8 in 2005.
- For 'Convenient hours of operation', performance decreased from 9.0 in 2001 to 8.6 in 2005.
- For 'Contributes back to the community', performance increased from 6.8 in 2001 to 7.7 in 2005.

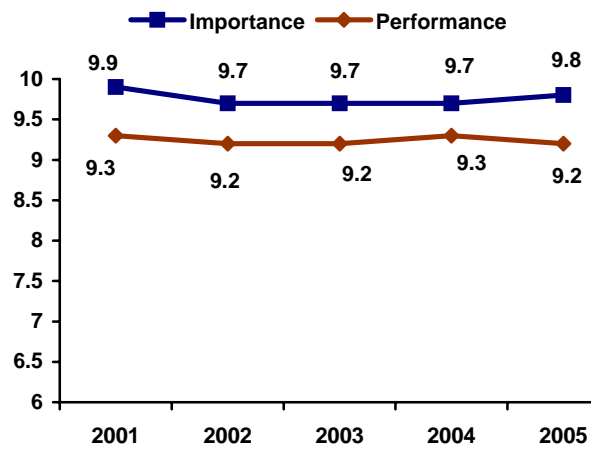
Most attributes received high ratings in terms of importance and performance, indicating a relatively high level of customer satisfaction. Other attributes ('Contributes back to the community', 'A reliable, uninterrupted supply of electricity' and 'Electricity at a reasonable cost') were consistently rated high in importance and lower in performance over the years, suggesting continued discontent in these areas.

## Reliability and Corporate Citizen

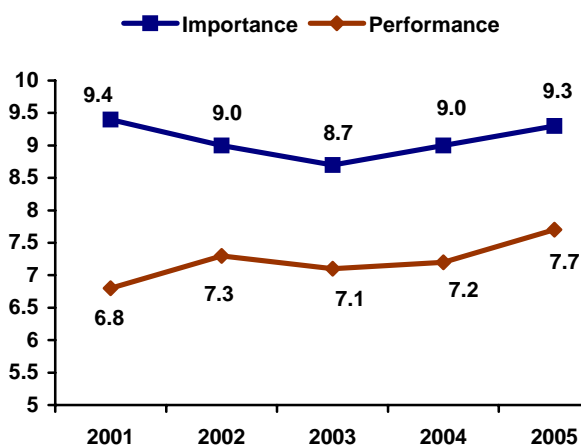
**Figure 8: A reliable uninterrupted supply of electricity**



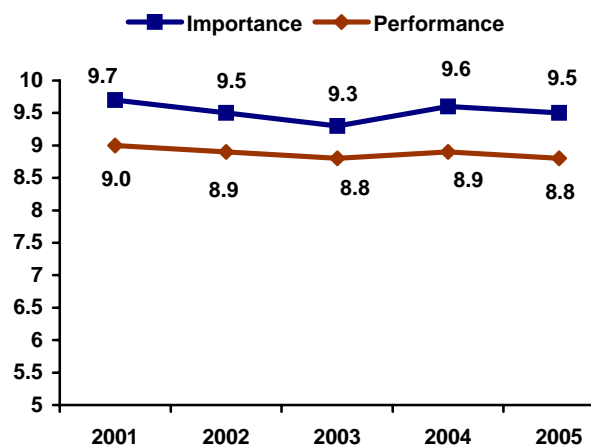
**Figure 9: Concern for public safety**



**Figure 10: Contributes back to the community**



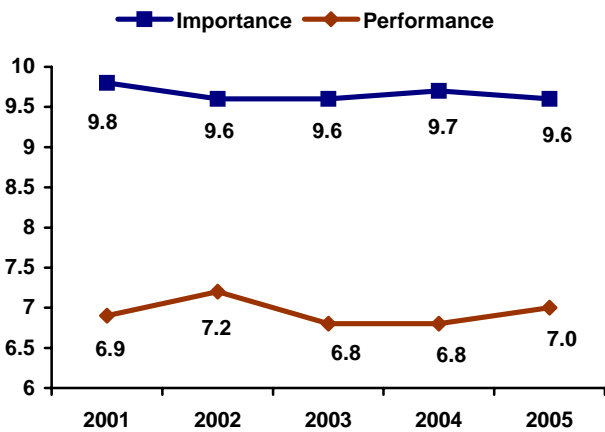
**Figure 11: Operates in an environmentally responsible manner**



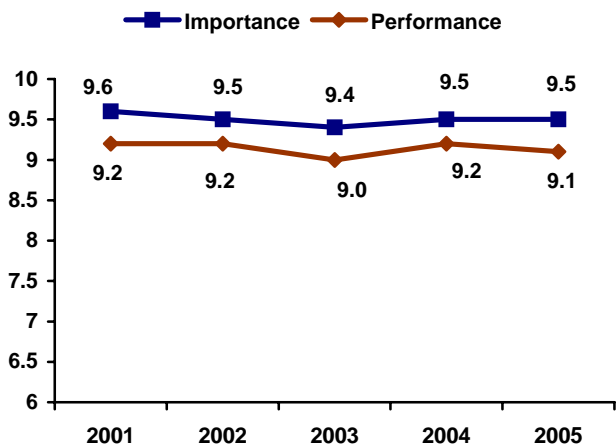


## Service

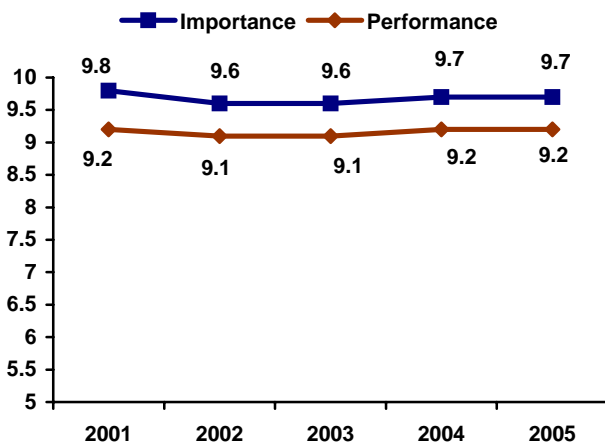
**Figure 12: Electricity at a reasonable cost**



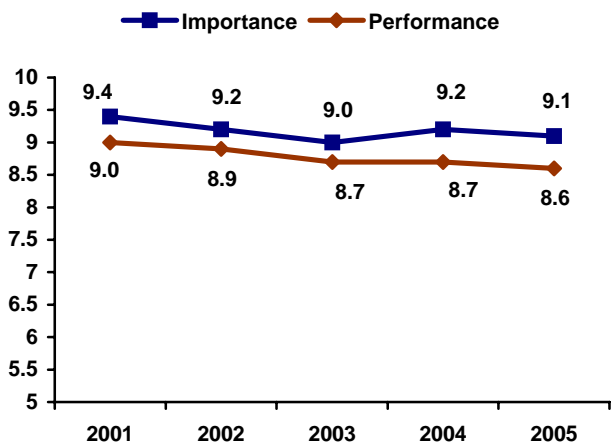
**Figure 13: Bills that are easy to read and understand**



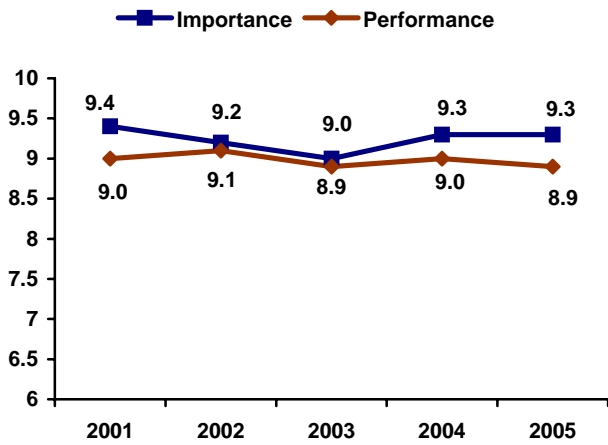
**Figure 14: Billing statement accuracy**



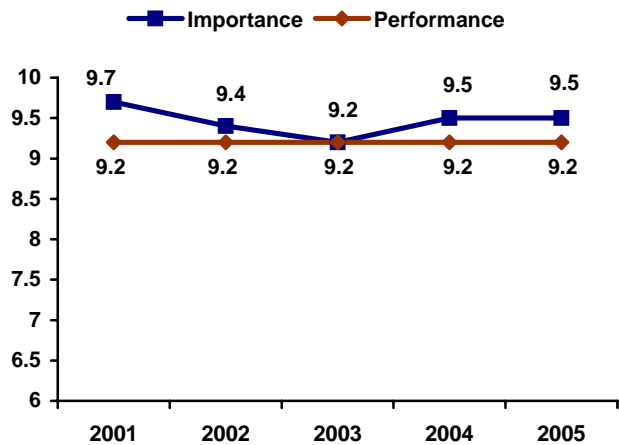
**Figure 15: Convenient hours of operation**



**Figure 16: Easy access to account information at any time**



**Figure 17: Friendly and courteous employees**

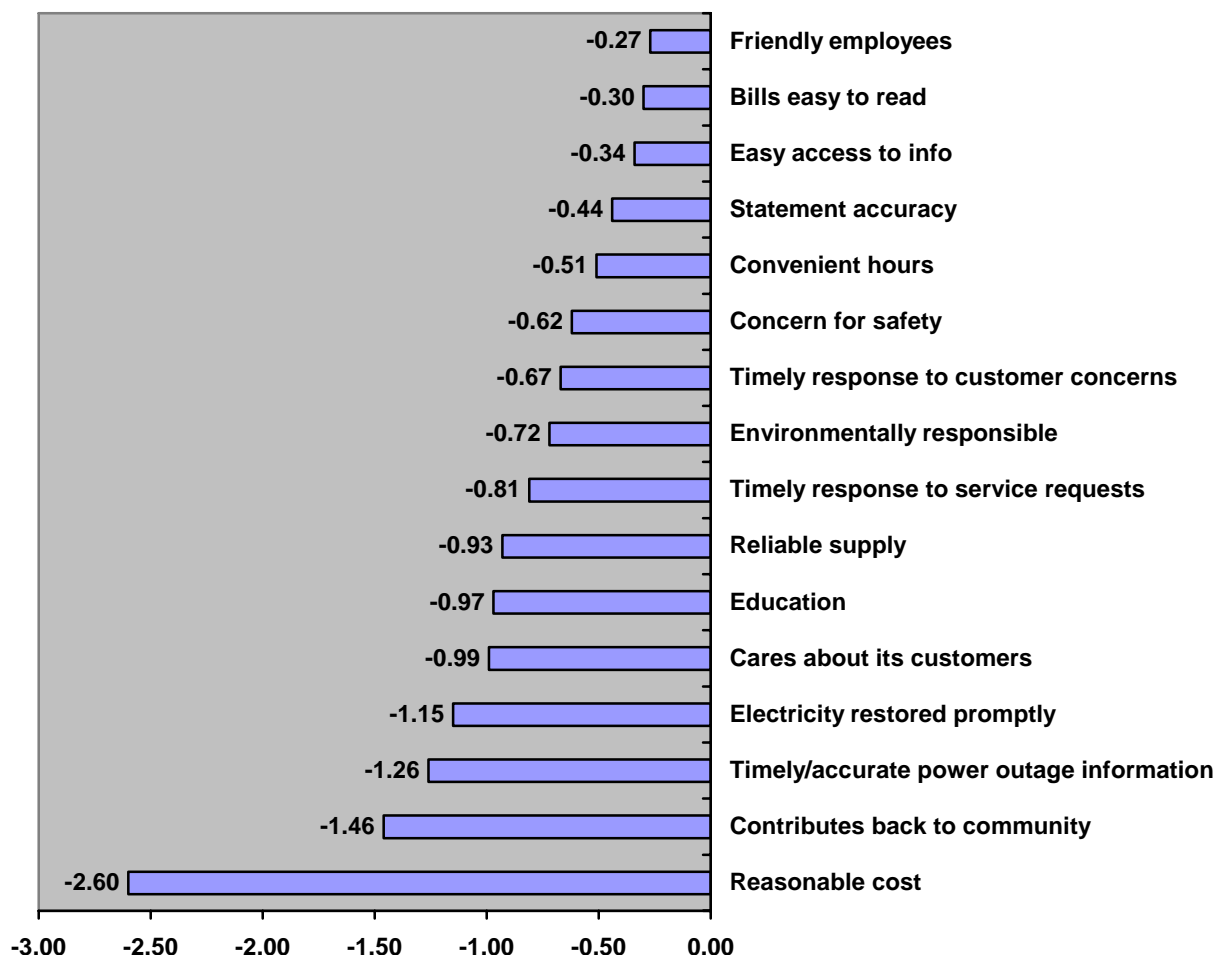


### 4.3 Service Gap Analysis

A gap score is essentially the difference between customers' evaluation of importance and perceived performance of any one attribute. If perceived performance exceeds expectations, then the customer is satisfied; if it falls below expectations, the customer is dissatisfied. Mean gap ratings were obtained for each attribute by averaging customer gap scores for each attribute.

As shown in the following figures, customer evaluation of Hydro resulted in an average gap rating from  $-2.60$  for 'Electricity at a reasonable cost' to  $-0.27$  for 'Friendly and courteous employees'.

**Figure 18: 2005 Gap Ratings**



The negative gaps indicate that the performance of Newfoundland and Labrador Hydro continues to fall below customer expectations for each of the 16 service attributes.

Consistent with previous years, the largest gap rating was evident for the attribute 'Electricity at a reasonable cost', with a mean gap rating of -2.60. This was the only attribute with a gap score greater than 2.0. Following this attribute, the largest gaps were for 'Contributes back to the community' (-1.46), 'Timely and accurate information on power outages' (-1.26), and 'Electricity restored promptly when there is a power outage' (-1.15). Attributes having the smallest gaps were 'Easy access to account information' (-0.34), 'Bills easy to read and understand' (-0.30), and 'Friendly and courteous employees' (-0.27).

The following figures illustrate the five-year trend for each of the 10 comparable service attributes in terms of the gap between importance and performance.

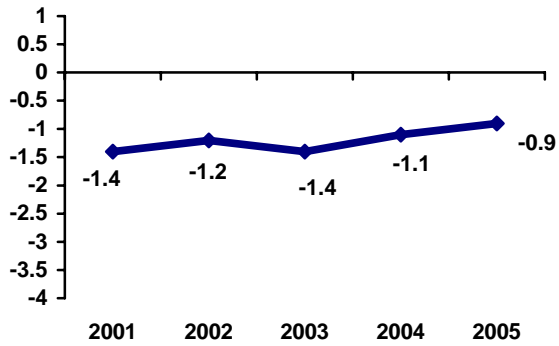
Gap ratings have remained relatively stable since last year for all comparable service attributes. Further to this, all comparable service attributes have gap ratings consistent with those from five years ago, with the exception of three:

- For the attribute 'A reliable, uninterrupted supply of electricity', the gap decreased from -1.4 in 2001 to -0.9 in 2005.
- For the attribute 'Contributes back to the community', the gap decreased from -2.5 in 2001 to -1.5 in 2005.
- For the attribute 'Friendly and courteous employees', the gap decreased from -0.5 in 2001 to -0.3 in 2005.

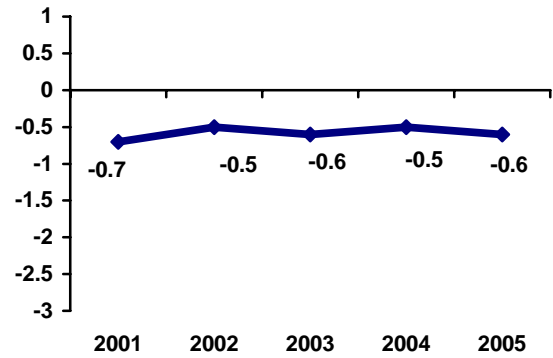
The decreases in these attributes indicate that residential customers have become more content with Hydro's electricity supply, community contributions, and employees than they were five years ago.

## Reliability and Corporate Citizen

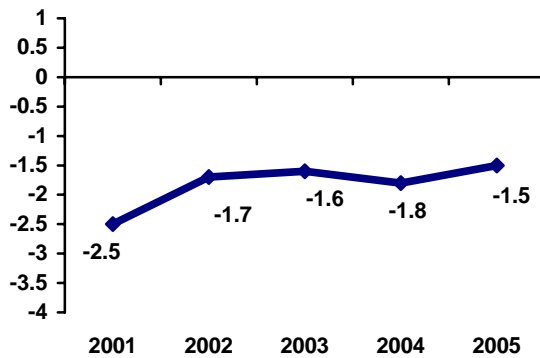
**Figure 19: A reliable uninterrupted supply of electricity**



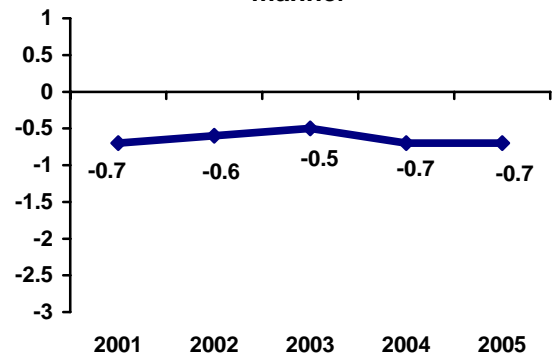
**Figure 20: Concern for public safety**



**Figure 21: Contributes back to the community**

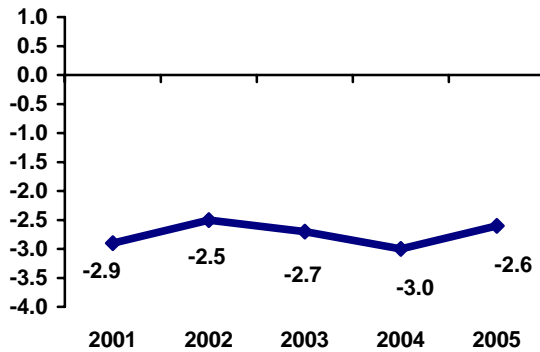


**Figure 22: Operates in an environmentally responsible manner**

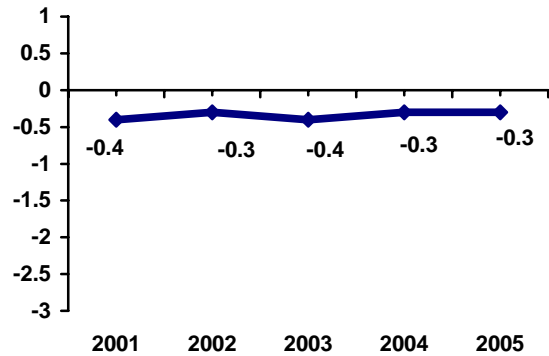


## Service

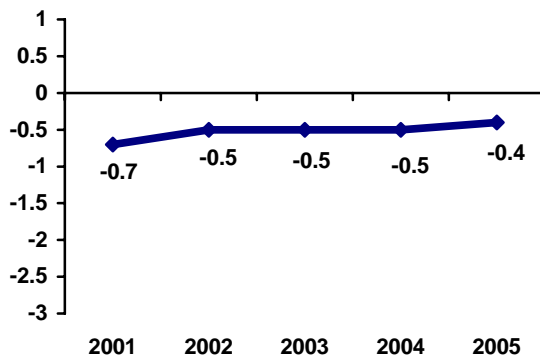
**Figure 23: Electricity at a reasonable cost**



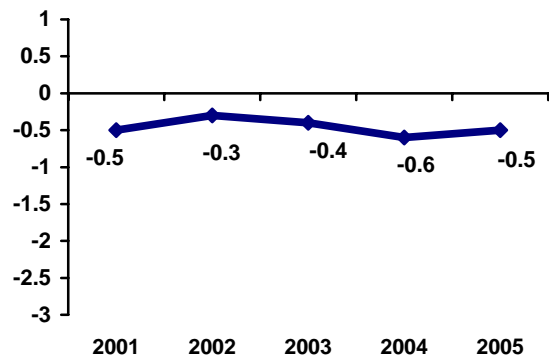
**Figure 24: Bills that are easy to read and understand**



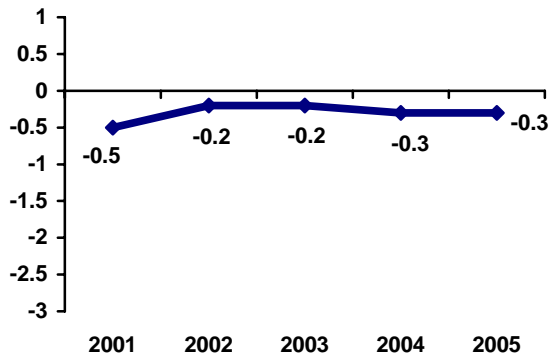
**Figure 25: Billing statement accuracy**



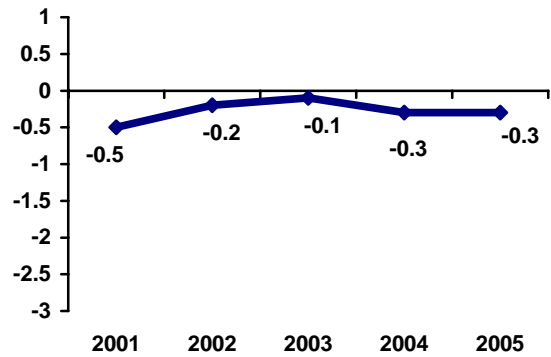
**Figure 26: Convenient hours of operation**



**Figure 27: Easy access to account information at any time**



**Figure 28: Friendly and courteous employees**



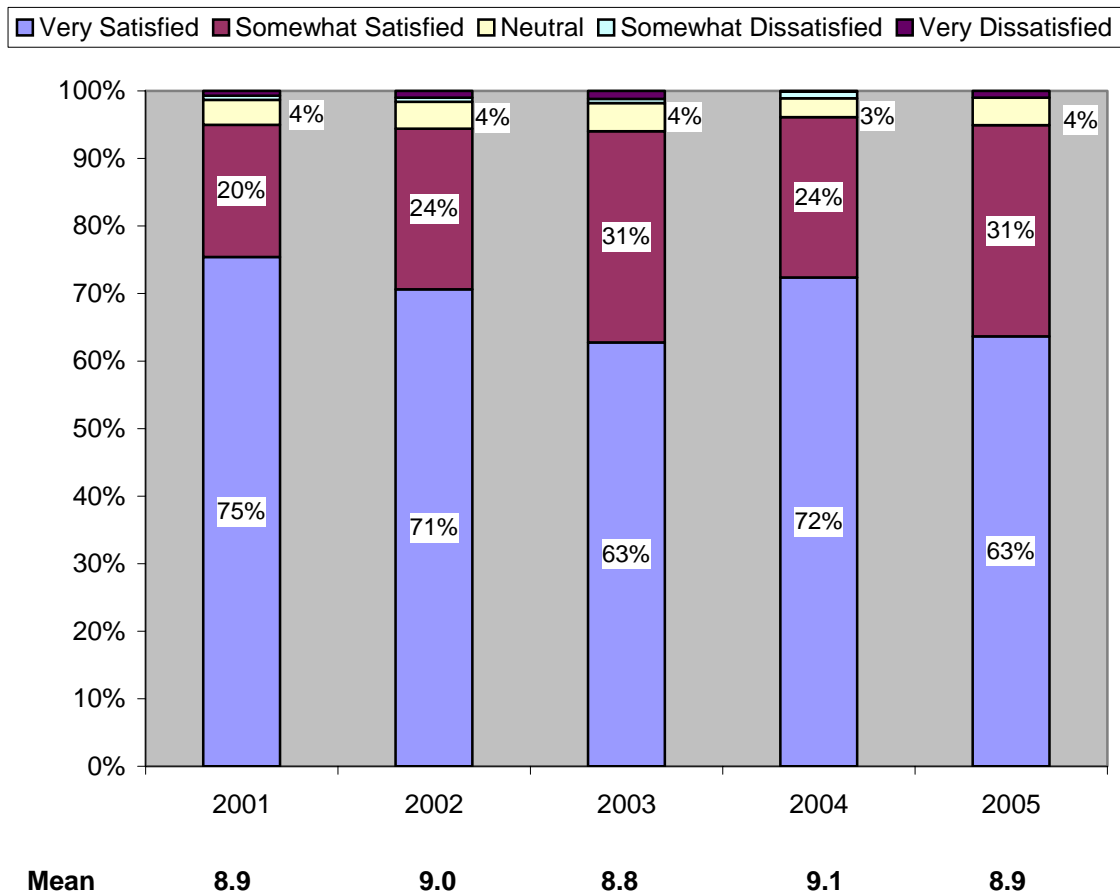
## 5.0 SERVICE RELIABILITY

### 5.1 Overall Satisfaction with Service Reliability

To determine satisfaction with Hydro's service reliability, customers were asked to rate their satisfaction with the supply of electricity they receive from Newfoundland and Labrador Hydro on a scale of 1 (Very Dissatisfied) to 10 (Very Satisfied).

Overall, the large majority of customers (94%) were satisfied with the supply of electricity they have received from Hydro (63% *very* satisfied, 31% *somewhat* satisfied). On average, residential customers rated their satisfaction with the supply of electricity they received from Hydro as 8.9, a decrease from 9.1 in 2004, but consistent with 2001. The percentage of customers who were very satisfied decreased by 12% since 2001 and by 9% since 2004, while the percentage of customers who were *somewhat* satisfied increased by 11% since 2001 and by 7% since 2004.

**Figure 29: Satisfaction With Service Reliability**





Customers in the Central and Northern regions (average satisfaction – 9.0 each) were more satisfied with their supply of electricity than were customers in the Labrador region (8.6).

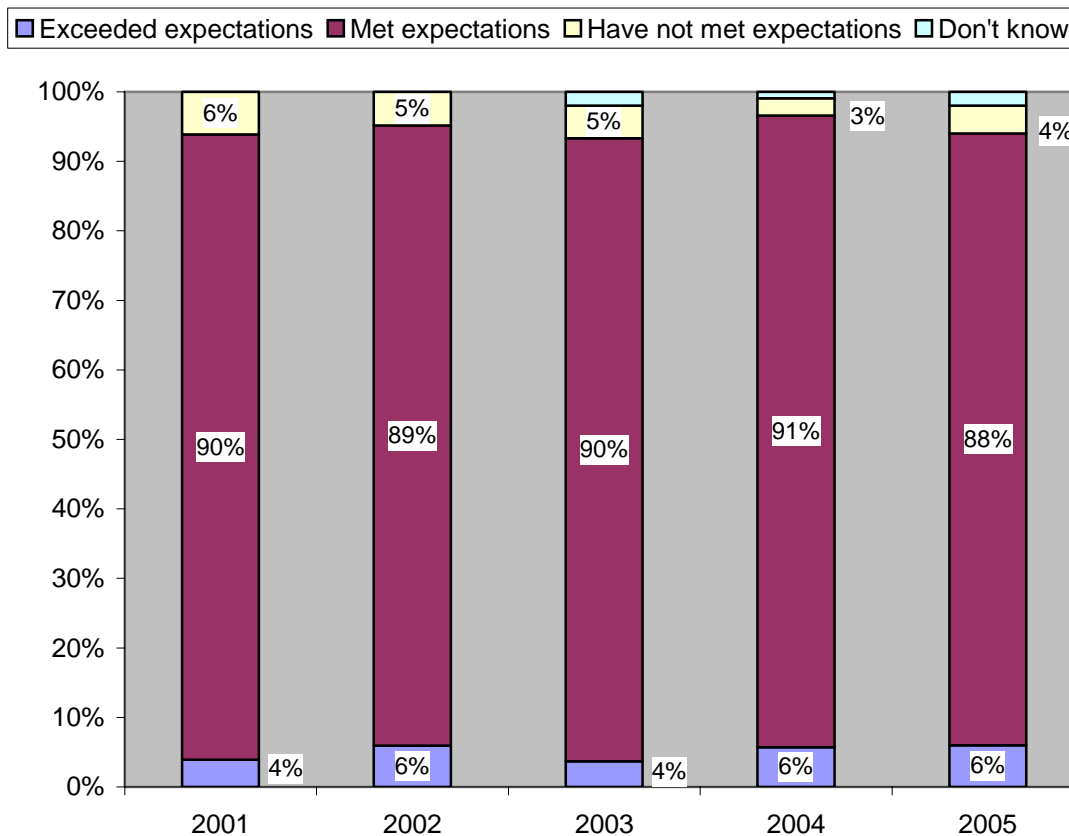
Furthermore, customers in Interconnected service areas (average satisfaction - 8.9) were more satisfied with their supply of electricity than were customers in Isolated service areas (8.4).

## 5.2 Expectations for Service Reliability

Customers were asked to indicate which of three statements best describes their expectations with respect to the supply of electricity they received from Hydro. Statements included “exceeded expectations, met expectations, or have not met expectations”.

While a small minority of customers reported that their expectations were *exceeded* (6%), the vast majority (88%) reported that Hydro met their expectations with respect to the supply of electricity they received, consistent with previous years.

**Figure 30: Expectations for Service Reliability**



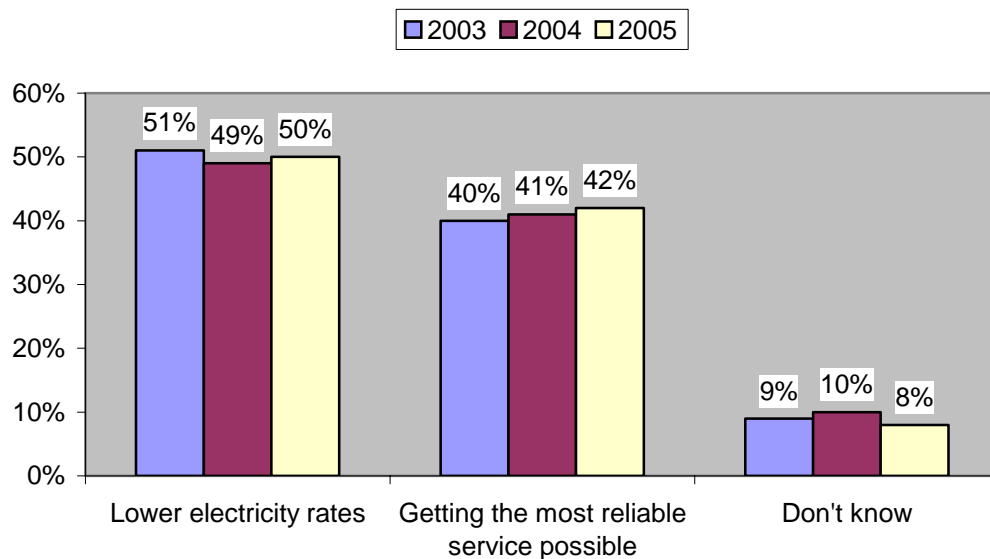
Customers in the Labrador and Northern regions (7% and 5%, respectively) were more likely than customers in the Central region (1%) to say that their expectations regarding their electricity supply have not been met.

Customers in Interconnected service areas (89%) were more likely than customers in Isolated service areas (82%) to say that their expectations regarding their electricity supply have been met. Furthermore, customers in Isolated service areas (10%) were more likely than customers in Interconnected service areas (3%) to say that their expectations regarding their electricity supply have not been met.

### 5.3 Cost Versus Reliability

Again in 2005, customers were asked which is more important to them, (1) lower electricity rates, or (2) getting the most reliable service possible which means less and/or shorter outages even though they may have to pay extra. Consistent with previous years, five in ten customers said lower electricity rates were more important, and approximately four in ten said the most reliable service is more important. The remaining 8% were unsure of which is more important to them. In consideration of both factors, rates and reliable service, there was a slight preference among customers for lower electricity rates.

**Figure 31: Which is more important? Lower electricity costs vs. most reliable service?**



Customers living in Isolated service areas (59%) were more likely to show a preference for lower electricity rates than customers living in Interconnected service areas (49%).

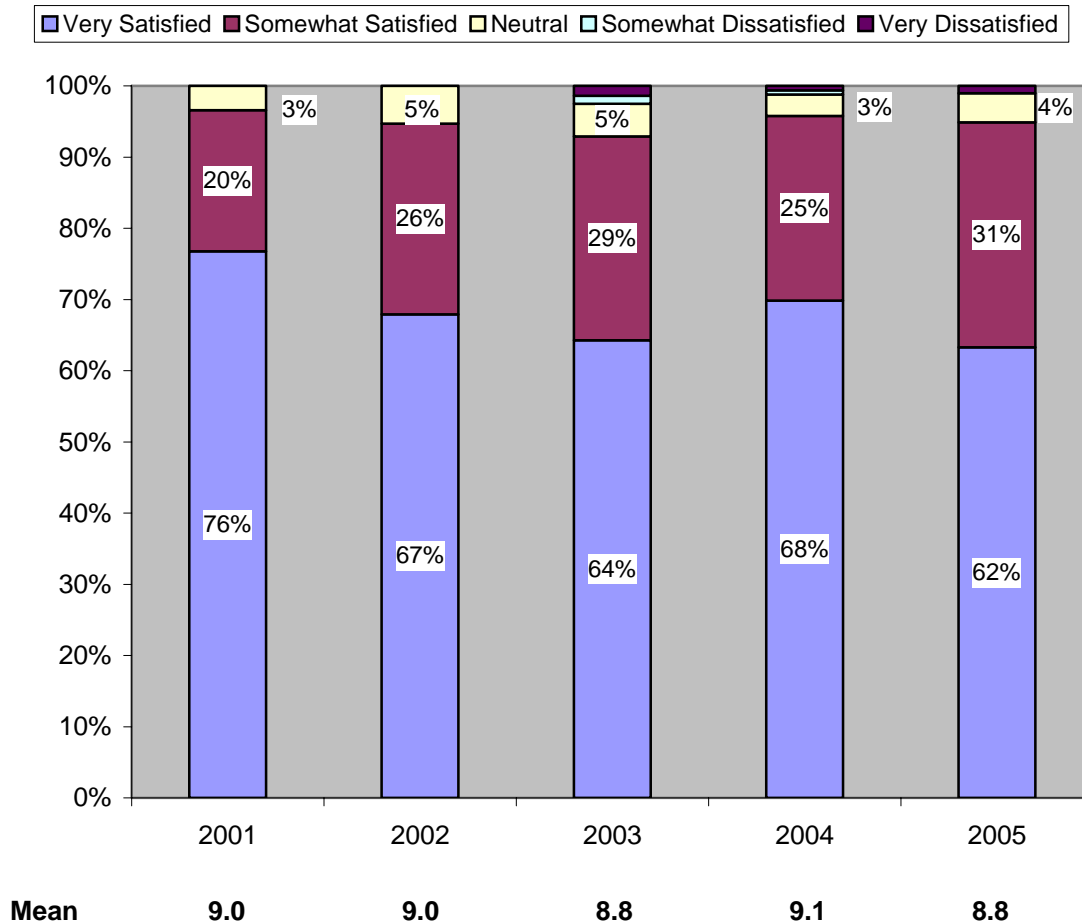
## 6.0 CUSTOMER SERVICE

### 6.1 Overall Satisfaction with Customer Service

To determine satisfaction with Hydro's customer service, customers were asked to rate their satisfaction with the customer service they received from Hydro on a scale of 1 (Very Dissatisfied) to 10 (Very Satisfied).

Overall, the large majority of customers (93%) were satisfied with the customer service they have received from Hydro (62% *very* satisfied, 31% *somewhat* satisfied). However, the average satisfaction rating with overall customer service was 8.8, a decrease from the ratings found in 2001 and 2004. The percentage of customers who were *very* satisfied decreased by 14% since 2001 and by 6% since 2004, while the percentage of customers who were *somewhat* satisfied increased by 11% since 2001 and by 6% since 2004.

**Figure 32: Satisfaction With Customer Service**



When examined by region, Central and Northern customers (average satisfaction - 9.0 and 8.8, respectively) reported greater satisfaction than did Labrador customers (8.5).

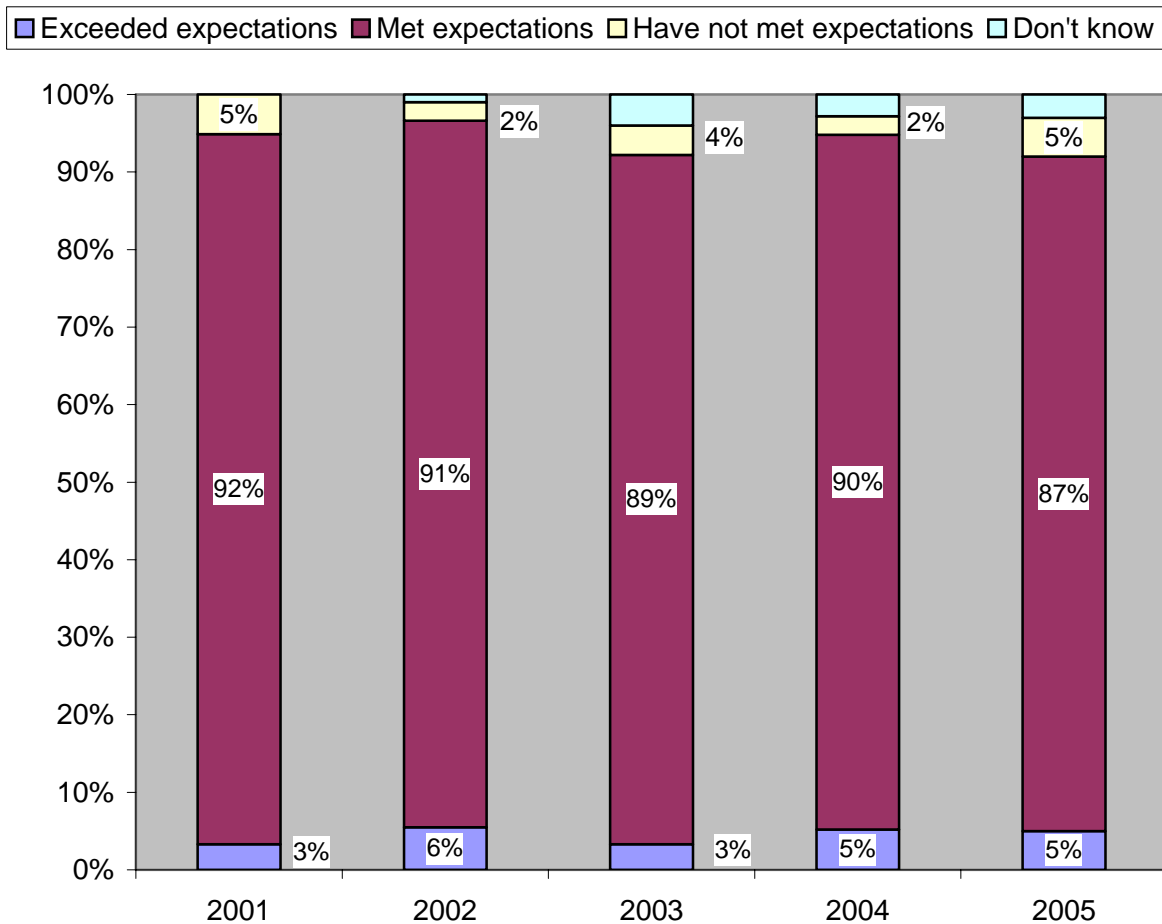
In addition, customers from Interconnected service areas (average satisfaction – 8.9) reported greater satisfaction than did customers from Isolated service areas (8.5).

## 6.2 Expectations for Customer Service

To measure Hydro's ability to meet expectations regarding customer service, customers were asked to indicate if their expectations were exceeded, met, or not met.

Similar to past years, 87% of residential customers reported that their expectations were met with respect to the overall customer service they received from Hydro. Five percent of customers felt that Hydro failed to meet their expectations for customer service, an increase of 3% since 2004.

**Figure 33: Expectations for Customer Service**

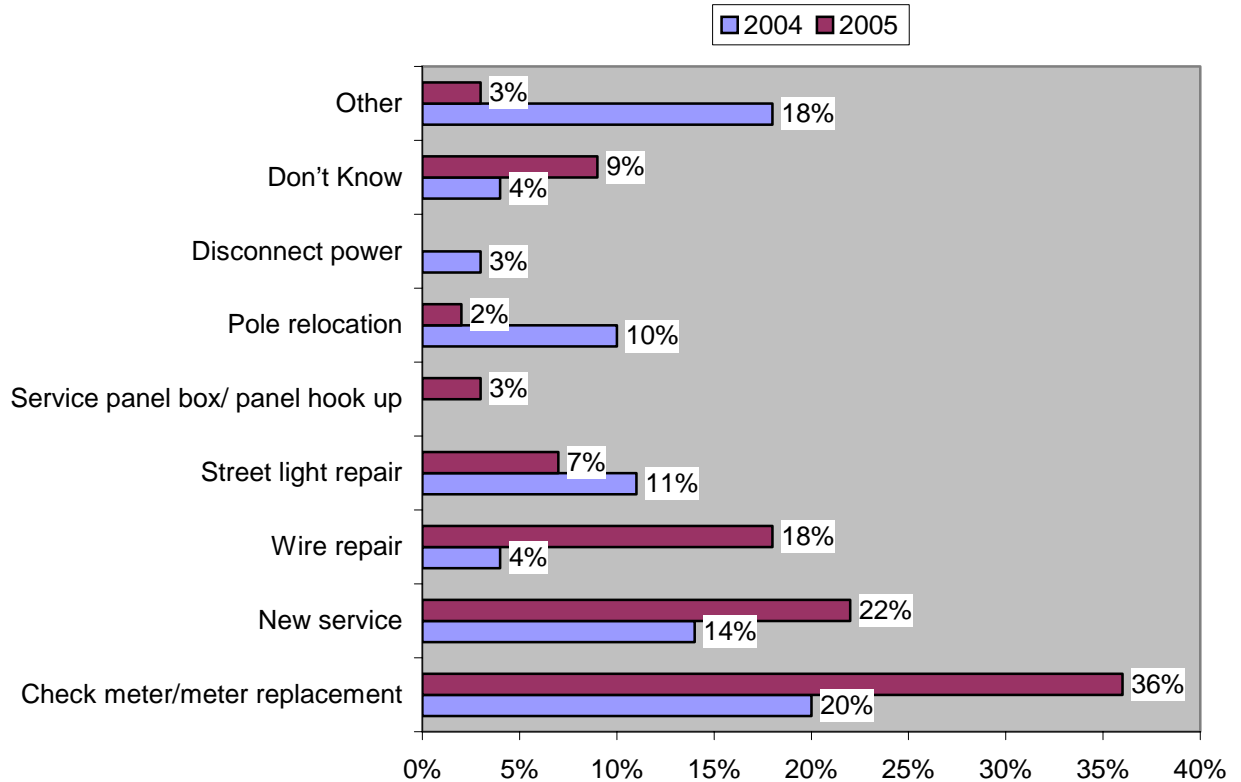


Customers in the Labrador region (8%) were more likely than customers in the Northern region (2%) to say that their expectations regarding customer service have not been met. Conversely, customers in the Northern region (93%) were more likely than customers in the Labrador and Central regions (85% each) to say that their expectations regarding customer service have been met.

### 6.3 Response Time to Service Requests

Consistent with 2004, 12% of residential customers had someone from Newfoundland and Labrador Hydro visit their home or property in the past year in response to a service request that was made by them or someone else in their household. The most common requests were to check or replace a meter (36%), followed by provide new service (22%), and wire repair (18%).

**Figure 34: Service Requests Made by Residential Customers\* (n=74)**

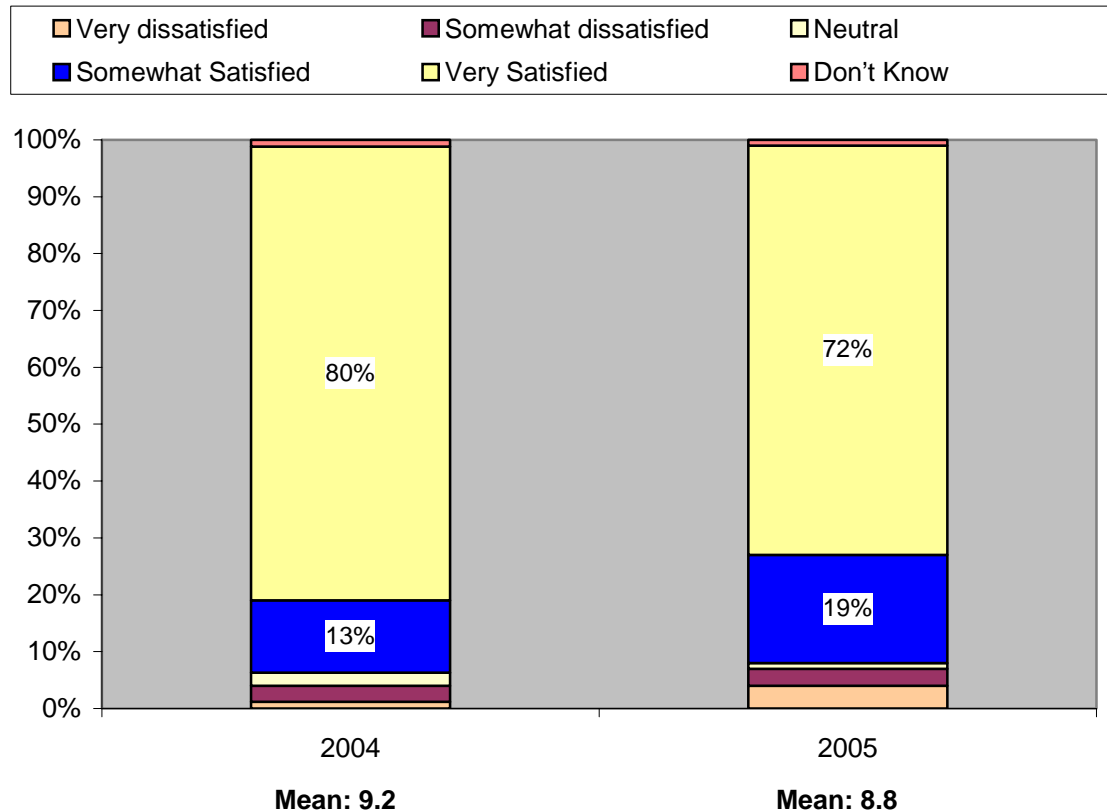


\*Multiple Response Table: Percentages may exceed 100% (2004 survey).

Customers who had made a request (n=74) were then asked to identify how long it took for Hydro to respond to their request. On average, it took Hydro 3 days to respond to service requests.

Customers were also asked to rate their satisfaction with Hydro's response time on a scale of 1 (Very Dissatisfied) to 10 (Very Satisfied). Similar to last year, the majority of customers were very satisfied with the response time (72%), with a mean rating of 8.8.

**Figure 35: Overall Satisfaction With Response Time (n=74)**



This year, customers were asked about how long they feel it should take for Hydro to respond to three different types of service requests:

- Response to full loss or partial loss of power;
- Response to general questions and concerns that cannot be addressed immediately and require further investigation; and
- Response to a service request for home/property (for example, new service, transfer of service, installation/removal/repair of), excluding power outages.

The following table presents the average amount of time that customers felt it should take for Hydro to respond to each type of request. On average, residential customers felt it should take 4 hours to respond to a full or partial power loss, 26 hours to respond to general questions and concerns that cannot be immediately addressed, and 38 hours to respond to a service request for their home/property.



**Table 1: Expected Average Response Time**

<b>Type of Request</b>	<b>Average Response Time (Hours)</b>
Response to a full loss or partial loss of power	4
Response to general questions and concerns that cannot be addressed immediately and require further investigation	26
Response to a service request for home/property (for example, new service, transfer of service, installation/removal/repair of), excluding power outages	38

Customers in the Central region (5 hours) felt it should take longer for Hydro to respond to a full or partial loss of power than customers in the Labrador region (3 hours). In addition, customers in the Labrador region (38 hours) felt it should take Hydro longer to respond to general questions and concerns that cannot be addressed immediately than customers in the Northern and Central regions (26 hours and 23 hours, respectively).

Furthermore, customers in Isolated service areas (7 hours) felt it should take longer for Hydro to respond to a full or partial loss of power than customers in Interconnected service areas (4 hours).

#### **6.4 Customer Suggestions**

Customers were asked to identify any services not currently offered by Hydro but which they feel should be offered. Eighty-four percent of customers were unsure, while 7% had no suggestions. The remaining 9% of customers provided suggestions, among which “put an office/service technician in the area” (2%), and “provide option to pay by credit card” (1%) were the most common.

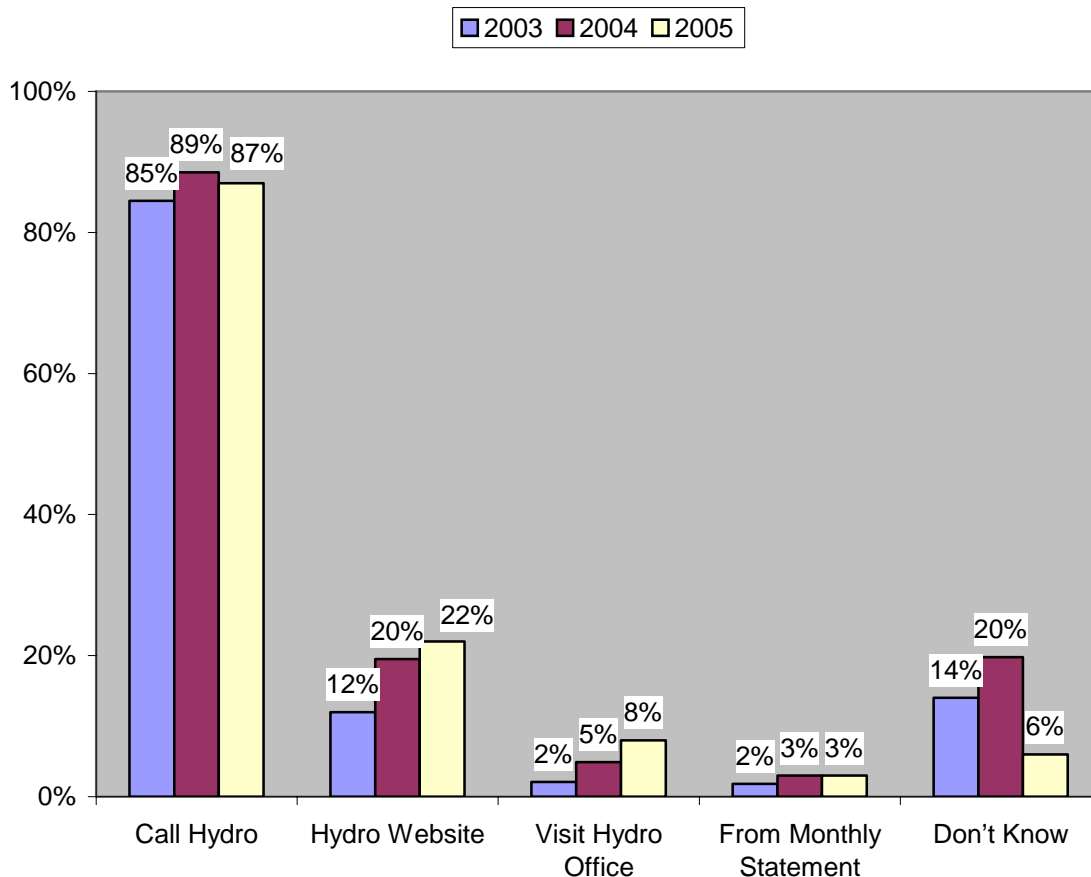
## 7.0 AWARENESS & USE OF CUSTOMER SERVICES

### 7.1 Knowledge of Methods to Obtain Bill/Account Information

To explore awareness of the various ways account information can be obtained, customers were asked to identify ways of obtaining information regarding their Hydro bill or account. Consistent with previous years, “Call Hydro” was the top response, mentioned by 87% of customers. This was followed distantly by “Hydro website”, which was mentioned by 22% of customers. A small percentage of customers also mentioned “Visit a Hydro Office” and “From Monthly Statement” (8% and 3%, respectively).

Compared to 2003, the percentage of customers who identified “Visit a Hydro Office” as a source of account information has increased by 6%, and the percentage of customers who identified the “Hydro Website” has increased by 10%. Conversely, the percentage of customers who replied “Don’t Know” has decreased since 2003, indicating a general increase in customer awareness of ways to access account information.

**Figure 36: Awareness of Ways to Obtain Account Information\***



\*Multiple Response Table: Percentages may exceed 100%.

Customers in the Labrador region (17%) were more likely than customers in the Northern (6%) and Central (3%) regions to identify “Visit a Hydro Office” as a way to access account information. Customers in Interconnected service areas (8%) were also more likely than customers in Isolated service areas (4%) to identify “Visit a Hydro Office”.

Another way that Hydro customers can access account information is through the automated telephone system. This automated telephone system was implemented by Hydro to provide customers with 24-hour access to billing and power outage information.

Customers were asked about awareness of the automated toll-free number. Provincially, 71% of Hydro customers were aware of the toll-free number. Regionally, customers in Northern and Central regions (79% and 77%, respectively) were more likely than customers in the Labrador region (55%) to be aware of the toll-free number.

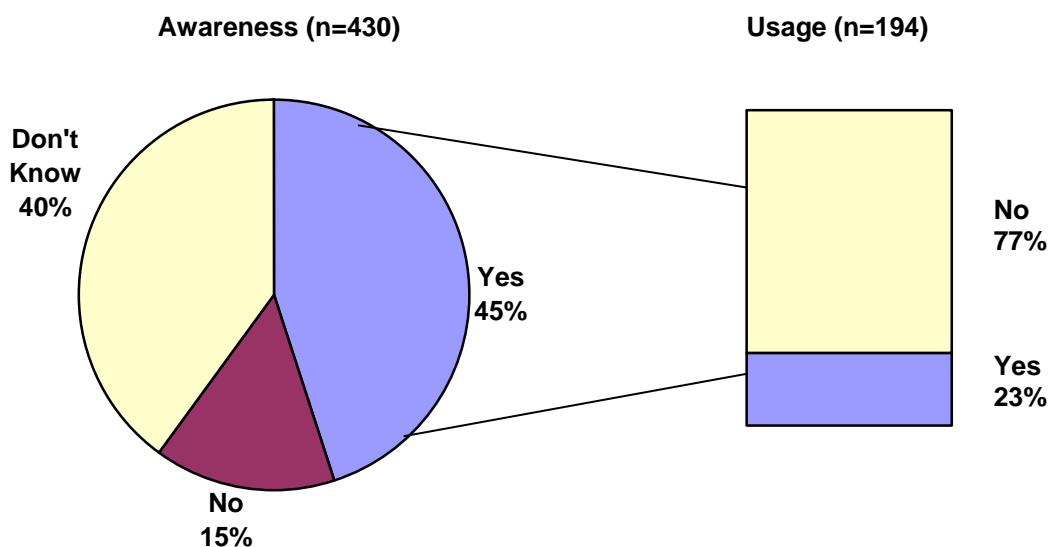
## 7.2 Knowledge and Use of Hydro's Website among Internet Users

Approximately 66% of residential customers reported having access to the Internet, either at home, at work, at school, or elsewhere. Customers in the Labrador region (79%) were more likely to have Internet access than customers in the Central and Northern regions (61% and 60%, respectively)<sup>7</sup>.

When asked to indicate whether or not Hydro has a website, 45% of customers with Internet access were aware of the website, a decrease of 11% from 2004. The remaining customers said that Hydro does not have a website (15%) or that they were unsure (40%).

Just under one quarter of customers (23%, n=45) who have Internet access and were aware of the website have ever visited it. Usage of the website was greater among customers in the Labrador region (29%) than customers in the Northern region (14%). Generally, however, usage of the website has not increased since 2003.

**Figure 37: Awareness and Use of Website Among Internet Users**



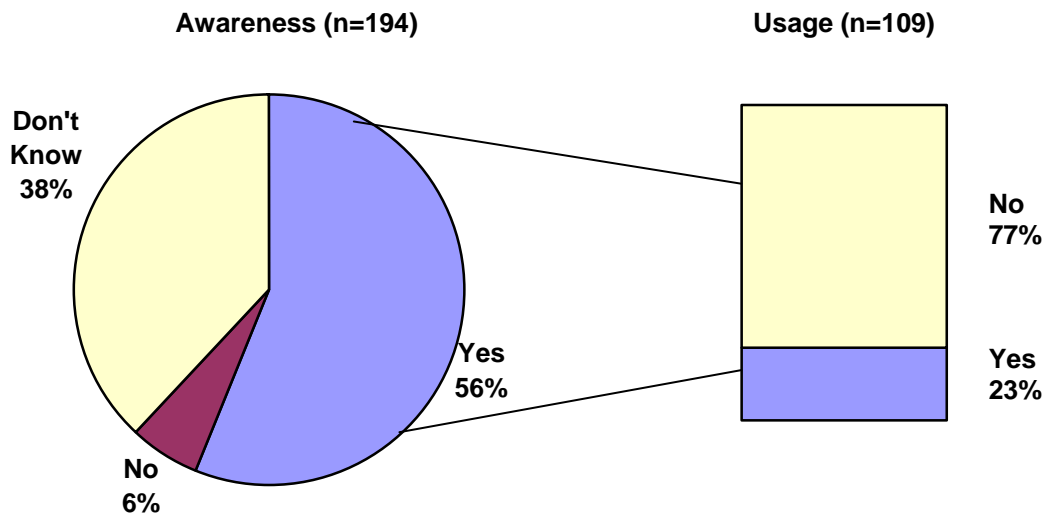
When asked why they had not visited the website, the majority of customers with Internet access who were aware of the website (n=149) responded that they were unsure (44%) or that there was no reason or need to visit the website (30%). Other responses included not interested (8%), do not use the Internet (7%), do not have a computer (5%), use the toll-free number, use telephone banking (2% each), and other mentions (2%).

<sup>7</sup> A more detailed analysis of Internet access is provided in section 12.5 of this report.

Of those with Internet access who were aware of the website, 56% indicated that customers can access billing or account information on the site. Customers in the Central and Labrador regions (65% and 58%, respectively) were more aware that account information is available on the site than customers in the Northern region (41%).

Of those aware of access to billing or account information on Hydro's website, 23% have accessed their own billing or account information through the website. Customers in the Labrador region (31%) were more likely than customers in the Northern region (13%) to access their own billing and account information through the website.

**Figure 38: Awareness and Use of Website to Access Account Information**



Customers aware of the ability to access account information from Hydro's website who have not used the site for this purpose (n=84) were asked to identify the reasons why. The majority of these customers reported being unsure (43%), or that there was no reason or need to access account information (19%). Other responses included do not use the Internet (14%), get the bill in the mail (12%), use telephone banking (5%), not interested (3%), and other mentions (4%).

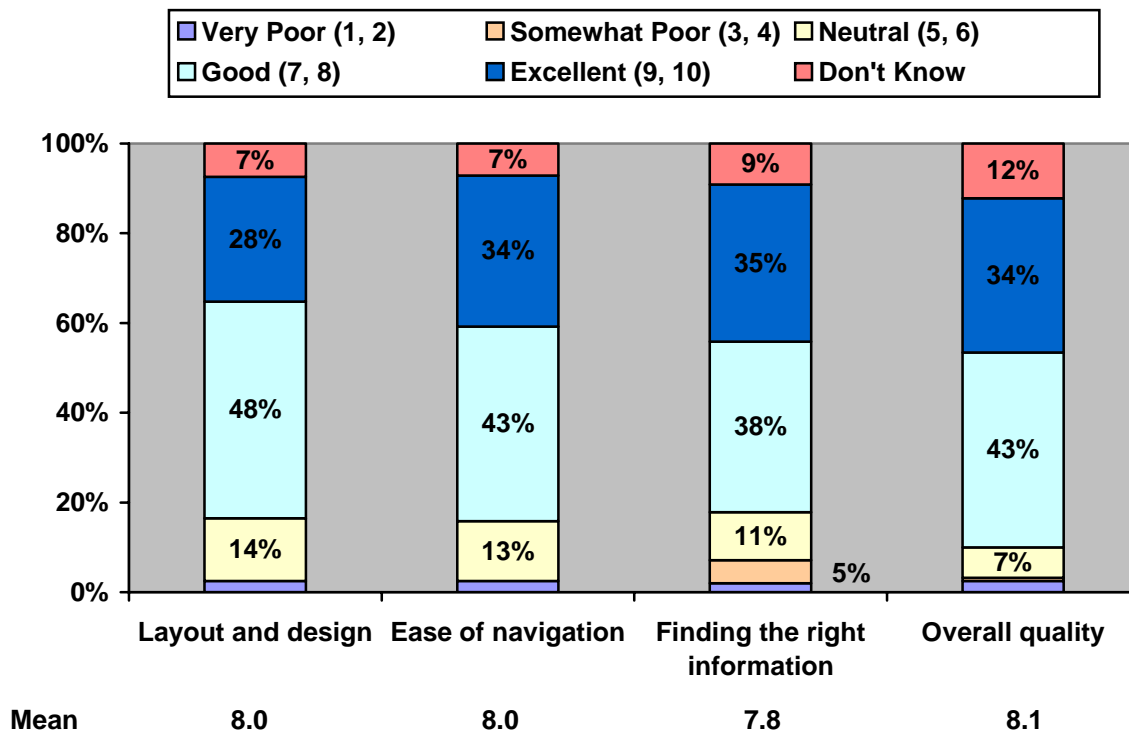
Awareness of planned power outage information on Hydro's website was much lower. Of those with Internet access who were aware of the website, approximately three in ten customers (29%) were aware that they can access planned power outage information on Hydro's website.

Customers who have visited Hydro's website were asked to rate the website, on a scale of 1 (Very Poor) to 10 (Excellent), on the following attributes:

- Layout and design;
- Ease of navigation;
- Finding the right information to meet your needs; and
- Overall quality of the website.

Among customers who have Internet access, ratings of these attributes were very favorable, with the large majority of customers rating each attribute as good or excellent.

**Figure 39: Hydro Website Ratings (n=45)**



Customers who have visited Hydro's website were also asked to provide suggestions on ways that Hydro can improve the site. The majority of customers with Internet access reported being unsure (93%), while 1% of customers had no suggestions. The remaining customers provided the following suggestions:

- Provide log-in options upon entering the site (5%); and
- Provide more detail on the website about when a meter was read (e.g., time and date) (1%).

## 7.3 Billing and Payment Options

### Electronic Billing

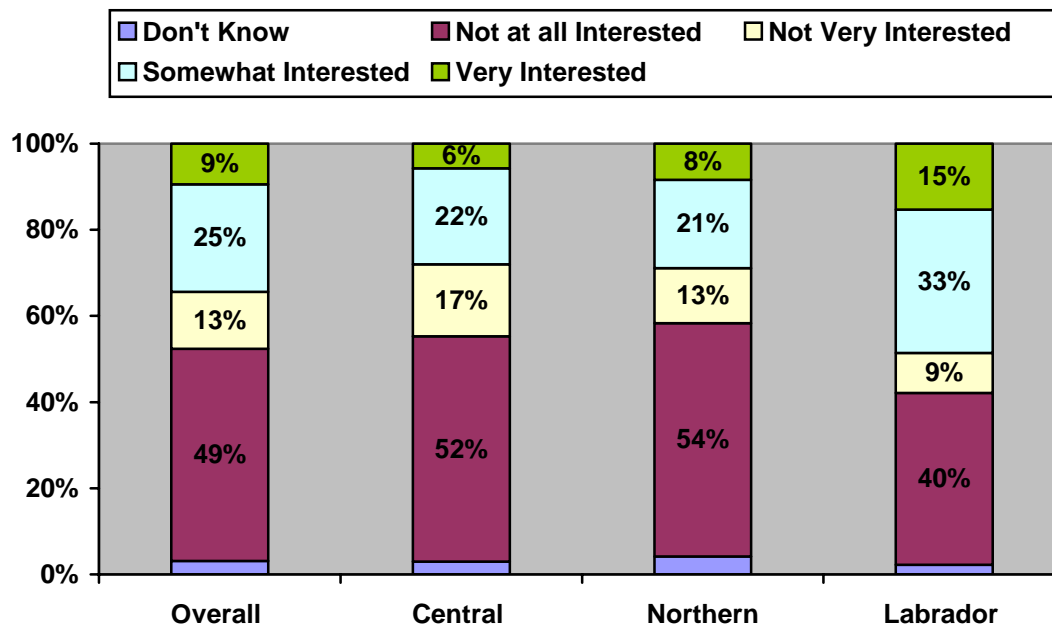
Electronic billing is a type of billing through which customers receive and view their monthly electric bill on-line. Through electronic billing, a customer receives an email once a month containing an Internet link to their on-line bill. Once a customer signs up for electronic billing, they no longer receive an electric bill in the mail. This year, in order to determine interest in electronic billing, customers were asked how interested they would be in using this service if it was offered by Hydro.

Provincially, 34% of residential customers indicated that they would be interested in using an electronic billing service (9% *very* interested, 25% *somewhat* interested). As would be expected, customers with Internet access were more likely to be interested in an electronic billing system than customers without Internet access (49% and 6%, respectively).

Regionally, customers in the Labrador region (48%) were more likely to be interested in an electronic billing service than customers in the Northern (29%) and Central (28%) regions.

When analyzed by service area, customers in Isolated areas (43%) were more likely to be interested this service than customers in Interconnected areas (34%).

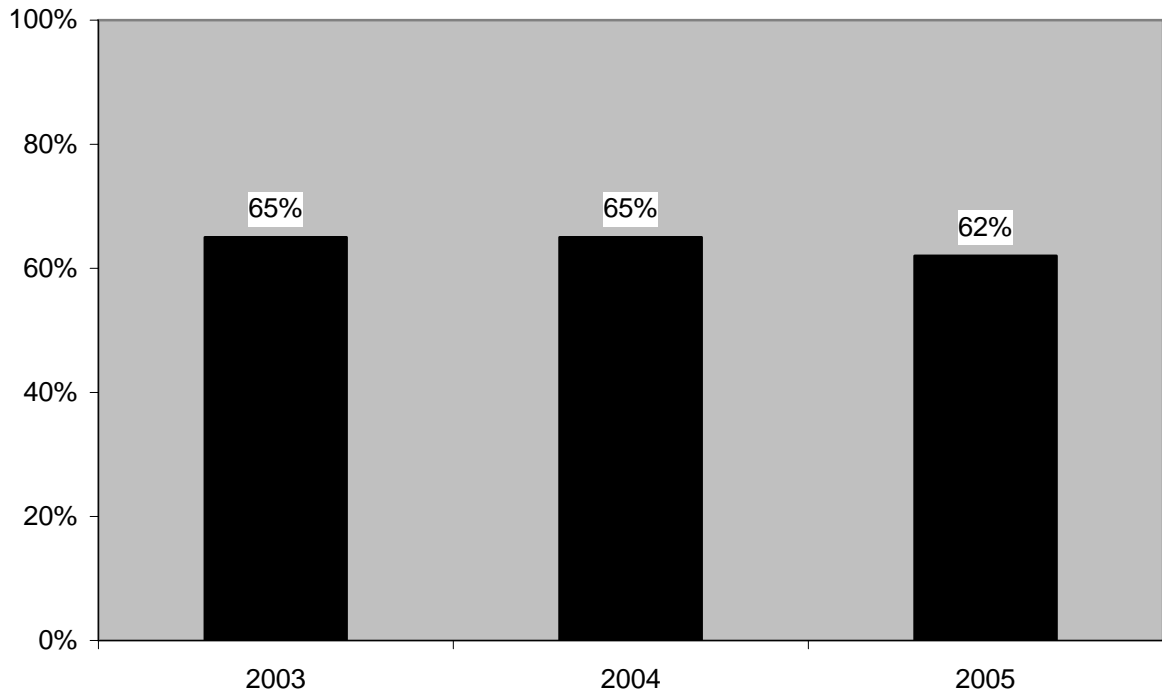
Figure 40: Interest in Electronic Billing



## Equal Payment Plan

*Equal Payment Plan* is a form of billing whereby customers are billed an equal amount over 12 months, rather than being billed for their household's use of electricity for a particular month. Consistent with previous years, approximately six in ten residential customers (62%) were aware that Hydro offers the *Equal Payment Plan*.

**Figure 41: Awareness of the Equal Payment Plan**



Customers in the Central region (69%) were more aware of the *Equal Payment Plan* than customers in the Northern region (54%).

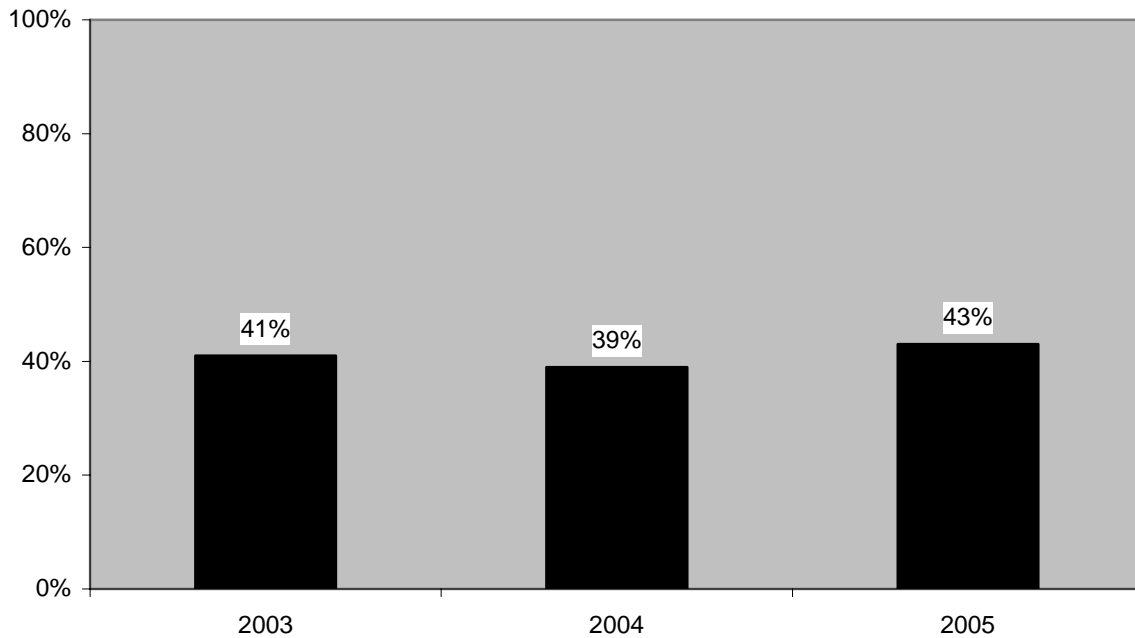
Furthermore, customers living in Interconnected service areas (63%) were more aware of the *Equal Payment Plan* than customers living in Isolated service areas (55%).



### ***Pre-authorized Payment***

The pre-authorized bill payment option is a form of payment where the amount of a bill is automatically deducted from a customer's bank account each month. Consistent with previous years, 43% of residential customers were aware that Hydro offers a pre-authorized bill payment option.

**Figure 42: Awareness of the Pre-Authorized Payment Option**



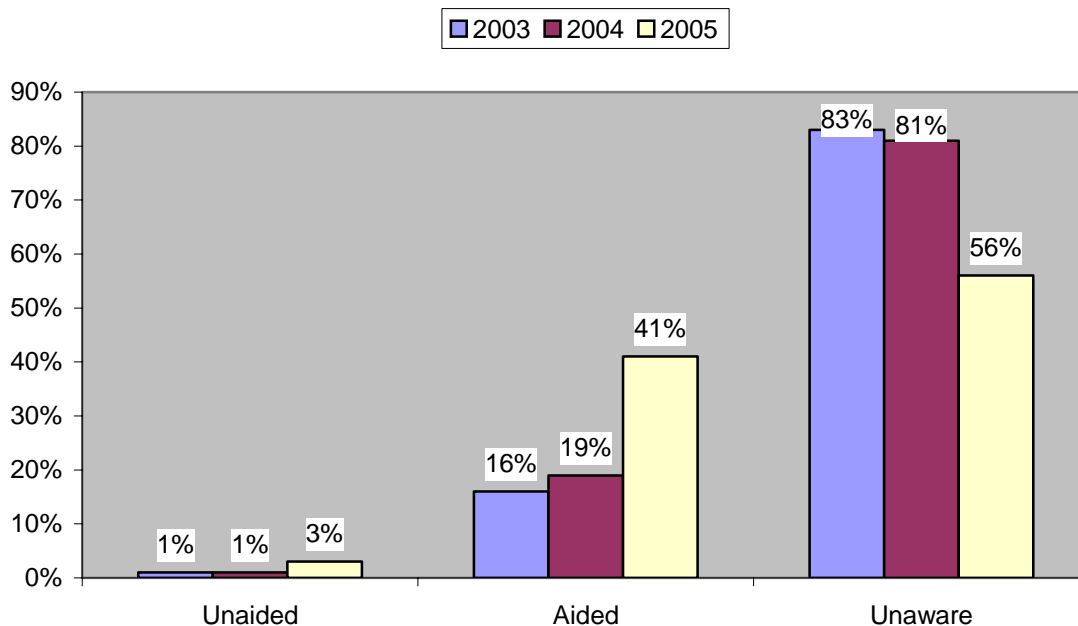
## 7.4 Hydrowise

Based on their knowledge, customers were asked to indicate whether or not Hydro has an energy awareness program to help consumers learn how to understand and reduce energy costs. Compared to 2004, Hydro customers were more aware of an energy conservation program offered by Hydro (42% compared to 28%). Those who believed Hydro has such a program were asked to provide the name of the program. When asked to name the program, 3% of these customers correctly identified 'Hydrowise' as the program (n=18), an increase of 2% since 2003.

All customers except those who correctly identified 'Hydrowise' as the program were asked another question to determine *aided* awareness of the program. In particular, they were told that 'Hydrowise' is the name of Hydro's energy awareness program and were then asked if they had heard of it. Forty-one percent of customers indicated that they had heard of 'Hydrowise' (n=267), an increase of 25% since 2003.

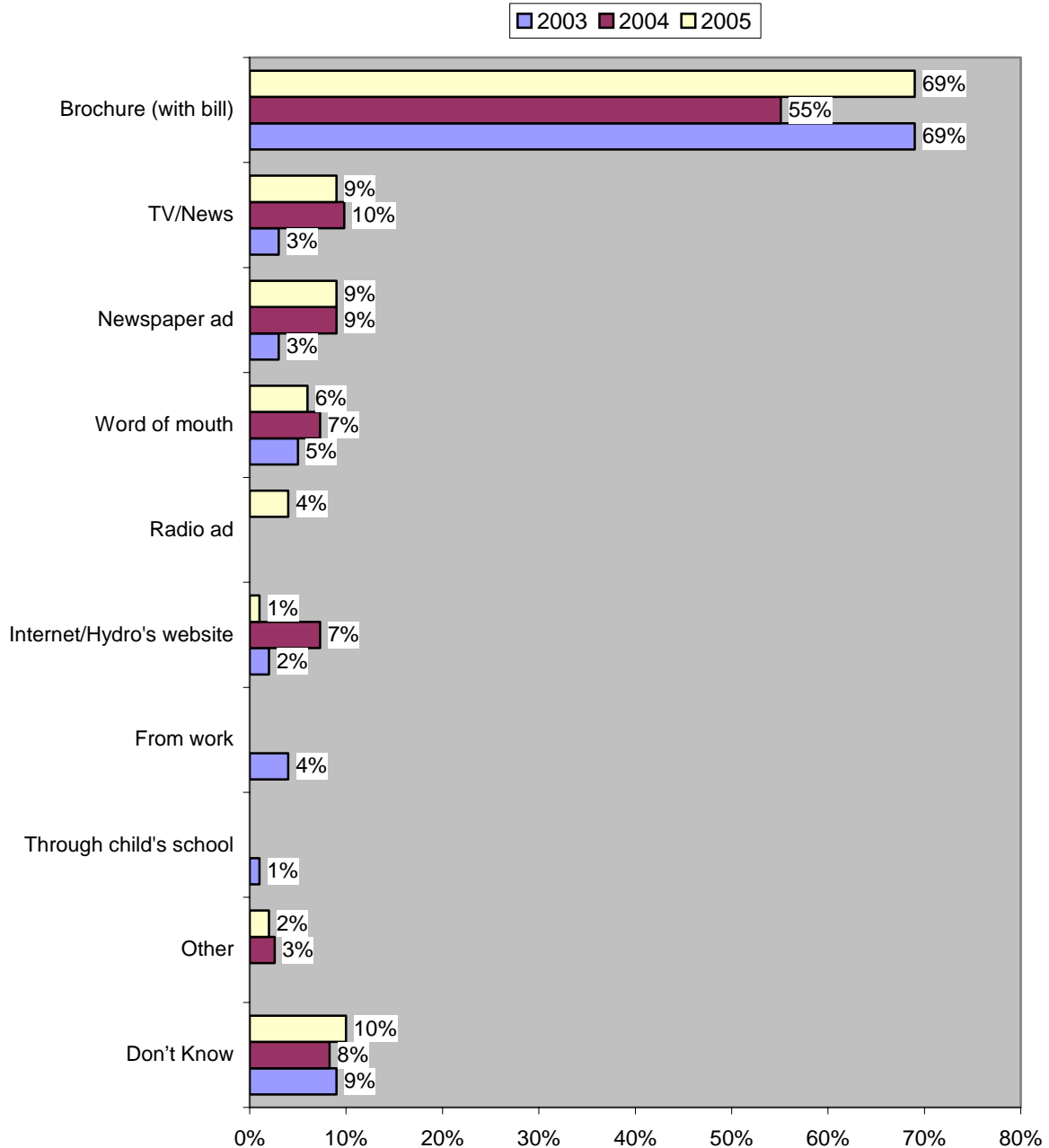
Overall awareness of the program (unaided and aided combined) was 44% (285/649). This awareness level is higher than the awareness levels of 2003 and 2004 (17% and 19%, respectively).

**Figure 43: Awareness of 'Hydrowise'**



Customers who were aware of 'Hydrowise' were asked how they found out about the program. Consistent with previous years, most customers indicated that they learned about the program through a brochure inserted with their Hydro statement. Compared to 2004, fewer customers found out about 'Hydrowise' through the Internet/Hydro's website. Furthermore, TV and Newspaper ads were mentioned more frequently in 2005 than they were in 2003.

**Figure 44: How Customers Found Out About 'Hydrowise'\* (n=285)**

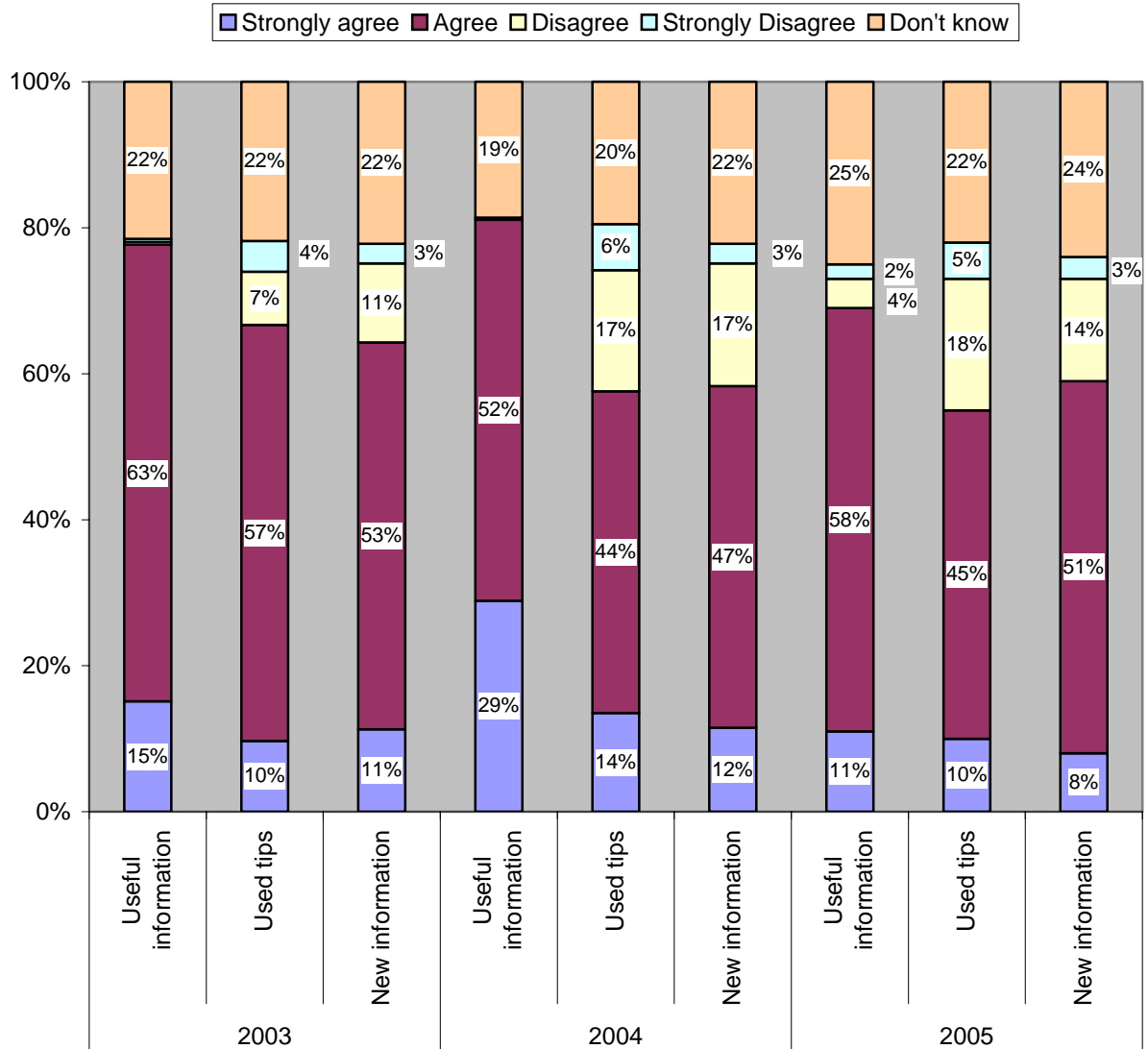


\*Multiple Response Table: Percentages may exceed 100%.

Customers who were aware of Hydrowise were also asked if they strongly agreed, agreed, disagreed, or strongly disagreed with the following statements:

- The information provided by Hydrowise is useful;
- I have used some of the Hydrowise tips to help reduce my energy costs; and
- Hydrowise provided me with some information I did not already know.

**Figure 45: Opinions of 'Hydrowise' (n=285)**



The majority of customers who were aware of Hydrowise agreed<sup>8</sup> that the information provided by the program is useful (69%). However, in comparison to 2004, customers were less likely to report that the information is useful (a decrease of 12%).

<sup>8</sup> Includes 'agree' and 'strongly agree'.

Consistent with 2004, 59% of customers who were aware of Hydrowise agreed<sup>9</sup> that the program provided them with information they did not already possess, and 55% reported that they used some of the tips to reduce their energy costs. However, in comparison to 2003, customers were more likely to disagree that they used the tips (an increase of 12%).

---

<sup>9</sup> Includes 'agree' and 'strongly agree'.

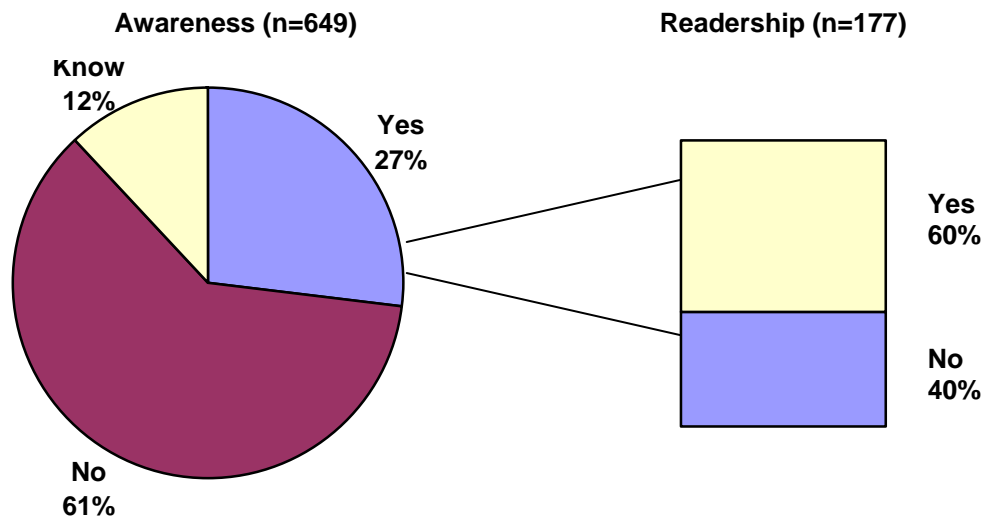
## 7.5 Watts New

In early 2005, Hydro introduced a customer newsletter called '*Watts New*'. This newsletter is distributed to all customers on a quarterly basis and is inserted with their Hydro bill. This year, for the first time, the study included new questions asking customers about awareness and readership of '*Watts New*'. At the time of the survey, four issues of the newsletter had been distributed.

Just over one-quarter of customers (27%) reported having heard of '*Watts New*'. Awareness was greater among customers in the Northern region (32%) than among customers in the Labrador region (22%).

Those who had heard of '*Watts New*' were asked if they had read an issue of the newsletter. Of those aware of the newsletter, readership was fairly high, with 60% of customers having read an issue. On average, customers read three issues of '*Watts New*', with 34% of customers having read all four issues distributed at that time.

**Figure 46: Awareness and Readership of '*Watts New*'**



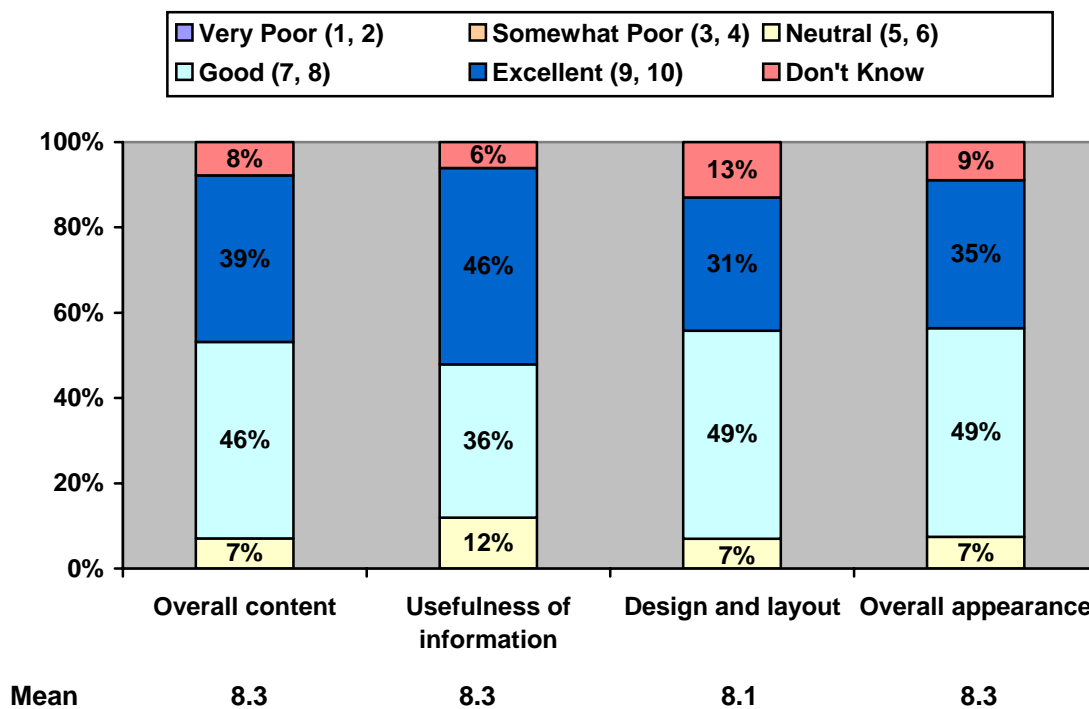
The majority of customers who read an issue of '*Watts New*' (93%) rated the content of the newsletter as informative (35% *very* informative, 58% *somewhat* informative). Customers in the Central and Labrador regions (100%) were more likely than customers in the Northern region (82%) to rate the content of '*Watts New*' as informative.

Customers who have read an issue of 'Watts New' were also asked to rate the newsletter, on a scale of 1 (Very Poor) to 10 (Excellent), on the following attributes:

- Overall content;
- Usefulness of the information contained in the articles;
- Design and layout; and
- Overall appearance.

Overall, 'Watts New' was rated very favorably on these attributes, with approximately eight in ten customers who have read 'Watts New' rating all of the attributes as good or excellent, with mean ratings ranging from 8.1 to 8.3.

**Figure 47: 'Watts New' Newsletter Ratings (n=106)**



Customers who have read 'Watts New' were also asked to provide suggestions on topics or areas of interest that they would like to see covered future editions of the newsletter. The majority of customers reported being unsure (86%), while 1% of customers had no suggestions. The remaining customers provided the following suggestions:

- Include more tips on saving/conserving energy (5%);
- Provide an explanation of the cost differences between areas (e.g., diesel and non-diesel supply) (3%); and
- Include more electricity safety tips (2%).

## 7.6 Energy Efficient Light Bulbs

A compact fluorescent light bulb is an energy efficient light bulb that screws into a regular light bulb socket and is typically spiral in shape. This year, for the first time, Hydro customers were asked several questions about their use of these energy efficient bulbs.

Approximately half of Hydro's residential customers (49%) reported having at least one compact fluorescent light bulb installed in their home. Customers living in Isolated service areas (78%) were more likely to have compact fluorescent bulbs installed in their homes than customers living in Interconnected service areas (46%).

The majority of customers had between 3-4 bulbs or between 5-9 bulbs installed (29% each), with an average of 6 bulbs installed.



## 8.0 PROFILE OF SURVEY RESPONDENTS

This section presents a profile of the survey respondents, overall, by region, and by service area.

### 8.1 Demographic Characteristics

**Table 2: Demographic Characteristics**

	% Respondents
<b>AGE:</b>	<b>N=630</b>
18-24	1.0
25-34	10.9
35-44	21.9
45-54	26.1
55-64	24.7
65+	15.4
<b>EDUCATION:</b>	<b>N=622</b>
Less than high school	37.4
Graduated high school/GED	25.4
Some post-secondary education	8.9
College/Technical School certificate or diploma	17.5
University certificate or diploma below bachelor's degree	2.6
University degree (bachelors, masters. PhD)	8.2
<b>HOUSEHOLD INCOME CATEGORY:</b>	<b>N=501</b>
Less than \$20,000	20.2
\$20,001 to less than \$40,000	41.8
\$40,001 to less than \$60,000	15.7
\$60,001 to less than \$80,000	9.3
Over \$80,000	13.0
<b>EMPLOYMENT CATEGORY:</b>	<b>N=631</b>
Full-time, Permanent, Year-Round	26.3
Part-time, Permanent, Year-Round	9.9
Seasonal/Casual	20.6
Homemaker	8.8
Unemployed	8.3
Retired	23.8
Student	1.2
Disabled	<1
Self-Employed	1.0
<b>GENDER:</b>	<b>N=649</b>
Male	36.2
Female	63.8

*Note: Individuals who refused or did not respond are excluded from this analysis.*

The person in the household responsible for dealing with Hydro (i.e., the customer) was most often female (64%), between the ages of 45 to 64 (51%), and had an education of high school or less (63%).

The majority of Hydro customers worked in a full-time, permanent, year-round job, (26%) or were retired (24%). Their total household income most often fell below \$40,000 (62%).

## 8.2 Demographic Characteristics by Region

**Table 3: Demographic Characteristics by Region**

	Labrador % Respondents	Northern % Respondents	Central % Respondents
<b>AGE:</b>	<b>N=238</b>	<b>N=196</b>	<b>N=196</b>
18-24	3.4	<1	--
25-34	15.9	6.4	10.8
35-44	21.9	22.5	21.4
45-54	27.6	26.4	24.8
55-64	25.8	24.8	23.8
65+	5.5	19.9	19.2
<b>EDUCATION:</b>	<b>N=240</b>	<b>N=190</b>	<b>N=194</b>
Less than High School	17.0	42.1	49.4
Graduated High School	25.1	27.4	23.9
Some Post-Secondary Education	9.2	8.7	8.9
College/Technical School Certificate or Diploma	29.3	15.3	10.2
University Certificate below Bachelors	5.4	1.4	1.2
University Degree (Bachelors, Masters, PhD)	14.0	5.0	6.3
<b>HOUSEHOLD INCOME CATEGORY:</b>	<b>N=197</b>	<b>N=142</b>	<b>N=163</b>
Less than \$20,000	10.8	25.7	23.4
\$20,001 to less than \$40,000	20.8	46.0	54.8
\$40,001 to less than \$60,000	16.0	20.2	12.3
\$60,001 to less than \$80,000	21.0	4.6	3.6
Over \$80,000	31.3	3.4	5.9
<b>EMPLOYMENT CATEGORY:</b>	<b>N=242</b>	<b>N=194</b>	<b>N=196</b>
Full-time, Permanent, Year-Round	54.2	18.3	11.0
Part-time, Permanent, Year-Round	6.8	8.1	13.7
Seasonal/Casual	6.4	24.3	28.6
Homemaker	11.3	6.0	9.1
Unemployed	5.4	10.0	9.0
Retired	13.4	31.3	25.7
Student	<1	1.0	1.9
Disabled	<1	--	--
Self-Employed	1.0	1.0	<1
<b>GENDER:</b>	<b>N=247</b>	<b>N=200</b>	<b>N=202</b>
Male	40.4	30.8	37.4
Female	59.6	69.2	62.6

Note: Individuals who refused or did not respond are excluded from this analysis.

In general, customers in the Labrador region were more likely than customers in the other regions:

- To be younger (19% between the ages of 18-34);
- To have at least some post-secondary education (58%);
- To have a total household income of \$60,000 or more (52%); and
- To be employed in a full-time, permanent, year-round position (54%).

### 8.3 Demographic Characteristics by Service Area

**Table 4: Demographic Characteristics by Service Area**

	Interconnected % Respondents	Isolated % Respondents
<b>AGE:</b>	<b>N=354</b>	<b>N=276</b>
18-24	<1	2.5
25-34	10.3	17.1
35-44	22.0	21.0
45-54	26.2	25.1
55-64	24.8	23.8
65+	15.8	10.5
<b>EDUCATION:</b>	<b>N=350</b>	<b>N=275</b>
Less than High School	37.0	41.2
Graduated High School	25.1	28.4
Some Post-Secondary Education	9.2	6.6
College/Technical School Certificate or Diploma	18.1	12.1
University Certificate below Bachelors	2.5	3.3
University Degree (Bachelors, Masters, PhD)	8.2	8.3
<b>HOUSEHOLD INCOME CATEGORY:</b>	<b>N=282</b>	<b>N=222</b>
Less than \$20,000	19.7	25.4
\$20,000 to less than \$40,000	42.0	40.1
\$40,000 to less than \$60,000	15.6	16.9
\$60,000 to less than \$80,000	9.4	7.9
\$80,000 or more	13.3	9.6
<b>EMPLOYMENT CATEGORY:</b>	<b>N=355</b>	<b>N=278</b>
Full-time, Permanent, Year-Round	26.1	28.6
Part-time, Permanent, Year-Round	10.4	4.4
Seasonal/Casual	19.7	29.7
Homemaker	8.9	7.9
Unemployed	8.1	9.8
Retired	24.3	18.4
Student	1.3	--
Disabled	<1	1.1
Self-Employed	1.1	--
<b>GENDER:</b>	<b>N=365</b>	<b>N=284</b>
Male	35.2	46.2
Female	64.8	53.8

Note: Individuals who refused or did not respond are excluded from this analysis.

Compared to their counterparts in Isolated service areas, customers in Interconnected service areas were more likely to:

- Be younger (11% between the ages of 18-34);
- Have at least some post-secondary education (38%); and
- Be female (65%).

Customers in Isolated service areas, however, were more likely to work on a seasonal or casual basis (30%).

## 8.4 Years of Service Relationship: Comparison of 2001-2005

**Table 5: Years of Service Relationship**

	Average Number of Years	Length of Relationship			
		1-10 Years	11-19 Years	20 + Years	Don' t Know
Labrador (N=247)					
2001	18.6	26.7	21.8	49.4	2.0
2002	19.4	22.3	14.5	59.9	3.3
2003	20.9	25.2	13.4	54.9	6.5
2004	19.9	23.8	20.4	43.0	12.9
2005	22.9	18.9	15.8	58.8	6.5
Northern (N=200)					
2001	22.8	14.2	19.0	64.0	2.8
2002	21.5	14.1	16.6	66.8	2.4
2003	23.2	15.8	12.0	69.7	2.5
2004	22.7	19.2	12.9	50.4	17.4
2005	26.5	10.1	16.1	68.4	5.4
Central (N=202)					
2001	22.3	16.5	18.0	63.5	2.0
2002	22.7	10.0	15.9	73.6	0.5
2003	24.1	12.7	15.6	66.7	4.9
2004	23.9	14.7	12.5	54.6	18.2
2005	25.1	12.7	14.9	69.2	3.2
Total (N=649)					
2001	21.1	19.1	21.1	57.5	2.3
2002	21.0	16.1	16.1	66.0	1.8
2003	22.9	17.4	13.8	64.1	4.6
2004	22.3	18.8	14.8	49.9	16.5
2005	25.0	13.7	15.6	65.8	4.9

On average, residential customers have been patrons of Hydro for 25 years, with most having been a customer for more than 20 years (66%).

## 8.5 Access to the Internet: Comparison of 2001-2005

**Table 6: Internet Access**

	Percentage with Access to the Internet				
	Access At All	At Home	At Work	At School	Elsewhere*
<b>Labrador (N=247)</b>					
2001	63.4	46.5	34.6	23.0	-
2002	60.3	42.6	39.3	20.2	-
2003	76.3	63.6	42.5	21.8	-
2004	78.2	64.3	45.8	3.9	14.1
<b>2005</b>	<b>79.1</b>	<b>68.0</b>	<b>40.8</b>	<b>13.9</b>	<b>21.2</b>
<b>Northern (N=200)</b>					
2001	33.6	20.9	13.7	15.2	-
2002	44.4	28.3	18.5	22.4	-
2003	60.9	38.8	22.3	25.4	-
2004	58.2	43.9	24.3	6.0	11.1
<b>2005</b>	<b>60.4</b>	<b>43.6</b>	<b>21.4</b>	<b>9.8</b>	<b>25.7</b>
<b>Central (N=202)</b>					
2001	41.0	27.5	13.5	25.5	-
2002	45.3	31.8	16.9	21.4	-
2003	52.7	38.6	13.9	19.2	-
2004	51.0	35.9	14.6	8.6	17.1
<b>2005</b>	<b>61.3</b>	<b>44.1</b>	<b>16.0</b>	<b>18.2</b>	<b>25.1</b>
<b>Total (N=649)</b>					
2001	42.6	30.5	17.2	18.4	-
2002	47.4	34.3	23.6	18.3	-
2003	62.7	46.1	25.0	21.9	-
2004	61.0	46.5	26.6	6.4	14.3
<b>2005</b>	<b>66.3</b>	<b>51.1</b>	<b>25.1</b>	<b>14.3</b>	<b>24.2</b>

\* "Elsewhere" was added to the survey in 2004

Since 2001, Internet access has increased for Hydro customers, rising from 43% to 66%.





## **APPENDIX A: QUESTIONNAIRE**

## Hydro Residential Customer Satisfaction Survey October, 2005

Hello, my name is \_\_\_\_\_ and I'm calling from Market Quest Research, a professional marketing research firm. Today/tonight we are conducting a short survey on household electricity. May I please speak to the adult who is primarily responsible for paying your home electric bill and dealing with the electric company [REPEAT INTRODUCTION IF NECESSARY]. We would appreciate your participation, would you have a few minutes to complete the survey? ...it will take approximately 10 minutes of your time.

**YES - CONTINUE**

**NO - THANK & TERMINATE**

**Screener:**

1a. Do you or does anyone in your household or immediate family work for:

	<b>Yes</b>	<b>No</b>
An electric company	1	2
An advertising or marketing research firm	1	2

**IF YES TO ANY OF THE ABOVE - THANK & TERMINATE**

1b. *What is the name of the electric company which....*

	<i>NF &amp; LAB HYDRO</i>	<i>NF POWER</i>	<i>D/K OR N/A</i>
<i>...Supplies electricity to your permanent home or where you spend the majority of your time?</i>	1	2	98
<i>...Supplies electricity to a temporary dwelling such as a cabin, cottage or summer home?</i>	1	2	98

**IF NF & LAB HYDRO NOT MENTIONED- THANK & TERMINATE**

*We are conducting this survey on behalf of Newfoundland & Labrador Hydro to measure customer satisfaction and identify ways to improve the service they offer you. Your household has been randomly selected to participate in this survey. The information you provide is confidential and will be analyzed with all other responses. Since the accuracy of the study depends on your answers, I would like to ask you to be honest in your response, whether good or bad.*

2. Before we talk specifically about Newfoundland & Labrador Hydro, please think about electric companies in general, and about what is important for any electric company to provide you and your household. Using a scale of 1 to 10 where 1 means “Not At All Important” and 10 means “Extremely Important”, please rate the importance of: **[READ LIST]**

	Not at all important									Extremely important	Don't know
A reliable, uninterrupted supply of electricity	1	2	3	4	5	6	7	8	9	10	98
Electricity at a reasonable cost	1	2	3	4	5	6	7	8	9	10	98
Electricity restored promptly when there is a power outage	1	2	3	4	5	6	7	8	9	10	98
Bills that are easy to read and understand	1	2	3	4	5	6	7	8	9	10	98
Billing statement accuracy	1	2	3	4	5	6	7	8	9	10	98
Response to customer questions and concerns in a timely manner	1	2	3	4	5	6	7	8	9	10	98
Convenient hours of operation	1	2	3	4	5	6	7	8	9	10	98
Easy access to account information at any time	1	2	3	4	5	6	7	8	9	10	98
Timely and accurate information on power outages	1	2	3	4	5	6	7	8	9	10	98
Response to service requests in a timely manner (e.g., new service, transfer of service, installation/removal/ repair of)	1	2	3	4	5	6	7	8	9	10	98
Educating customers on efficient use of electricity	1	2	3	4	5	6	7	8	9	10	98
Friendly & courteous employees	1	2	3	4	5	6	7	8	9	10	98
Caring about its customers	1	2	3	4	5	6	7	8	9	10	98
Operating in an environmentally responsible manner	1	2	3	4	5	6	7	8	9	10	98
Concern for public safety	1	2	3	4	5	6	7	8	9	10	98
Contributing back to the community	1	2	3	4	5	6	7	8	9	10	98

3. Now think specifically about the service, which you currently receive from NF & Lab. Hydro. Based on your experience to date and using a scale of 1 to 10 where 1 means "Very Poor" and 10 means "Excellent", please rate the performance of NF & Lab. Hydro in providing: **[READ LIST]**

	Very Poor										Excellent	Don't know
A reliable, uninterrupted supply of electricity	1	2	3	4	5	6	7	8	9	10	98	
Electricity at a reasonable cost	1	2	3	4	5	6	7	8	9	10	98	
Electricity restored promptly when there is a power outage	1	2	3	4	5	6	7	8	9	10	98	
Bills that are easy to read and understand	1	2	3	4	5	6	7	8	9	10	98	
Billing statement accuracy	1	2	3	4	5	6	7	8	9	10	98	
Response to customer questions and concerns in a timely manner	1	2	3	4	5	6	7	8	9	10	98	
Convenient hours of operation	1	2	3	4	5	6	7	8	9	10	98	
Easy access to account information at any time	1	2	3	4	5	6	7	8	9	10	98	
Timely and accurate information on power outages	1	2	3	4	5	6	7	8	9	10	98	
Responding to service requests in a timely manner (e.g., new service, transfer of service, installation/removal/ repair of)	1	2	3	4	5	6	7	8	9	10	98	
Educating customers on efficient use of electricity	1	2	3	4	5	6	7	8	9	10	98	
Friendly & courteous employees	1	2	3	4	5	6	7	8	9	10	98	
Caring about its customers	1	2	3	4	5	6	7	8	9	10	98	
Operating in an environmentally responsible manner	1	2	3	4	5	6	7	8	9	10	98	
Concern for public safety	1	2	3	4	5	6	7	8	9	10	98	
Contributing back to the community	1	2	3	4	5	6	7	8	9	10	98	

3b. In general, how satisfied are you with NF And Lab. Hydro on a scale of 1 to 10, where 1 means "Not at all Satisfied" and 10 means "Very Satisfied"?

Not at all Satisfied											Very Satisfied	Don't Know
1	2	3	4	5	6	7	8	9	10	98		

4a. In the past year, has someone from Newfoundland and Labrador Hydro visited your home or property in response to a service request that was made by you or someone else in your household? Some examples of service requests are new service, street light repair, and pole relocation.

[Interviewer note: The request for service must have resulted in a visit by Hydro to the customer's home/property.]

Yes	1	-CONTINUE
No	2	-GO TO Q5
Don't know	98	-GO TO Q5

4b. Thinking about the last time you requested a service from Hydro, what service did you request? [DO NOT READ LIST. RECORD ONLY ONE ANSWER.]

New service	1
Check meter/meter replacement	2
Street light repair	3
Pole relocation	4
Other - <i>Specify</i>	95

4c. Approximately how long did it take for Hydro to respond to this service request? [RECORD RESPONSE] \_\_\_\_\_ days/ weeks

4d. On a scale of 1 to 10, with 1 meaning "Very Dissatisfied" and 10 meaning "Very Satisfied", in general, how satisfied were you with the amount of time it took Hydro to respond to this service request?

Very Dissatisfied											Very Satisfied	Don't know
1	2	3	4	5	6	7	8	9	10	98		

5. For the next question, I am going to list three types of requests that a customer can make to Hydro and I would like you to think about how long you feel it should take Hydro to respond to each type of request. What do you feel is a reasonable amount of time for Hydro to respond to each of the following requests? [READ LIST]

Response to a full loss or partial loss of power \_\_\_\_\_ hours/ days

Response to general questions and concerns that cannot be addressed immediately and require further investigation \_\_\_\_\_ hours/ days

Response to a service request for your home or property (e.g, new service, transfer of service, installation/ removal/ repair of, etc.) excluding power outages \_\_\_\_\_ hours/ days

6. Now please think of electric companies as serving customers in two ways: (1) the first being the supply of electricity to your home and (2) the second being customer service or response to customer needs, such as hook-ups, repairs, account billings and inquiries. On a scale of 1 to 10, with 1 meaning "Very Dissatisfied" and 10 meaning "Very Satisfied", how satisfied are you with: [READ LIST]

	Very Dissat.										Very Sat.	D/K
The <u>supply of electricity</u> you receive from NF & Lab. Hydro	1	2	3	4	5	6	7	8	9	10	98	
The overall <u>customer service</u> you receive from NF & Lab. Hydro	1	2	3	4	5	6	7	8	9	10	98	

7. Which of the following statements best describes... [READ LIST]

	Have not met my expectations	Met my expectations	Exceeded my expectations
The <u>supply of electricity</u> you receive from NF & Lab. Hydro	1	2	3
The overall <u>customer service</u> you receive from NF & Lab. Hydro	1	2	3

8. What is more important to you: (1) lower electricity rates, or (2) getting the most reliable service possible which means less and/or shorter outages, even though you may have to pay extra?

Lower electricity rates 1

Getting the most reliable service possible, even though you may have to pay extra 2

Don't know 98

*Now I would like to ask a couple of questions related to billing...*

9. A common method of billing is to bill customers each month for their household's use of electricity in that particular month. Equal payment plan is a different method of billing, whereby customers are billed an equal amount over 12 months. To your knowledge, does NF and Lab. Hydro offer an equal payment plan to its customers?

Yes	1
No	2
Don't Know	98

10. To your knowledge, does NF and Lab. Hydro offer a pre authorized bill payment option, where the amount of your bill is automatically deducted from your bank account each month?

Yes	1
No	2
Don't Know	98

- 10b. Electronic billing is a type of billing through which customers receive and view their monthly electric bill on-line. Through electronic billing, a customer receives an email once a month containing an Internet link to their on-line bill. However, once a customer signs up for electronic billing, they no longer receive an electric bill in the mail. If NF and Lab. Hydro offered electronic billing, would you be very interested, somewhat interested, not very interested or not at all interested in using this service?

Very Interested	1
Somewhat Interested	2
Not Very Interested	3
Not at all Interested	4
Don't Know	98

*The next couple of questions are about ways of accessing information...*

11. Based on your knowledge, how can Hydro customers get information about their Hydro bill or account? Anything else? [DO NOT READ LIST]

	First Mention	Other Mentions
Call Hydro	1	1
Hydro Website	2	2
Visit Hydro Office	3	3
Other ( <i>Specify</i> )	95	95

12. Are you aware that Hydro has an automated toll-free number where customers can obtain power outage information and/ or billing and account information twenty-four hours a day?

Yes	1
No	2
Don't Know	98

13. Do you have access to the Internet... **[READ LIST]**

	Yes	No	Not Applicable
At home	1	2	99
At work	1	2	99
At school	1	2	99
Somewhere other than home, work, or school	1	2	99

14a. To your knowledge, does NF and Lab. Hydro have a website?

Yes	1	- CONTINUE
No	2	- GO TO Q16A
Don't Know	98	- GO TO Q16A

14b. To your knowledge, can customers access planned power outage information on Hydro's website?

Yes	1
No	2
Don't Know	98

14c. To your knowledge, can customers access their billing and/or account information on Hydro's website?

Yes	1	- CONTINUE
No	2	- GO TO Q 14F
Don't Know	98	- GO TO Q 14F

14d. Have you ever accessed your billing and/or account information on Hydro's website?

Yes	1	- GO TO Q14G
No	2	- CONTINUE

14e. Why have you not accessed billing and/or account information on Hydro's website? **RECORD RESPONSE.**

14f. Have you ever visited the NF and Lab. Hydro website?

Yes	1	-CONTINUE
No	2	-GO TO Q15



14g. On a scale of 1 to 10, with 1 being “very poor” and 10 being “excellent”, please rate Hydro’s website on the following: **READ AND ROTATE LIST**

	Very Poor										Excellent	D/K
Layout and design	1	2	3	4	5	6	7	8	9	10		98
Ease of navigation	1	2	3	4	5	6	7	8	9	10		98
Finding the right information to meet your needs	1	2	3	4	5	6	7	8	9	10		98
Overall quality of the website	1	2	3	4	5	6	7	8	9	10		98

14h. Do you have any suggestions that will help Hydro to improve their website? **RECORD RESPONSE**

**GO TO Q16a**

15. Why have you not visited the NF and Lab. Hydro website? **[RECORD RESPONSE]**

16a. To your knowledge, does NF and Lab. Hydro have an energy awareness program to help consumers learn how to understand and reduce energy costs?

- |     |   |              |
|-----|---|--------------|
| Yes | 1 | - CONTINUE   |
| No  | 2 | - GO TO Q16C |

16b. What is the name of the program? **[RECORD RESPONSE]** \_\_\_\_\_

**IF “HYDROWISE”, GO TO Q17  
ELSE, CONTINUE**

16c. Hydrowise is the name of Hydro’s energy awareness program that helps consumers learn how to understand and reduce energy costs. Have you heard of the program, “Hydrowise”?

- |     |   |             |
|-----|---|-------------|
| Yes | 1 | - CONTINUE  |
| No  | 2 | - GO TO Q19 |

18. How did you find out about the Hydrowise program? **[DO NOT READ LIST. RECORD ALL THAT APPLY.]**

- |                   |    |
|-------------------|----|
| Radio Ad          | 1  |
| Newspaper Ad      | 2  |
| Word of Mouth     | 3  |
| Hydro’s Website   | 3  |
| Hydrowise website | 4  |
| Other             | 5  |
| Don’t know        | 98 |

19. Please indicate if you “Strongly Agree”, “Agree”, “Disagree”, or “Strongly Disagree” with the following statements: **READ AND ROTATE LIST**

	SA	A	D	SD	DK
The information provided by Hydrowise is useful	1	2	3	4	98
I have used some of the Hydrowise tips to help reduce my energy costs	1	2	3	4	98
Hydrowise provided me with some information I did not already know	1	2	3	4	98

20. “Watts New”, Hydro’s quarterly customer newsletter, is distributed to customers with their Hydro bill. Have you ever heard of “Watts New”?

Yes	1	- CONTINUE
No	2	- GO TO Q21

20a. Have you ever read an issue of “Watts New”?

Yes	1	- CONTINUE
No	2	- GO TO Q21

20b. The first issue of “Watts New” was distributed to Hydro customers in early 2005, and the fourth, and final issue for 2005 was distributed with the October 2005 Hydro bill. Of the four issues of “Watts New” that you have received in the past year, how many have you read? **RECORD RESPONSE**

20c. And overall, would you rate the content of “Watts New” as very informative, somewhat informative, not very informative or not at all informative to you as a Hydro customer?

Very informative	1
Somewhat informative	2
Not very informative	3
Not at all informative	4
Don’t Know	98

20d. On a scale of 1 to 10, with 1 being “Very Poor” and 10 being “Excellent”, how would you rate “Watts New” on the following: **READ AND ROTATE LIST**

	Very Poor										Excellent	D/K
Overall content	1	2	3	4	5	6	7	8	9	10		98
Usefulness of the information contained in the articles	1	2	3	4	5	6	7	8	9	10		98
Design and Layout	1	2	3	4	5	6	7	8	9	10		98
Overall appearance	1	2	3	4	5	6	7	8	9	10		98

20e. Are there any specific topics or areas of interest that you would like to see covered in “Watts New”?  
**RECORD RESPONSE**

21a. A compact fluorescent light bulb is an energy efficient light bulb that screws into a regular light bulb socket and is typically spiral in shape. At the present time, do you have any compact fluorescent light bulbs installed in your home?

- |     |   |             |
|-----|---|-------------|
| Yes | 1 | - CONTINUE  |
| No  | 2 | - GO TO Q22 |

21b. At the present time, how many compact fluorescent light bulbs do you have installed in your home?  
**RECORD RESPONSE**

- a. Please take a moment to think about customer services. Are there any customer services not currently offered by NF and LAB Hydro but which you feel should be offered?

**RECORD RESPONSE**

## DEMOGRAPHICS

*Now just some final questions for classification purposes only....*

23. For approximately how many years have you been a customer of NF & Lab. Hydro? \_\_\_\_\_ Years

24. In which community do you live? \_\_\_\_\_

25. In what year were you born? 19\_\_\_\_\_

26. What is the highest level of education you have completed? **[READ LIST]**

- 1 Less than high school
- 2 Graduated high school/GED
- 3 Some post-secondary education
- 4 College/Technical School certificate or diploma
- 5 University certificate or diploma **below** a bachelor's degree
- 6 University degree (e.g., bachelors, masters, PhD)
- 99 Refused

27. Which of the following best describes your present employment status? **[READ LIST]**

- 1 Working full-time in a permanent, year-round job
- 2 Working part-time in a permanent, year-round job
- 3 Working in a seasonal or casual job
- 4 Homemaker
- 5 Unemployed
- 6 Retired
- 7 Student (includes upgrading/retraining)
- 99 Refused

28. Which of the following best describes your total household income (before taxes)? **[READ LIST]**

- 1 Less than \$20,000
- 2 \$20,000 to less than \$40,000
- 3 \$40,000 to less than \$60,000
- 4 \$60,000 to less than \$80,000
- 5 \$80,000 or more
- 99 Refused

I would like to thank you for your participation, your assistance is greatly appreciated. Have a good day/evening!

Gender:

Male 1  
Female 2

Region:

Labrador 1  
Northern 2  
Central 3

Community:

Interconnected 1  
Isolated 2

# **2005 COMMERCIAL CUSTOMER SATISFACTION TRACKING STUDY**

**Prepared For:**



Newfoundland & Labrador Hydro  
Hydro Place, Columbus Drive  
P.O. Box 12400  
St. John's, NL A1B 4K7

**Prepared By:**



## TABLE OF CONTENTS

<b>1.0</b>	<b>STUDY BACKGROUND AND METHODOLOGY .....</b>	<b>2</b>
1.1	STUDY BACKGROUND .....	2
1.2	STUDY METHODOLOGY .....	2
1.3	THIS REPORT .....	3
<b>2.0</b>	<b>SUMMARY OF KEY FINDINGS.....</b>	<b>4</b>
	CUSTOMER SATISFACTION .....	4
	SERVICE RELIABILITY .....	5
	CUSTOMER SERVICE .....	5
	AWARENESS AND USE OF PROGRAMS AND SERVICES .....	6
<b>3.0</b>	<b>CUSTOMER SATISFACTION INDEX.....</b>	<b>7</b>
<b>4.0</b>	<b>SERVICE ATTRIBUTES .....</b>	<b>12</b>
4.1	IMPORTANCE .....	12
4.2	PERFORMANCE .....	14
4.3	GAP ANALYSIS .....	20
<b>5.0</b>	<b>SERVICE RELIABILITY .....</b>	<b>24</b>
5.1	OVERALL SATISFACTION WITH SERVICE RELIABILITY .....	24
5.2	EXPECTATIONS FOR SERVICE RELIABILITY .....	25
5.3	FINANCIAL LOSS & WILLINGNESS TO PAY .....	26
5.4	COST VERSUS RELIABILITY .....	28
<b>6.0</b>	<b>CUSTOMER SERVICE.....</b>	<b>29</b>
6.1	OVERALL SATISFACTION WITH CUSTOMER SERVICE .....	29
6.2	EXPECTATIONS FOR CUSTOMER SERVICE.....	30
6.3	RESPONSE TIME TO SERVICE REQUESTS.....	31
6.4	CUSTOMER SUGGESTIONS.....	34
<b>7.0</b>	<b>AWARENESS AND USE OF CUSTOMER SERVICES .....</b>	<b>35</b>
7.1	KNOWLEDGE OF METHODS OF ACCESSING BILL/ACCOUNT INFORMATION.....	35
7.2	AWARENESS AND USE OF HYDRO WEBSITE .....	36
7.3	BILLING OPTIONS .....	39
<b>8.0</b>	<b>CUSTOMER PROFILE.....</b>	<b>40</b>
8.1	YEARS OF SERVICE RELATIONSHIP .....	41
	<b>APPENDIX A: SURVEY INSTRUMENT .....</b>	<b>42</b>

## **1.0 STUDY BACKGROUND AND METHODOLOGY**

### **1.1 Study Background**

In December 2005, Market Quest Research Group Inc. conducted the 5<sup>th</sup> Annual Commercial Customer Satisfaction Study on behalf of Newfoundland and Labrador Hydro (Hydro). The main objective of this study was to assess Hydro's performance in providing service to commercial customers, and to determine any changes in customer satisfaction over time.

Service quality is a measure of the degree of discrepancy between the level of service customers feel a company should offer and their perception of the company's actual performance. This study recognizes that customer satisfaction is not only a function of service delivery but also a function of specific attributes of the physical service. As a service company, to achieve sustainable customer satisfaction and loyalty, Hydro must aim to provide customers with excellent value, exceeding their expectations on all aspects of customer service. Customer satisfaction research pinpoints critical performance attributes that directly relate to customer satisfaction and dissatisfaction. The findings of this report identify areas of potential improvement upon which service initiatives and goals should be established and monitored to motivate staff in providing exceptional service that meets or exceeds customer expectations.

While the main objective was to determine customer satisfaction, each year the study includes questions to assess other topics, such as awareness and use of programs and services, response time to service requests, billing options and customers' opinions on particular issues (e.g., cost versus reliability, etc.). The specific questions that are asked may change from year to year, as programs, services, and other topics of interest change.

### **1.2 Study Methodology**

A random sample of 270 commercial customers was surveyed via telephone between December 7<sup>th</sup> and December 16<sup>th</sup>, 2005. This study sample size<sup>1</sup> was sufficient to provide a high level of confidence (overall study margin of error:  $\pm 5.8\%$ , 19 times out of 20 or at the 95% confidence level). Weights were developed to ensure the sample was a proportionate representation of the commercial customer population by region and rate area.

The sample was drawn from a database of commercial customers provided by Hydro. The sampling unit was the individual within the organization who was responsible for paying the electric bill and dealing with Hydro on customer service issues.

---

<sup>1</sup> Although Hydro has approximately 4,900 commercial accounts, one "customer" may be responsible for more than one account in more than one rate area. The population from which this sample was created includes each customer only once, regardless of the number of accounts they hold with Hydro.

The questionnaire, which was similar to those used in previous years, was designed by Market Quest in consultation with Hydro (see Appendix A). Following a review of the 2004 questionnaire, new questions related to Hydro's response time to service requests, the Hydro website and billing options were added. The questionnaire took approximately 10 minutes to administer by telephone.

### 1.3 This Report

This report presents the results of the 2005 Commercial Customer Satisfaction Study. The survey data has been analyzed by rate area and region and it is noted throughout this report when this analysis provides insight and informational value.

To identify differences between segments (subgroups or years), statistical tests of significance have been completed at the 95%<sup>2</sup> confidence level. Essentially, when comparing two values obtained from different populations, a statistical test will guide us to be confident that any apparent difference between the values is *statistically real* or *significant*.<sup>3</sup> **Throughout this report, differences between groups or years are noted only if they are statistically significant.** Where this occurs, we can say that we are 95% confident that the difference between the values in question exists in the population and is not simply due to uncontrollable sampling error. It is important to note that the term 'significant' is used to denote *statistically significant* differences, and is not synonymous with 'important'.

---

<sup>2</sup> From 2001 to 2004, significance was tested at the 90% confidence level.

<sup>3</sup> What may seem to be a difference between percentages may simply be the result of sampling error or the margin of error associated with the sample size, and not a real or significant difference in the population.



## 2.0 SUMMARY OF KEY FINDINGS

### Customer Satisfaction

***Overall, commercial customers were generally satisfied with Hydro's performance; however, there is still room for improvement in some areas.***

In 2005, the Customer Satisfaction Index was 8.3<sup>4</sup>. With a relatively stable CSI since 2001, it is evident that Hydro continues to meet customer expectations in most areas of service. Overall, 89% of commercial customers were satisfied with the performance of Hydro (42% *very* satisfied, 47% *somewhat* satisfied). While Hydro's performance can be considered favourable, there are some areas within the three service dimensions for which Hydro may wish to consider focusing on improving performance.

#### Reliability

- Electricity restored promptly when there is a power outage
- Provides a reliable, uninterrupted supply of electricity

#### Service

- Educates customers on efficient use of electricity
- Electricity at a reasonable cost
- Responds to service requests in a timely manner
- Provides timely and accurate information on power outages

#### Corporate Citizen

- Contributes back to the community
- Cares about its customers

It is important to note that while a significant gap exists for 'Contributes back to the community', the importance rating for this attribute was lower in comparison to other attributes. Further to this, a considerable proportion of customers were unable to provide feedback on this attribute suggesting a lack of knowledge with regards to Hydro's community contributions. Hydro may wish to consider educating customers on its involvement in the community to enable customers to more accurately evaluate Hydro in this area.

While 'Electricity at a reasonable cost' was identified as an area for improvement, it is understood that Hydro is not in a position to change its cost structure. Therefore, Hydro should consider other ways to increase customers' perception of Hydro's performance in this area. For example, focusing on the overall value of Hydro's service to customers may help to improve performance in this area.

---

<sup>4</sup> The attributes used to calculate the 2005 CSI changed from those used to calculate the 2004 CSI.

## **Service Reliability**

***The majority of commercial customers were satisfied with the supply of electricity they received from Hydro, with most reporting that Hydro has met or exceeded their expectations with respect to the supply of electricity.***

Commercial customers reported a relatively high level of satisfaction with the supply of electricity they received from Hydro (average satisfaction – 8.9 out of 10). The majority (65%) of customers reported being *very* satisfied, while 30% were *somewhat* satisfied. After declining by 7% from 2001 to 2003, the percentage of customers who were *very* satisfied increased by 12% since 2003. The strong majority of customers (92%) also reported that Hydro met their expectations with respect to the supply of electricity they received.

When asked which was more important to them, lower electricity costs or greater reliability, commercial customers were divided, with 44% indicating cost was more important and 44% indicating reliability was more important.

In 2005, close to three in ten customers reported that they would incur a financial loss during a power outage that lasted 30 minutes. Of these customers, 13% would be willing to pay more in electricity costs to reduce these power outage costs.

## **Customer Service**

***Commercial customers continued to be satisfied with the customer service they received from Hydro, with the majority reporting that Hydro has met or exceeded their expectations. Further to this, the majority of customers who have made service requests in the past year expressed satisfaction with Hydro's response time to these requests.***

Consistent with past years, commercial customers reported a high level of satisfaction with the customer service they received from Hydro (average satisfaction 8.7 out of 10). Approximately 6 in 10 customers were *very* satisfied and one-third were *somewhat* satisfied. Following a decline from 2001 to 2003, the percentage of customers who were *very* satisfied increased from 2003 to 2004 (↑ 8%) and has since remained steady. Furthermore, the percentage of customers who reported their expectations for customer service were met remained high in 2005 (92%) following a decline from 2001 to 2003.

Customers were asked about any service requests that were made by themselves or another person in their company or organization. In 2005, 20% of commercial customers had someone from Hydro visit their property in response to a service request. Similar to last year, the majority of these customers were either *very* (59%) or *somewhat* (27%) satisfied with Hydro's response time (average satisfaction 8.4 out of 10). The most common requests were for new service, to check or replace a meter, and to complete transformer or other equipment repairs.

## **Awareness and Use of Programs and Services**

***A minority of commercial customers with Internet access were aware of the Hydro website and the ability to access account information and planned power outage information on the site. Further to this, site visitation among commercial customers was low and customers who visited the website rated it moderately.***

Slightly less than half (45%) of commercial customers who have Internet access were aware of Hydro's website, which is consistent with awareness in 2004. Of those aware of the Hydro website, 31% have visited the site. This translates into 14% of customers with Internet access and 12% of all commercial customers who have visited the site.

Of those aware of the site, 41% were aware that customers can access billing and account information on the site, of which 20% actually used the site for this purpose. Slightly less than three in ten (28%) customers aware of the website were aware of the ability to access planned power outage information on the site.

This year, customers who visited the Hydro website were asked to rate the site in terms of its layout and design, ease of navigation, ability to find the right information and overall quality. A large proportion of customers who visited the site rated it moderately on all of these attributes.

***Awareness of Hydro's billing options was relatively low among commercial customers. Interest in an electronic billing system was also low.***

In 2005, commercial customers were asked several questions relating to billing options including the Equal Payment Plan, the pre-authorized payment option and electronic billing. Approximately half (51%) of commercial customers reported awareness of the Equal Payment Plan, while three in ten (31%) reported awareness of pre-authorized bill payment.

Conversely, the large majority (78%) of commercial customers were aware of the automated toll-free number offered by Hydro.

Customers were also asked how interested they would be in electronic billing if it was offered by Hydro. Slightly more than one in three (35%) commercial customers reported that they would be interested in an electronic billing system. As would be expected, customers with Internet access were more likely to be interested in an electronic billing system compared to those with no Internet access (39% and 10%, respectively).

### 3.0 CUSTOMER SATISFACTION INDEX

The Customer Satisfaction Index (CSI) is based on customer ratings of importance and performance for 16 service attributes. The service attributes were developed based on criterion used by utilities; the Canadian Electricity Association; and the input of Hydro Management and Market Quest. The dimensions measured by these attributes are corporate citizen, reliability and service. These dimensions of service and the attributes measured in the study are presented below.

#### *Corporate Citizen*

- Cares about its customers
- Concern for public safety
- Contributes back to the community
- Operates in an environmentally responsible manner

#### *Reliability*

- Provides a reliable, uninterrupted supply of electricity
- Restores electricity promptly when there is a power outage

#### *Service*

- Billing statement accuracy
- Bills that are easy to read and understand
- Convenient hours of operation
- Easy access to account information at any time
- Educates customers on efficient use of electricity
- Electricity at a reasonable cost
- Friendly and courteous employees
- Provides timely and accurate information on power outages
- Responds to customer questions and concerns in a timely manner
- Responds to service requests in a timely manner (e.g. new service, transfer of service, installation/removal/repair of)

To determine the Customer Satisfaction Index, customers were first asked to think about electric companies in general and to rate the importance for any electric company to provide each service attribute. Importance was rated on a scale of 1 to 10, with 1 being “not at all important” and 10 being “extremely important”. Second, based on their own experiences, customers were asked to rate the performance of Hydro in providing each service attribute. Performance was also rated on a 10-point scale, ranging from “very poor” to “excellent”.

During 2005, an evaluation of the attributes was conducted and several attributes were added or modified. Therefore, six of the service attributes used to calculate the 2005 CSI differ from those used in 2004. Further to this, the importance, performance and gap ratings can only be compared across years for the 10 attributes that have remained the same.

Ten of the 16 attributes have remained the same. These include:

1. Billing statement accuracy
2. A reliable, uninterrupted supply of electricity
3. Bills that are easy to read and understand
4. Concern for public safety
5. Contributes back to the community
6. Convenient hours of operation
7. Easy access to account information at any time
8. Electricity at a reasonable cost
9. Friendly and courteous employees
10. Operates in an environmentally responsible manner

The following six attributes were added or modified in 2005:

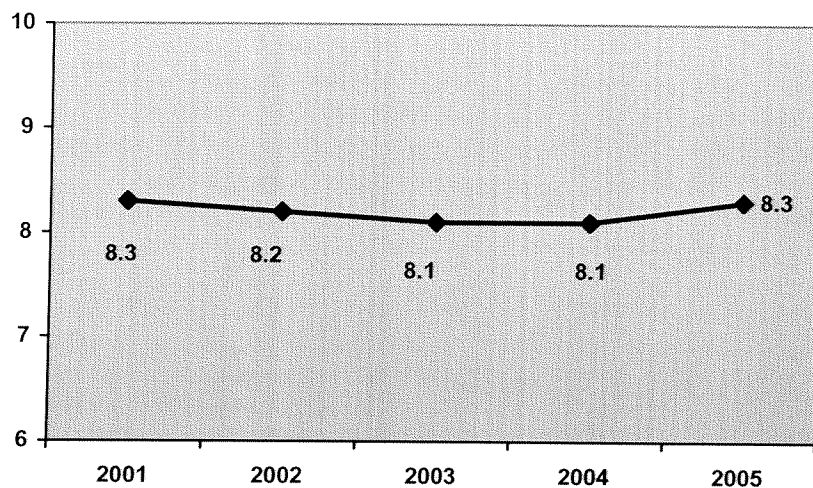
1. Cares about its customers
2. Educates customers on the efficient use of electricity
3. Provides timely and accurate information on power outages
4. Responds to customer questions and concerns in a timely manner
5. Responds to service requests in a timely manner
6. Restores electricity promptly when there is a power outage

### Method One: Weighted Average

The CSI is a weighted average of the performance ratings for each service attribute. The importance score for each attribute is divided by the sum of all importance scores and then multiplied by the perceived performance score assigned to Hydro on that one attribute (in effect, weighting the performance score by the relative importance). The resulting values are then summed, yielding a single customer satisfaction value for each respondent. The average of these values is the CSI in any one year. The CSI ranges between 1 and 10, and the higher the index the more satisfied are Hydro's customers.

The CSI for 2005 was 8.3<sup>5</sup>, which indicates that commercial customers reported a relatively high level of satisfaction with the service they received from Hydro. As demonstrated in the chart below, the CSI experienced a slight decline from 2001 to 2004, and has since returned to the 2001 level.

Chart 1: Customer Satisfaction Index



The following table presents the CSI by region. Commercial customers in the Central region reported greater satisfaction than customers in the Northern region (8.5 and 8.0 respectively).

Table 1: CSI by Region

	Central	Labrador	Northern
CSI	8.5	8.4	8.0

<sup>5</sup> The attributes used to calculate the 2005 CSI changed from those used to calculate the 2004 CSI.

### **Method Two: Linear Regression Method**

In 2005, customer satisfaction was also determined using regression analysis. Through this method, a linear regression is performed using overall satisfaction with Hydro as the dependent variable and satisfaction with the 16 service attributes as the independent variables<sup>6</sup>. This method relies on how customers rate Hydro in terms of its perceived performance on each of the 16 attributes. The regression analysis identifies the service attributes (independent variables) that contribute to the overall satisfaction score (dependent variable), as well as the relative weight each contributes to the overall satisfaction score.

Overall, the majority of commercial customers (89%) were satisfied with the performance of Hydro (42% very satisfied and 47% *somewhat* satisfied), and customers rated their overall satisfaction as 8.2 out of 10.

The service attributes that were found to contribute to overall satisfaction were:

1. Contributes back to the community
2. Responds to customer questions and concerns in a timely manner
3. Concern for public safety
4. Cares about its customers
5. Convenient hours of operation

Those that did not contribute to overall satisfaction were:

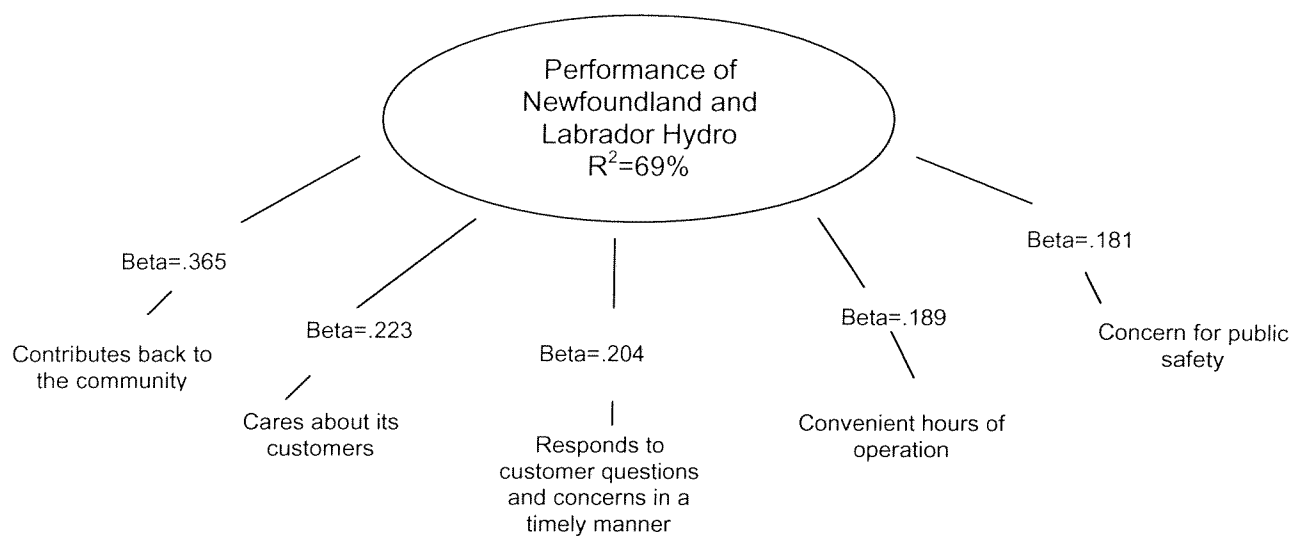
1. Billing statement accuracy
2. A reliable, uninterrupted supply of electricity
3. Bills that are easy to read and understand
4. Educates customers on the efficient use of electricity
5. Timely and accurate information on power outages
6. Responds to service requests in a timely manner
7. Easy access to account information at any time
8. Electricity at a reasonable cost
9. Friendly and courteous employees
10. Operates in an environmentally responsible manner
11. Electricity restored promptly when there is a power outage

---

<sup>6</sup> A new question about overall satisfaction was added this year to enable a linear regression analysis.

The regression analysis identified five key attributes of satisfaction: 'Contributes back to the community', 'Responds to customer questions and concerns in a timely manner', 'Cares about its customers', 'Concern for public safety' and 'Convenient hours of operation'. Together, these attributes accounted for 69% of the variability in Hydro's effectiveness ratings indicating a strong model. The relative importance of each driver is indicated by the beta weights. As illustrated in the figure below, 'Contributes back to the community' was the strongest attribute contributing to overall satisfaction, followed by 'Cares about its customers', 'Responds to customer questions and concerns in a timely manner', 'Convenient hours of operation' and 'Concern for public safety'.

**Figure 1: Drivers of Customer Satisfaction**





## 4.0 SERVICE ATTRIBUTES

This section presents customers' importance and performance ratings for 2005. It also presents ratings for previous study years for each of the 10 comparable service attributes. This is followed by an analysis of the gaps between importance and performance.

### 4.1 Importance

In 2005, commercial customers considered all service attributes to be important, with average importance ratings ranging from 8.65 for 'Educates customers on efficient use of electricity' to 9.80 for 'Concern for public safety'.

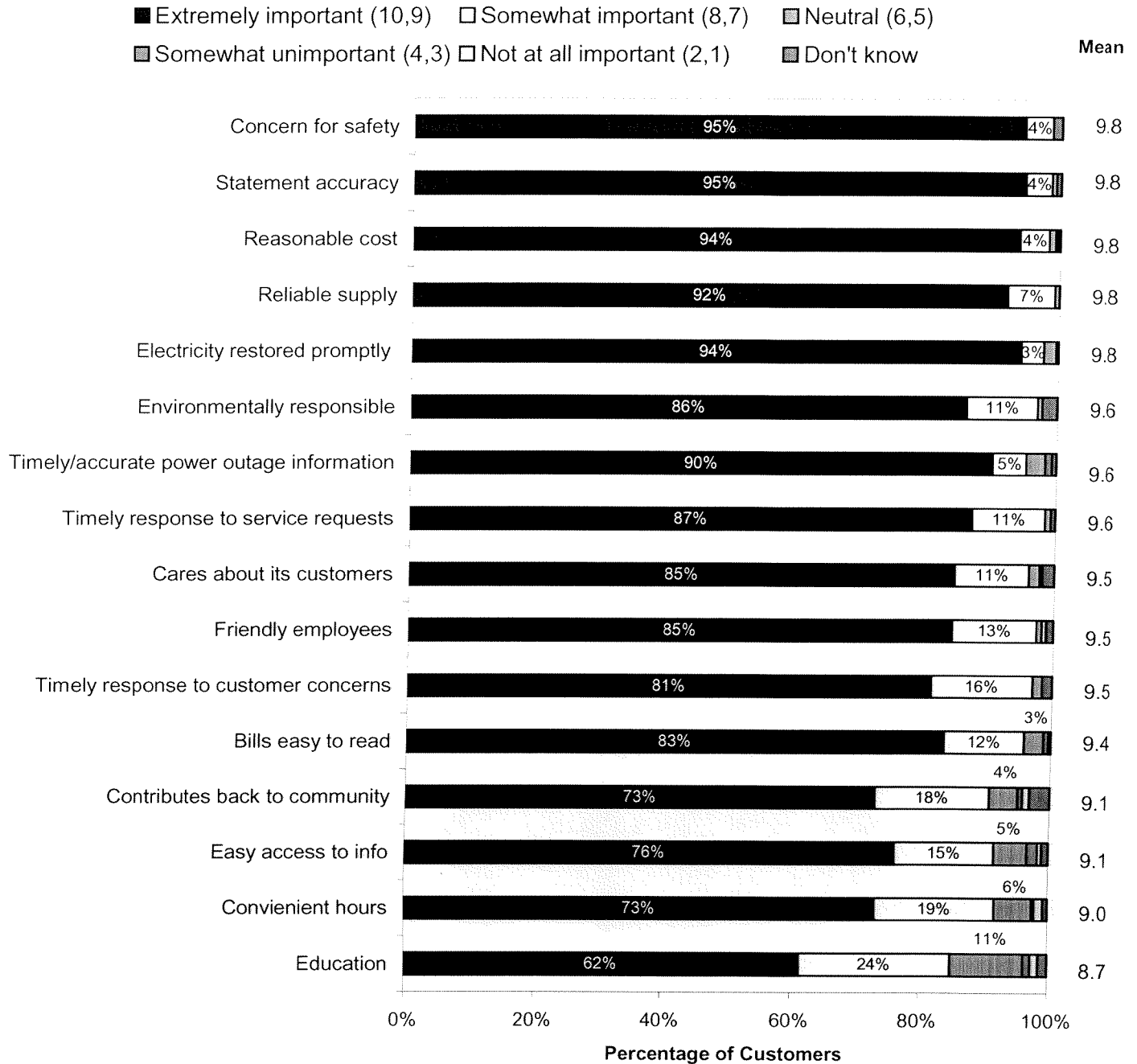
In terms of importance, the top-ranked attributes were:

1. Concern for public safety
2. Billing statement accuracy
3. Electricity at a reasonable cost
4. A reliable, uninterrupted supply of electricity
5. Electricity restored promptly when there is a power outage

These attributes were also among the top-ranked attributes in previous years. However, it is interesting to note that 'Electricity at a reasonable cost' moved from being the 6<sup>th</sup> most important attribute in 2004 to the third most important in 2005. Further to this, 'A reliable, uninterrupted supply of electricity' moved from the top ranked position in 2004 to the fourth position in 2005, and 'Billing statement accuracy' moved from the third position to the second most important attribute this year.

Consistent with previous years, the lowest-ranked attributes in 2005 included 'Educates customers on efficient use of electricity', 'Convenient hours of operation', 'Easy access to account information at any time', 'Contributes back to the community' and 'Bills easy to read and understand'. It appears that contributing to the community was more important to commercial customers this year. In 2004, it was the 15<sup>th</sup> ranked attribute, however in 2005 it moved to the 13<sup>th</sup> position.

**Chart 2: Importance Ratings for 2005**



## 4.2 Performance

In 2005, average performance ratings ranged from a low of 6.37 for 'Electricity at a reasonable cost' to 8.98 for 'Concern for public safety'.

With respect to Hydro's performance, the top-ranked service attributes as rated by commercial customers were:

1. Concern for public safety
2. Billing statement accuracy
3. Friendly and courteous employees
4. Bills that are easy to read and understand
5. Easy access to account information at any time

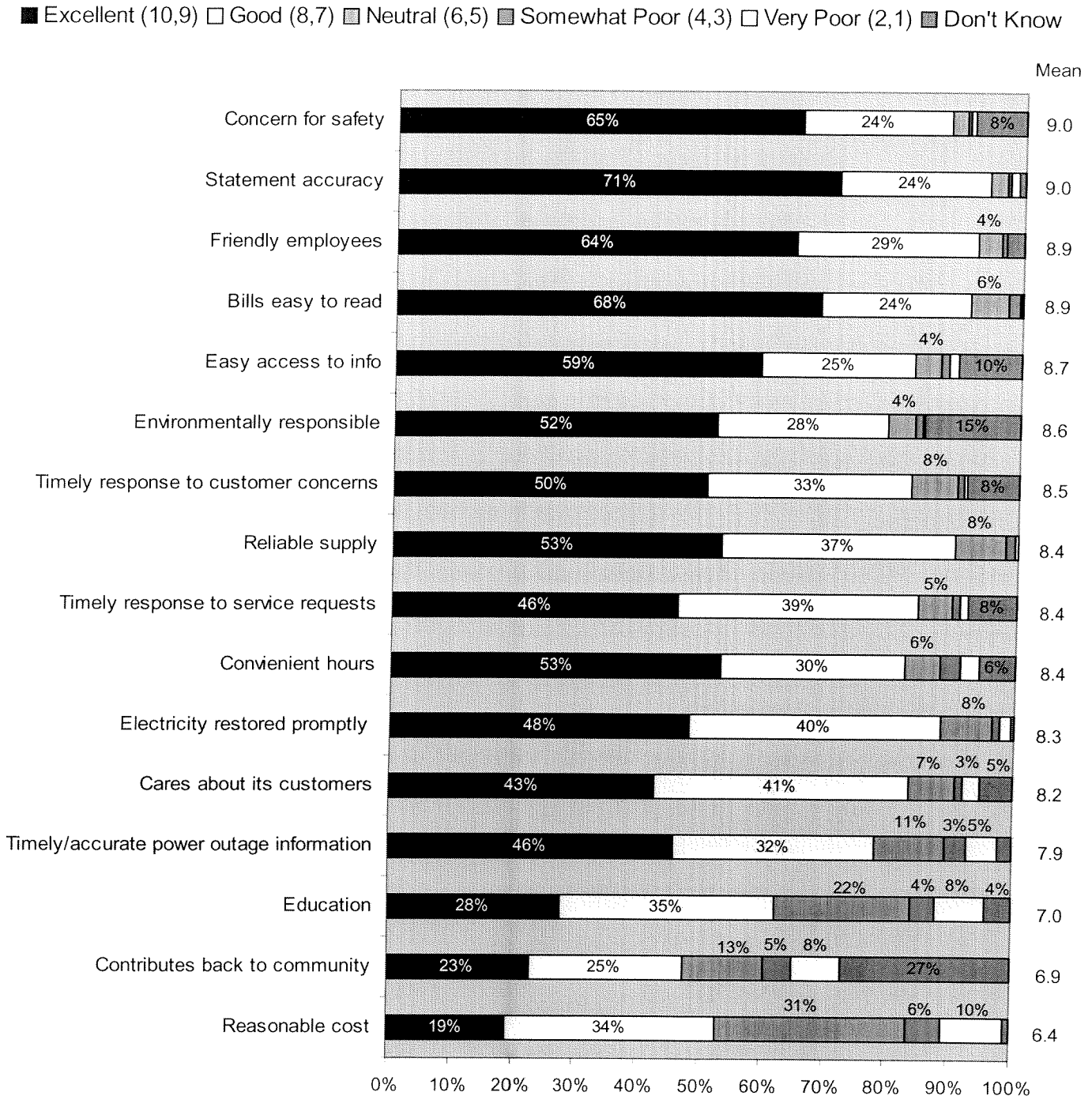
These attributes were also the top-ranked attributes for performance in 2004. However, 'Friendly and courteous employees' moved from the top-ranked position in 2004 to the third position in 2005. 'Billing statement accuracy' moved from the third position in terms of performance to the second position this year, and 'Concern for public safety' moved from the second position in 2004 to the top position in 2005.

Service attributes for which Hydro's performance was rated lowest included 'Electricity at a reasonable cost', 'Contributes back to the community', 'Educates customers on efficient use of electricity', 'Timely and accurate information on power outages' and 'Cares about its customers'. These service attributes were also among the lowest ranked in performance in 2004.

It is interesting to note that commercial customers ranked 'Concern for public safety' and 'Billing statement accuracy' as the most important service attributes, and also ranked Hydro's performance most favourably on both of these attributes. This indicates a relatively high level of customer satisfaction with the attributes commercial customers considered to be the most important.

It should be noted that almost three in ten (27%) commercial customers were unable to rate Hydro's performance with respect to 'Contributes back to the community', which indicates less familiarity with Hydro's performance in this area. However, performance for 'Contributes back to the community' increased since the baseline year, which may reflect Hydro's increased initiatives in this area (5.8 in 2001 to 6.9 in 2005).

**Chart 3: Performance Ratings for 2005**





The charts on the following pages illustrate the five-year trend for each service attribute in terms of importance and performance<sup>7</sup>.

Overall, the 2005 importance ratings remained consistent with the 2004 importance ratings for all service attributes. In comparison to the baseline year, importance decreased for three of the service attributes: "Bills that are easy to read and understand (decreased from 9.7 to 9.4), 'Convenient hours of operation' (decreased from 9.5 to 9.0), and 'Easy access to account information at any time' (decreased from 9.6 to 9.1).

The 2005 performance ratings remained consistent with the 2004 performance ratings for all but one service attribute. In 2005, commercial customers ranked the performance of Hydro more favorably for 'Contributes back to the community' compared to 2004 (increased from 5.7 to 6.9). In comparison to the baseline year, performance increased from 5.8 in 2001 to 6.9 in 2005 for 'Contributes back to the community'. Performance ratings for all other attributes remained consistent with the 2001 ratings.

Most attributes received high ratings in terms of importance and performance, indicating a relatively high level of customer satisfaction and expectation on these attributes. Other attributes ('Contributes back to the community', 'A reliable, uninterrupted supply of electricity' and 'Electricity at a reasonable cost') were consistently rated high in importance and lower in performance over the years suggesting continued discontent in these areas.

---

<sup>7</sup> The five-year trend is presented only for the 10 attributes that have remained the same from 2001 to 2005.

## Reliability and Corporate Citizen

Chart 4: A reliable uninterrupted supply of electricity

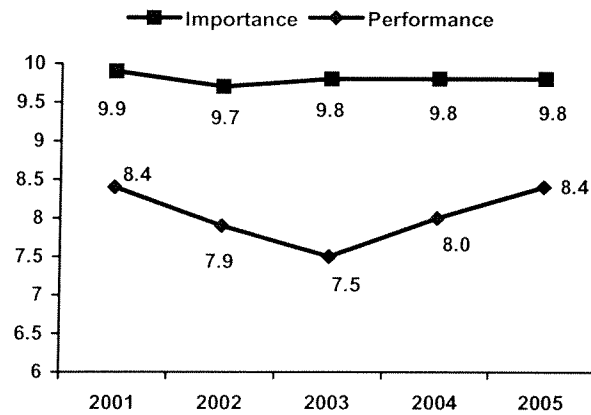


Chart 5: Concern for public safety

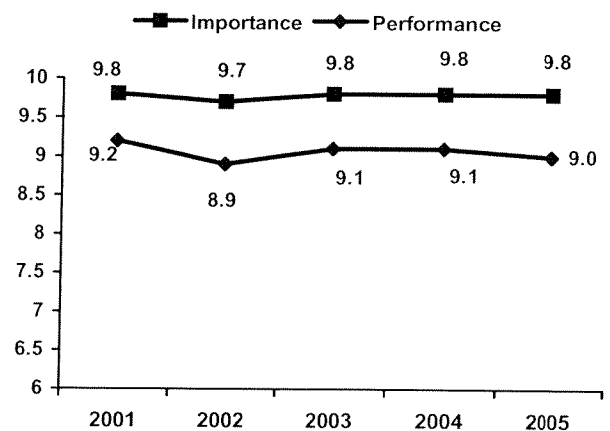


Chart 6: Contributes back to the community

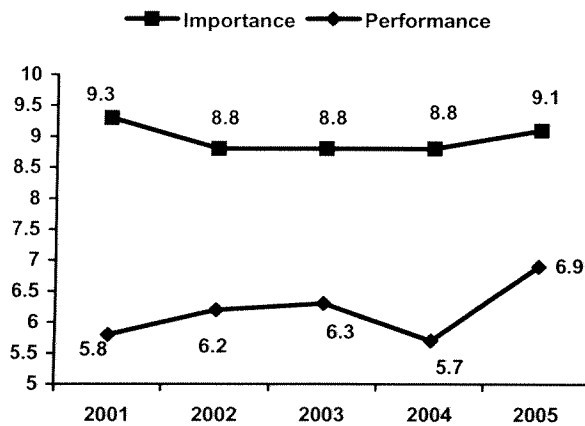
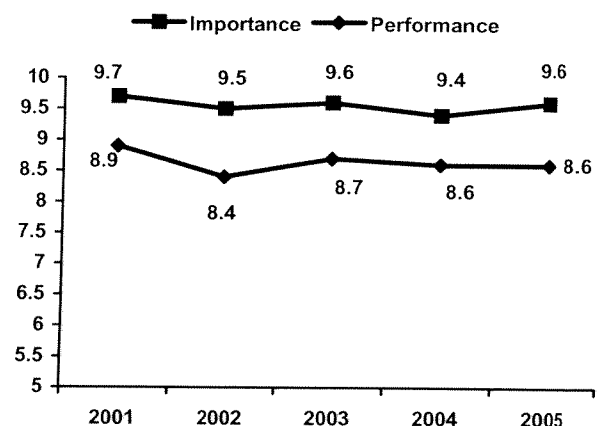


Chart 7: Operates in an environmentally responsible manner



## Service

Chart 8: Electricity at a reasonable cost

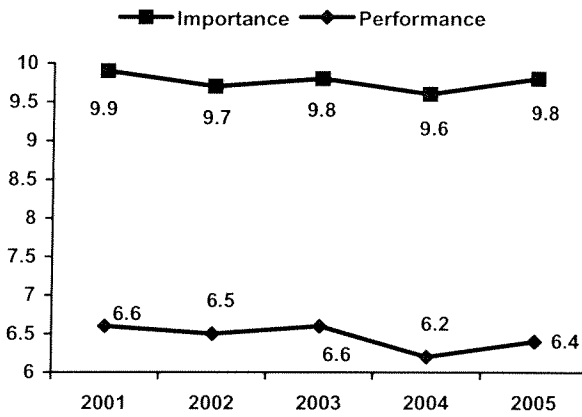


Chart 9: Bills that are easy to read and understand

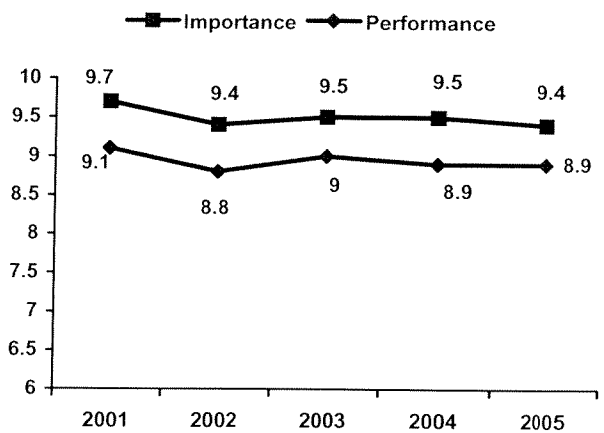


Chart 10: Billing statement accuracy

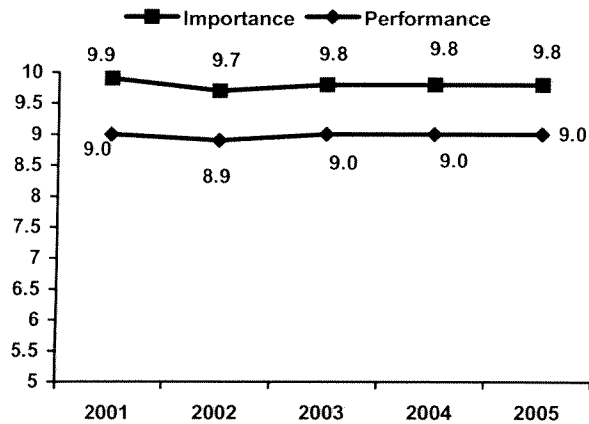
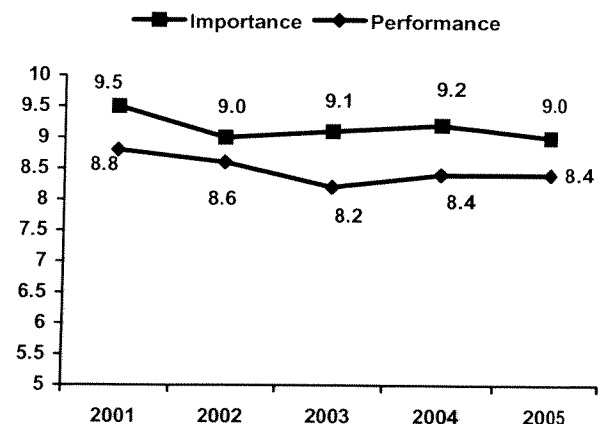
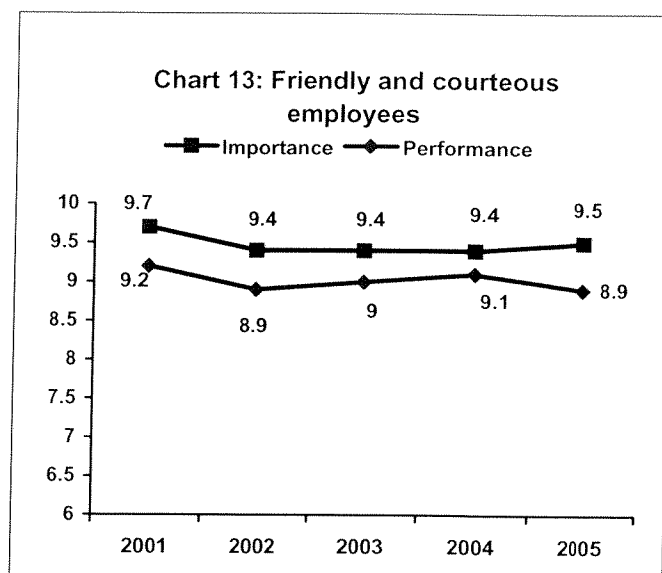
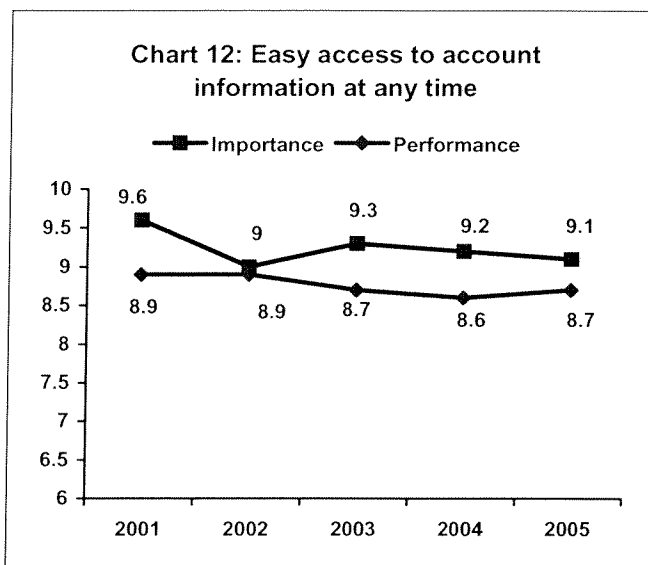


Chart 11: Convenient hours of operation





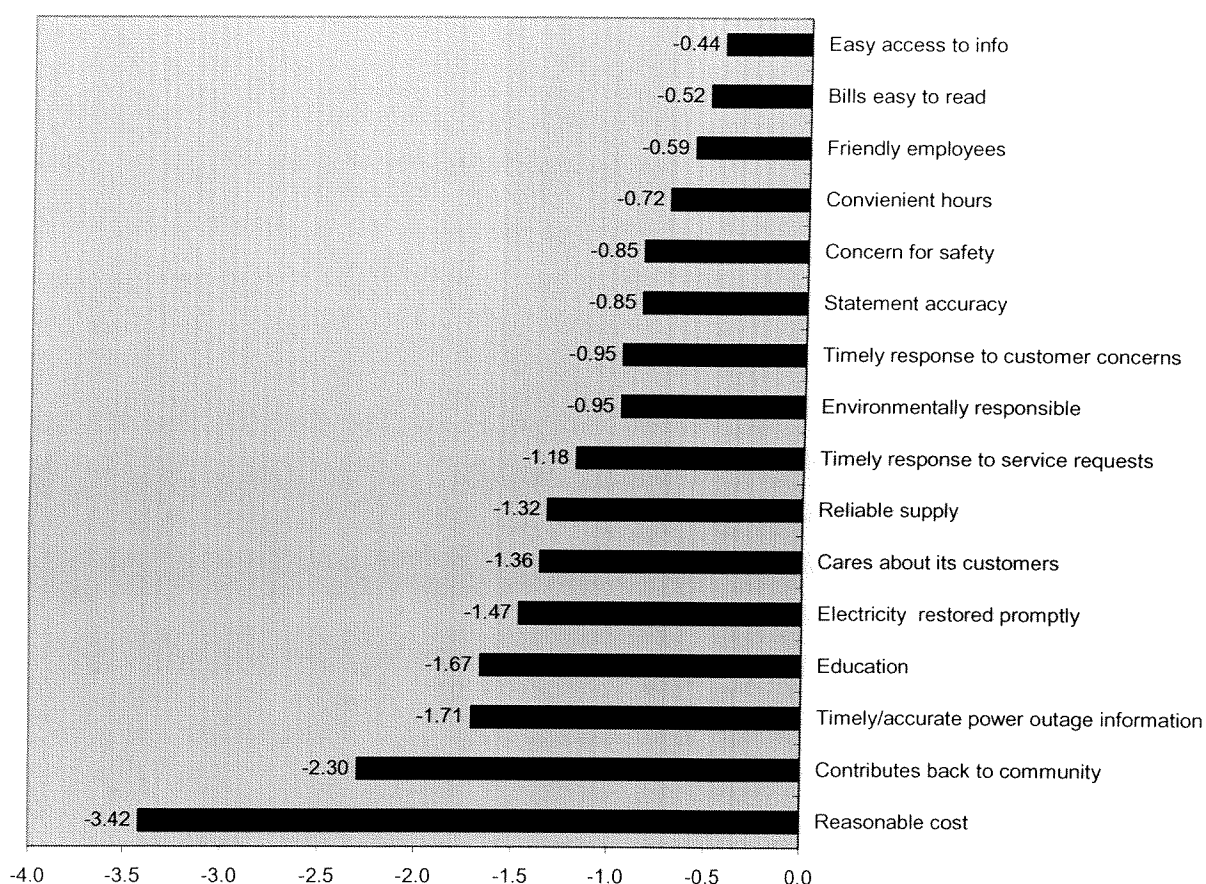


### 4.3 Gap Analysis

A gap score is essentially the difference between customers' evaluation of importance and perceived performance of any one attribute. If perceived performance exceeds expectations, then the customer is satisfied, if it falls below expectations, the customer is dissatisfied. Mean gap ratings were obtained for each attribute by averaging customer gap scores for each attribute.

As demonstrated in chart below, 2005 gap ratings ranged from -3.42 for 'Electricity at a reasonable cost' to -0.44 for 'Easy access to account information at any time'. Consistent with 2004, 'Easy access to account information at any time', 'Bills that are easy to read and understand' and 'Friendly and courteous employees' had the smallest gap ratings. This indicates that customers were generally satisfied with these service attributes. 'Electricity at a reasonable cost' and 'Contributes back to the community' both received gap ratings of greater than -2.0 indicating that commercial customers were less content with Hydro's performance in these areas.

Chart 14: 2005 Gap Ratings

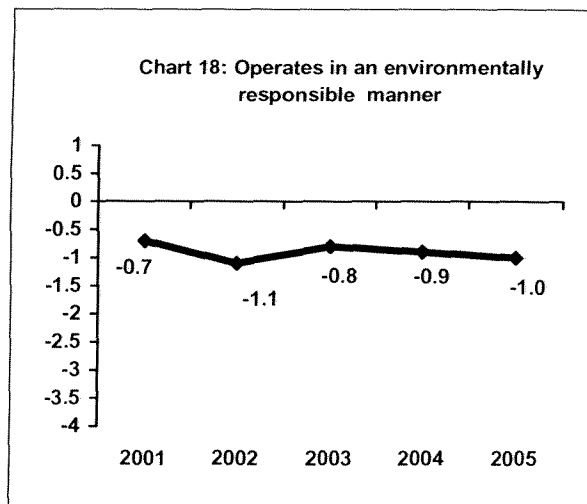
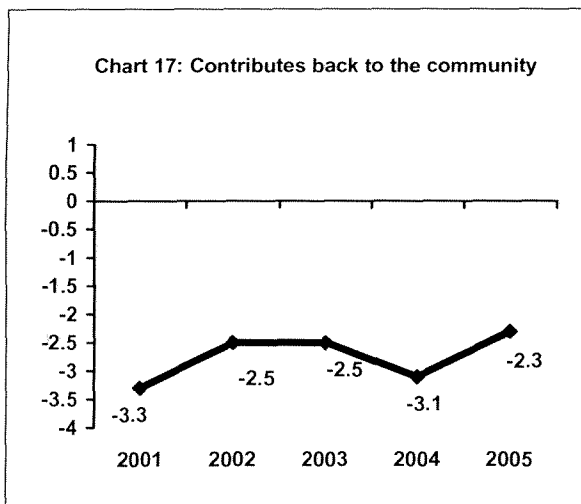
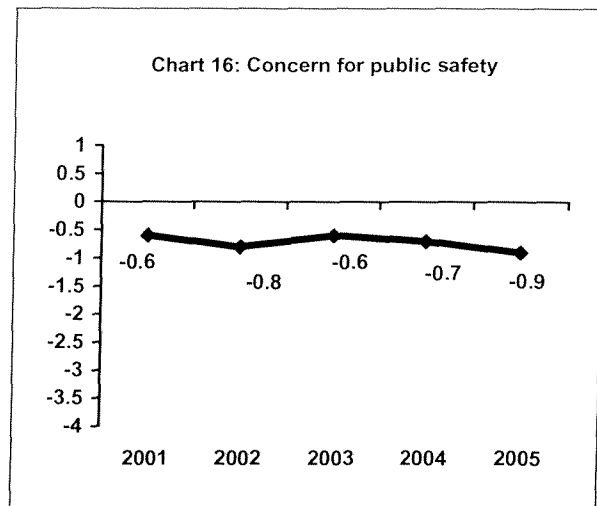
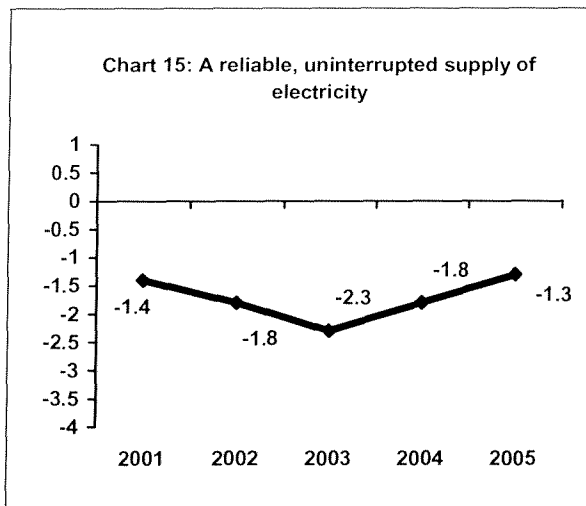


The following charts illustrate the five-year trend for each service attribute in terms of the gap between importance and performance<sup>8</sup>.

Gap ratings remained stable compared to last year for all but one service attribute. The gap rating for 'A reliable, uninterrupted supply of electricity' decreased from -1.8 in 2004 to -1.3 in 2005 indicating that commercial customers were more satisfied with this attribute.

Further to this, the gap ratings for all service attributes were consistent with that of the baseline year with the exception of 'Contributes back to the community'. For this attribute, the gap has decreased from -3.3 in 2001 to -2.3 in 2005 indicating that commercial customers were more satisfied with Hydro's community contributions this year as compared to the baseline year.

### Reliability and Corporate Citizen



<sup>8</sup> The five-year trend is presented only for the 10 attributes that have remained the same from 2001 to 2005.

## Service

Chart 19: Electricity at a reasonable cost

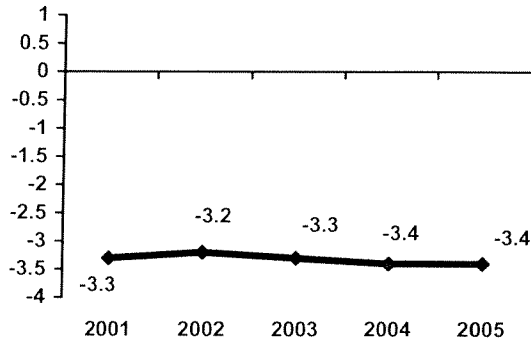


Chart 20: Bills easy to read and understand

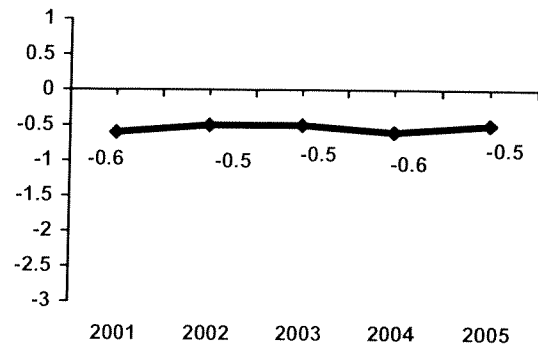


Chart 21: Billing statement accuracy

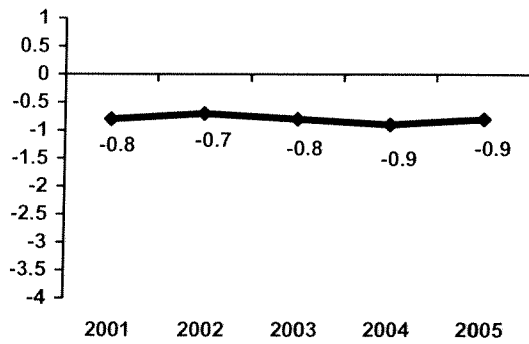
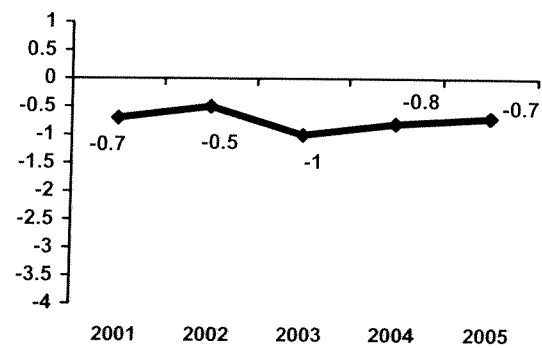
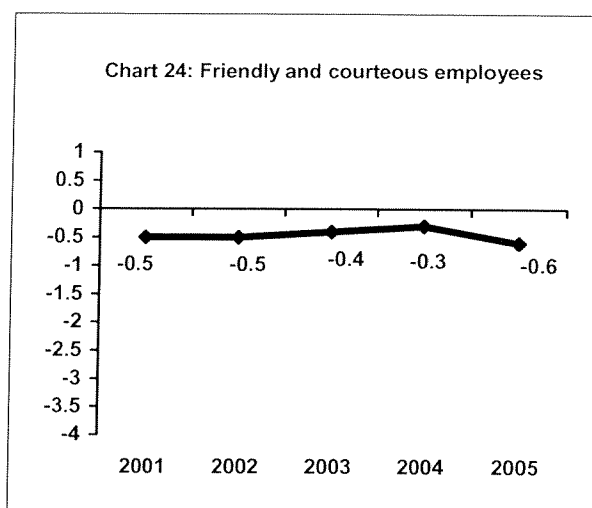
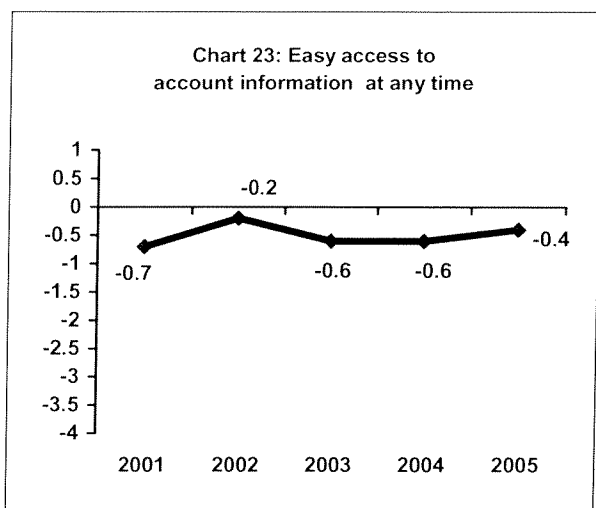


Chart 22: Convenient hours of operation





2005 Commercial Customer Satisfaction Study  
 Newfoundland and Labrador Hydro



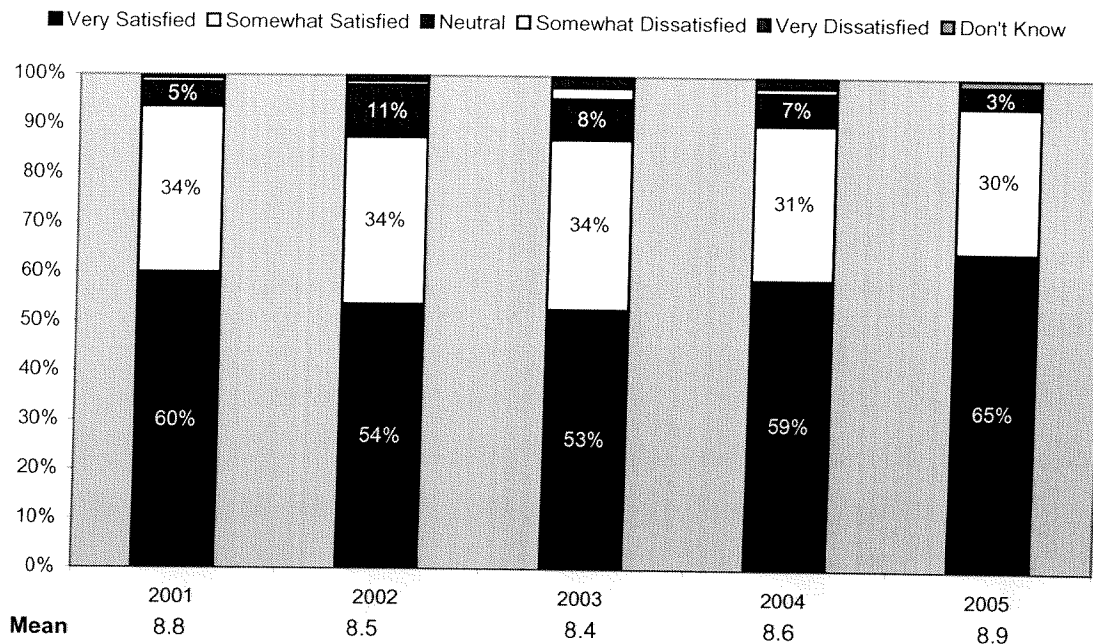
## 5.0 SERVICE RELIABILITY

### 5.1 Overall Satisfaction with Service Reliability

Commercial customers were asked to rate, on a scale of 1 (Very dissatisfied) to 10 (Very satisfied), their level of satisfaction with the supply of electricity they received from Hydro.

Overall, the strong majority of commercial customers (95%) were satisfied with the supply of electricity they have received from Hydro (65% *very* satisfied, 30% *somewhat* satisfied). On average, customers rated their satisfaction with Hydro's supply of electricity as 8.9 out of 10, indicating a fairly high level of satisfaction. From 2001 to 2003, Hydro experienced a downward trend in satisfaction with regards to service reliability. However, since 2003, Hydro experienced an upward trend, with the highest percentage of customers who reported they were very satisfied in this area in 2005.

Chart 25: Satisfaction with Service Reliability



When analyzed by rate area, commercial customers in Interconnected areas were more satisfied, on average, with the supply of electricity than were customers in Isolated areas (9.0 and 8.1, respectively).

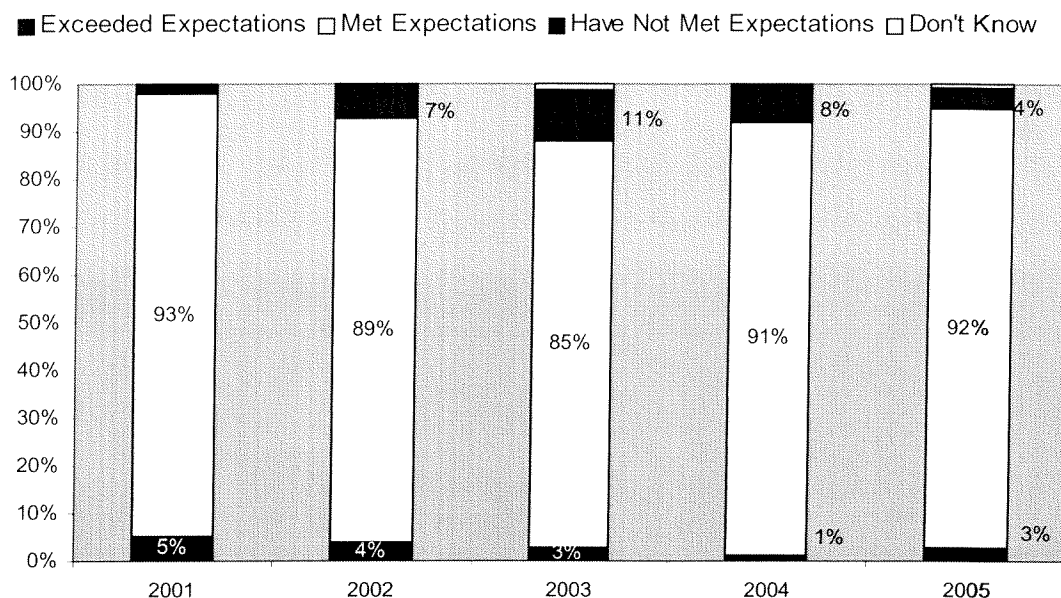


## 5.2 Expectations for Service Reliability

To measure Hydro's ability to meet expectations regarding service reliability, customers were asked if the supply of electricity they received from Hydro exceeded their expectations, met their expectations, or did not meet their expectations.

Consistent with previous years, the strong majority of commercial customers reported that their expectations with respect to supply of electricity were met (92%) or exceeded (3%).

**Chart 26: Expectations for Service Reliability**



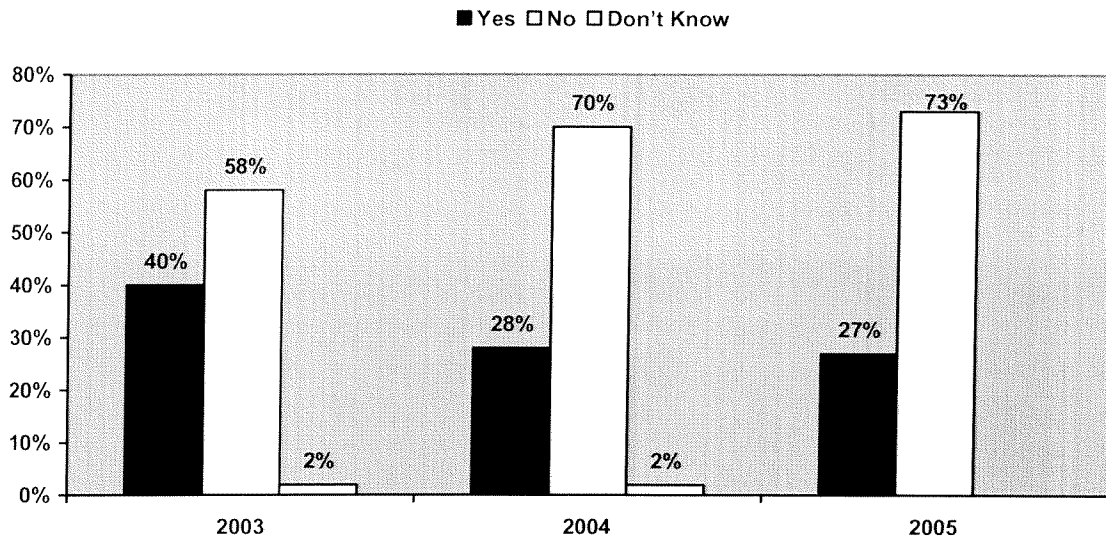
When analyzed by rate area, commercial customers in Isolated areas were more likely than customers in Interconnected areas to report that the supply of electricity they received from Hydro has not met their expectations (13% and 3%, respectively). Further to this, customers in Interconnected areas were more likely than those in Isolated areas to report that the supply of electricity met their expectations (93% and 84%, respectively).

### 5.3 Financial Loss & Willingness to Pay

To further explore opinions toward service reliability, commercial customers were asked several questions regarding power outages, financial loss, and electricity costs.

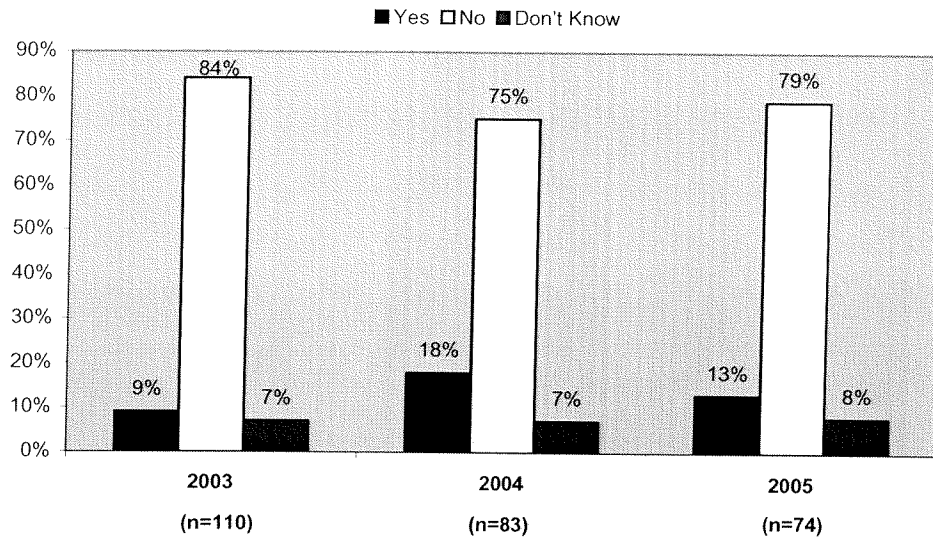
Consistent with 2004, approximately 27% of commercial customers indicated they would incur a financial loss during a power outage that lasted 30 minutes.

**Chart 27: Would you incur a financial loss during a power outage that lasted 30 minutes?**



Of those who would incur a financial loss due to a power outage that lasted 30 minutes, 13% would be willing to pay more in electricity costs to reduce these power outages. While the percentage of customers willing to pay more increased from 2003 (9%) to 2004 (18%), it has since returned to a level similar to 2003 (13%).

**Chart 28: Would you be willing to pay more in electricity costs to reduce these power outages?**

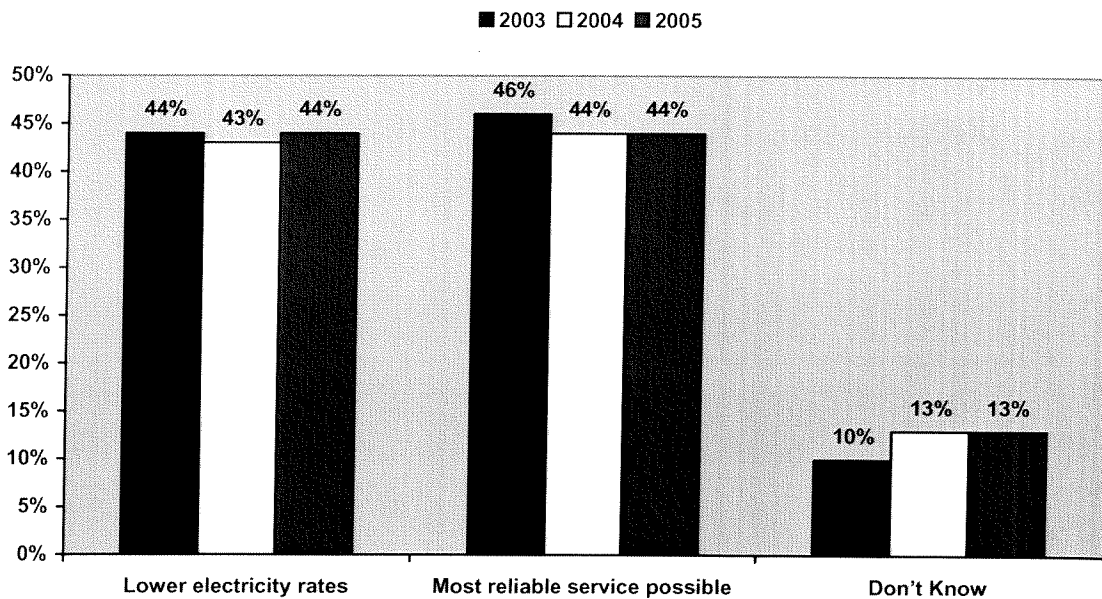




## 5.4 Cost Versus Reliability

Commercial customers were asked which was more important to them: 1) lower electricity rates, or 2) getting the most reliable service possible which means less and/or shorter outages even though they may have to pay extra. Consistent with previous years, commercial customers were divided on this issue, with 44% of customers who said "Lower electricity rates" and 44% who said "Most reliable service".

Chart 29: Which is More Important? Cost Versus Reliability



Commercial customers in the Labrador region were more likely to show a preference for the most reliable service possible (52%) compared to those in the Central region (35%). In the Northern region, 45% of commercial customers reported a preference for the most reliable service.

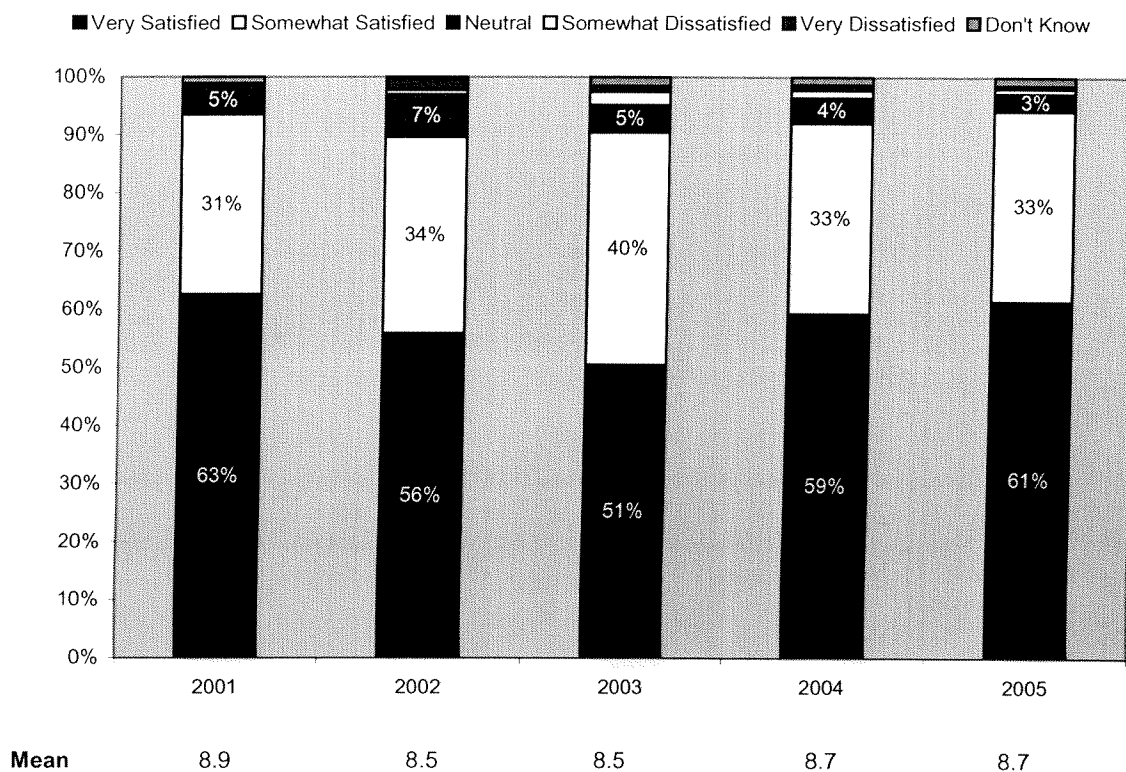
## 6.0 CUSTOMER SERVICE

### 6.1 Overall Satisfaction with Customer Service

To determine satisfaction with Hydro's customer service, customers were asked to rate their satisfaction with the customer service they received from Hydro on a scale of 1 (Very Dissatisfied) to 10 (Very Satisfied).

Overall, the large majority of customers (94%) were satisfied with the customer service they have received from Hydro (61% *very* satisfied, 33% *somewhat* satisfied). On average, commercial customers rated their satisfaction with Hydro's overall customer service as 8.7 out of 10. Overall, satisfaction with Hydro's customer service experienced a decline from 2001 to 2003, and has since increased in 2004 and 2005.

**Chart 30: Satisfaction with Customer Service**

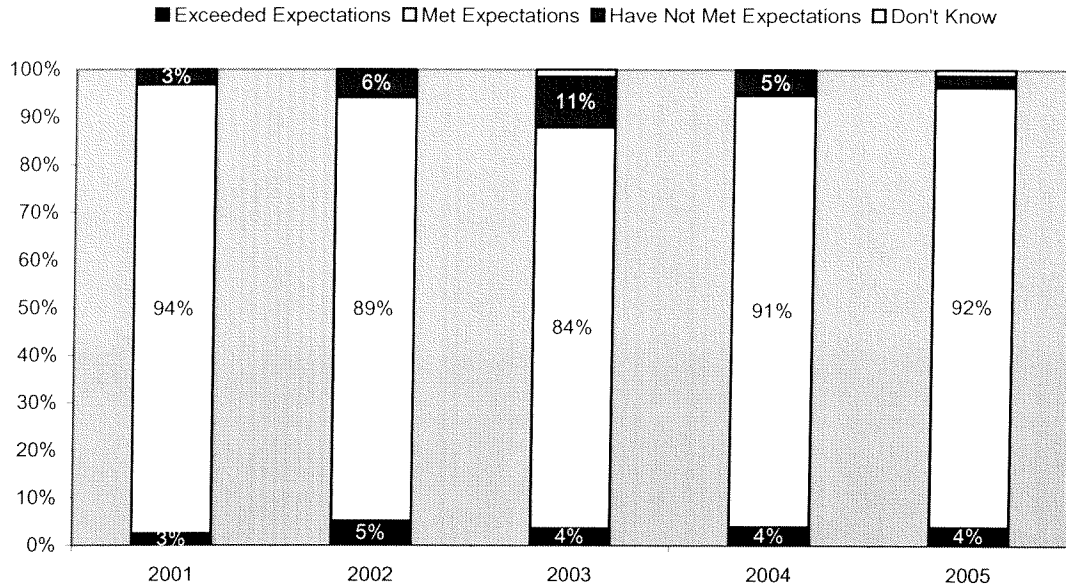


When analyzed by region, Central customers rated their satisfaction with the customer service they received from Hydro as 9.0 out of 10 compared to 8.6 out of 10 for Northern and Labrador customers.

## 6.2 Expectations for Customer Service

To measure Hydro's ability to meet expectations regarding customer service, customers were asked to indicate if their expectations were exceeded, met or not met. Similar to previous years, most commercial customers felt that their expectations were met (92%) or exceeded (4%).

**Chart 31: Expectations for Customer Service**

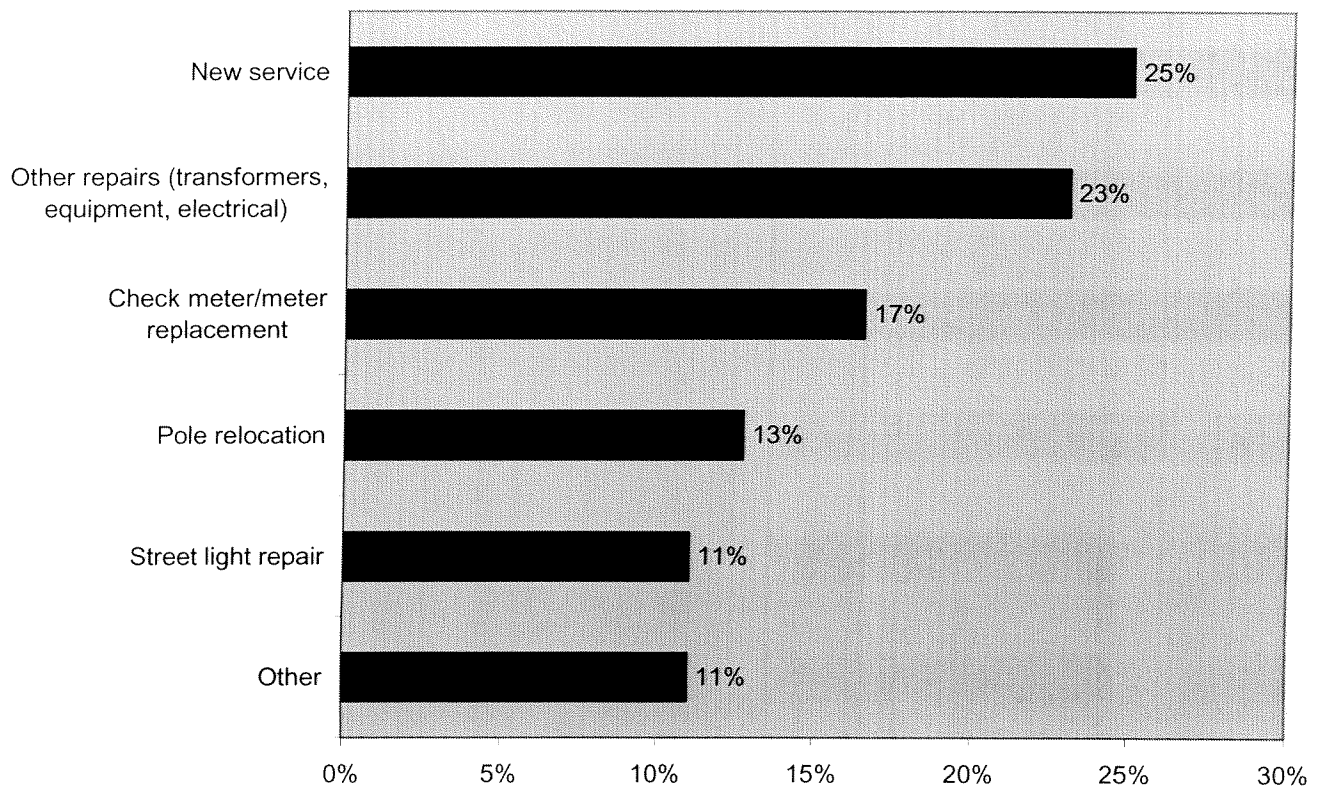


### 6.3 Response Time to Service Requests

During the past year, 20% of commercial customers had someone from Hydro visit their office or property in response to a service request that was made by themselves or someone else in their company. Customers in Isolated areas were more likely to have had someone from Hydro visit their office or property in response to a service request (33%) compared to customers in Interconnected areas (19%).

Commercial customers who made service requests over the past year (n=54) were asked to identify the service they requested from Hydro. In 2005, the most common requests were for new service (25%), other repairs (23%) and to check or replace a meter (17%).

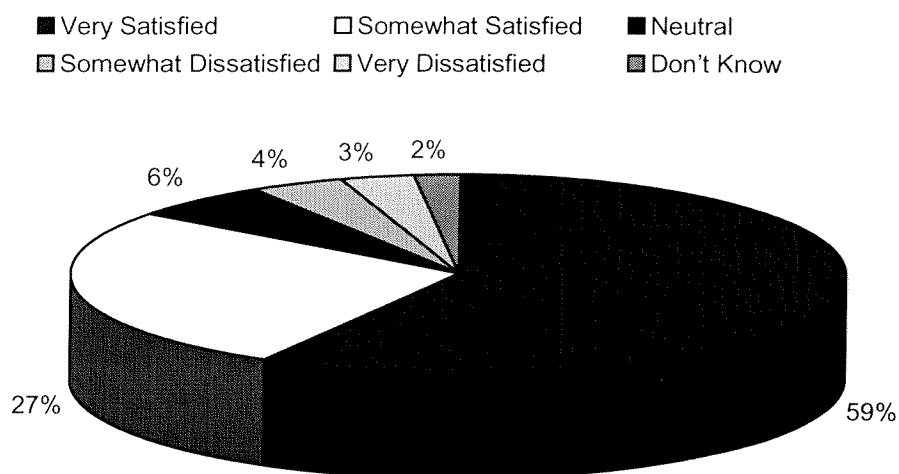
Chart 32: Type of Service Request (n=54)



Commercial customers who made a service request (n=57) were asked to identify how long it took Hydro to respond to their request. On average, it took Hydro 3 days to respond to the service request, with the responses ranging from 1 day to 42 days.

In terms of their satisfaction with Hydro's response time, on average, customers rated their satisfaction as 8.4 out of 10 (1 = Very dissatisfied; 10 = Very satisfied), compared to 8.0 last year. Similar to last year, the majority of customers were either very (59%) or somewhat satisfied (27%) with the response time.

**Chart 33: Overall Satisfaction with Response Time**  
(Mean Rating: 8.4 out of 10)



Comparison by region revealed that customers from the Central region were more satisfied with response time than were customers in the Northern region (9.2 and 7.3, respectively). The average satisfaction rating for the Labrador region was 8.3 out of 10.

In 2005, all respondents were asked how long they feel it should take Hydro to respond to three different types of service requests:

- Response to full loss or partial loss of power.
- Response to general questions and concerns that cannot be immediately addressed and require further investigation.
- Response to a service request for your office or property (for example, new service, transfer of service, installation/removal/repair), excluding power outages.

The following table presents the average amount of time customers felt it should take Hydro to respond to each type of request. On average, commercial customers felt that it should take 4 hours to respond to a full or partial power loss, 28 hours to respond to general questions that cannot be immediately addressed, and 40 hours to respond to a service request to their office or property.

**Table 2: Expected Average Response Time (Overall and by Region)**

Type of Request	Average response time	Central	Northern	Labrador
Response to full loss or partial loss of power.	4 hours	5 hours	4 hours	3 hours
Response to general questions and concerns that cannot be immediately addressed and require further investigation.	28 hours	26 hours	21 hours	36 hours
Response to a service request for your office or property (for example, new service, transfer of service, installation/removal/repair) excluding power outages.	40 hours	41 hours	35 hours	46 hours

The expected average response time for general questions and concerns that cannot be immediately addressed was higher in the Labrador region (36 hours) than in the Northern (21 hours) and Central region (26 hours).

## 6.4 Customer Suggestions

Customers were asked to identify any services not currently offered by Hydro which they feel should be offered.

The majority of commercial customers (86%) said “nothing/none” or “don’t know” when asked to identify suggestions for services. For those who offered suggestions, the top two responses were “payment by credit card” (4%) and “local office or payment centre” (2%).

**Table 3: Suggestions for Additional Services\***

	% of Respondents	
	2004 (n=297)	2005 (n=270)
Nothing	25	14
Bill payment by credit card	5	4
More personal service/less automated service	4	-
Local office/payment centre	3	2
Hydro representative based in area/more presence in area	1	-
Give ample notification of planned power outage	1	1
Better meter service	<1	-
Education on energy efficiency	<1	1
Equal payment plan	-	1
Other mentions	6	5
Don't know	56	72

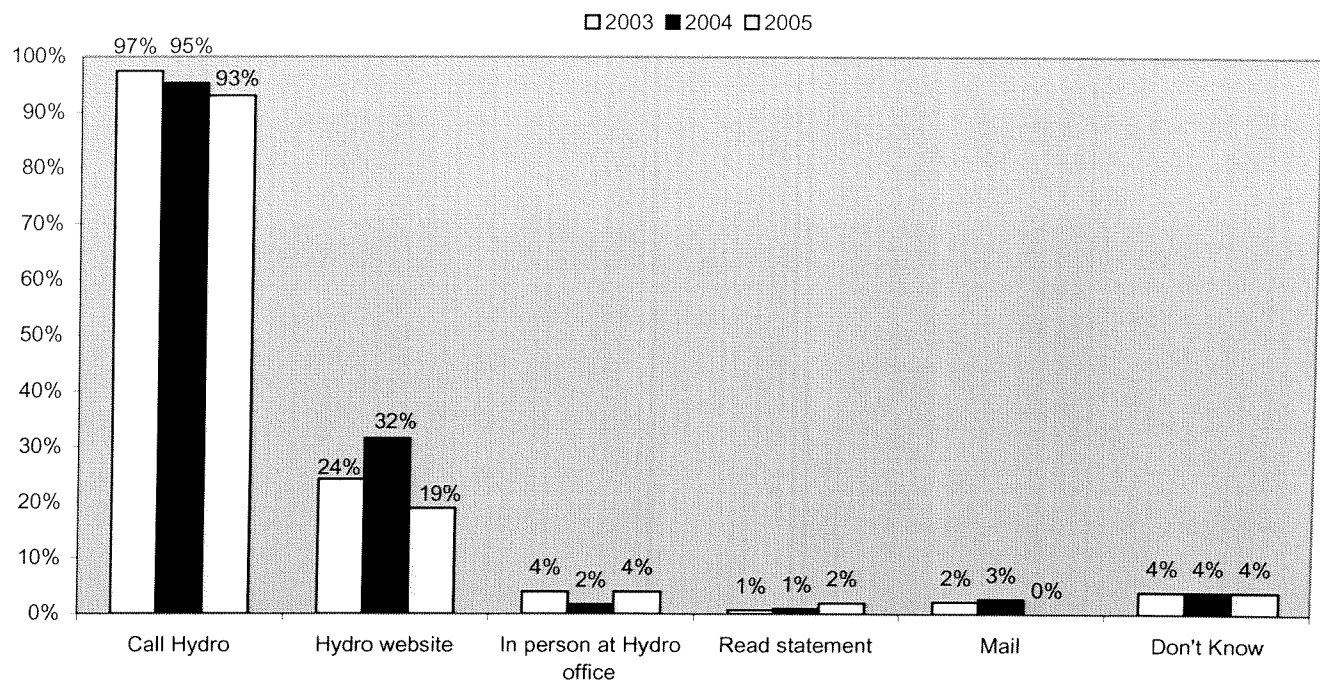
**\*Multiple responses allowed**

## 7.0 AWARENESS AND USE OF CUSTOMER SERVICES

### 7.1 Knowledge of Methods of Accessing Bill/Account Information

To explore awareness of the various ways to obtain information from Hydro, commercial customers were asked about how they could obtain bill or account information. Consistent with 2004, the large majority (93%) said "call Hydro". This was followed by "Hydro website" at 19%. In comparison to 2004, a smaller proportion of commercial customers said "Hydro website" as a means of accessing account information (32% and 19% respectively).

Chart 34: Ways to Access Account Information\*



\* Multiple responses allowed

In 2005, commercial customers were asked about awareness of Hydro's automated toll-free number where customers can obtain power outage and/or billing and account information 24 hours a day. The large majority (78%) of commercial customers reported awareness of this service.

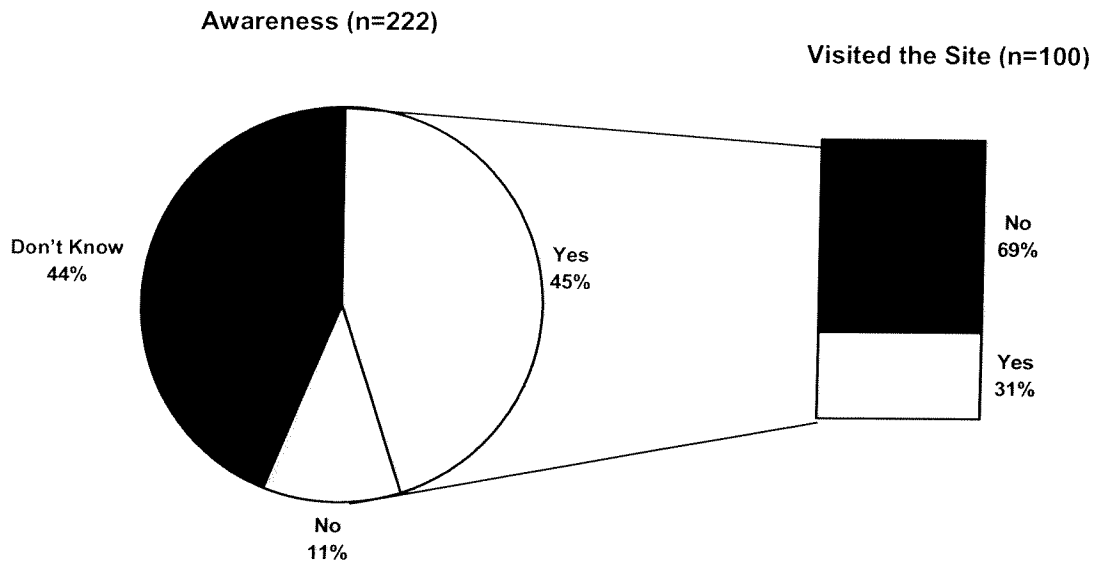


## 7.2 Awareness and Visitation of the Hydro Website

Consistent with 2004, 82% of commercial customers reported having access to the Internet either at home, at work, school or elsewhere. Customers in the Labrador region were more likely to have access to the Internet (97%) compared to those in the Northern and Central regions (76% each).

Website awareness and use remained consistent with last year. Of those with Internet access (n=222), approximately 45% were aware of the Hydro website. Approximately three in ten commercial customers aware of the website have actually visited the site. This translates into 14% of customers with Internet access and 12% of all commercial customers who have visited the site. Among those aware, customers in Isolated areas were more likely to report general use of website (53%) compared to those in Interconnected areas (27%).

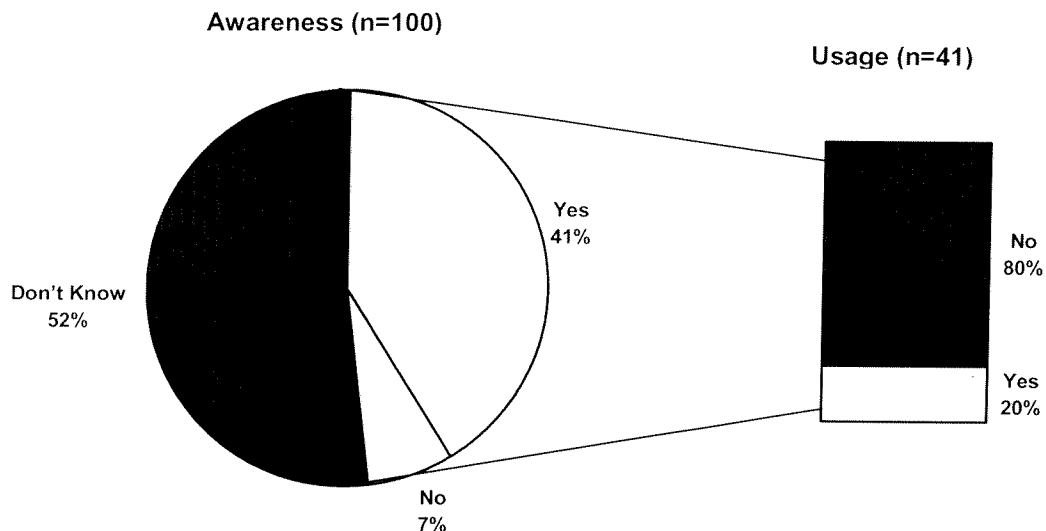
**Chart 35: Awareness and Visitation of the Website**



For those customers who were aware of the site, but have not visited the website (n=69), most said they were unsure why they have not visited or that there was no particular reason for not visiting (88%). Other reasons included not having a computer and no interest in using one (4%), prefer to speak to someone in person (4%), or have difficulty connecting to the site (2%).

Commercial customers aware of the Hydro website were asked if customers can access billing information on the site. Approximately four in ten (41%) were aware that they can access billing or account information on the site. Of those aware (n=41), 20% actually used the site for this purpose.

**Chart 36: Awareness and Use of Website to Access Account Information**

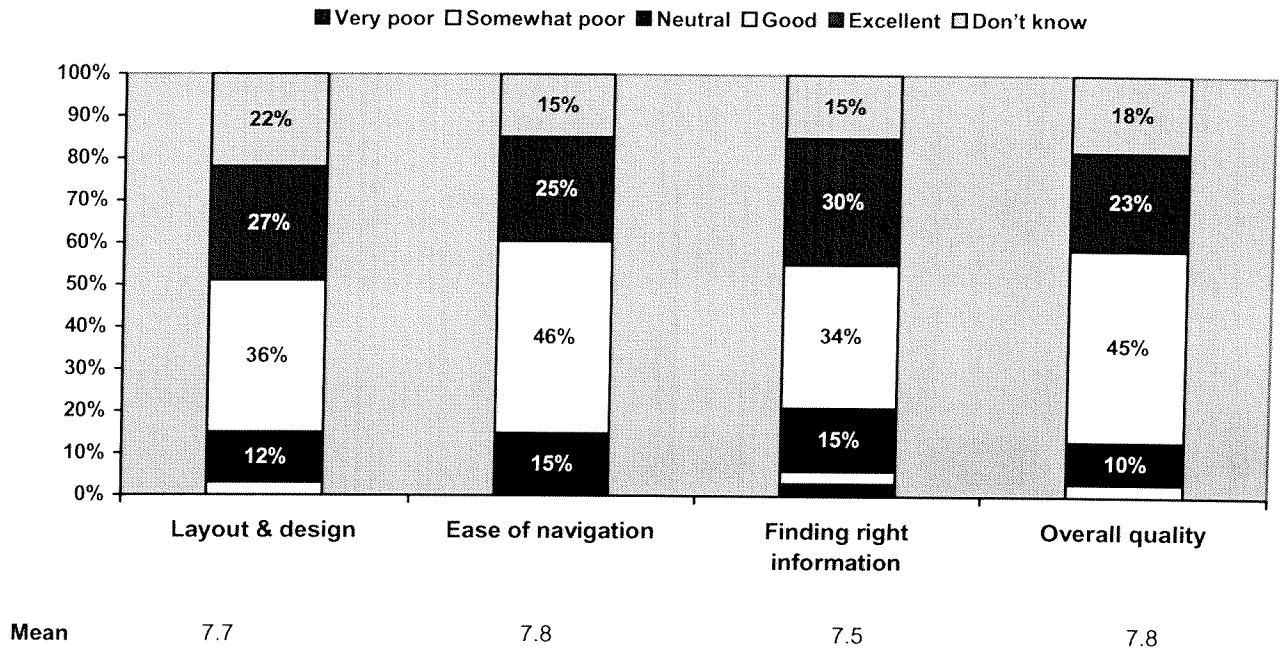


Customers aware of the ability to access account information from Hydro's website, but who have not used the site for this purpose (n=33) were asked to identify the reasons why. These customers said that there was no particular reason (40%), they have no interest/don't like computers (15%), or were unsure (27%).

Commercial customers aware of the Hydro website (n=100) were also asked if customers can access planned power outage information on the site. Approximately three in ten (28%) were aware of this capability.

This year, commercial customers who visited the Hydro website (n=31) were asked to rate the site (using a scale of 1 to 10 with 1 meaning "Very Poor" and 10 meaning "Excellent") on layout and design, ease of navigation, finding the right information and overall quality of the website. As demonstrated in Chart 37, the largest proportion of customers who visited the website rated the site good on all attributes.

**Chart 37: Rating of the Hydro Website**



Customers who visited the website (n=31) were asked to provide suggestions for improving the website. Most (81%) were unable to provide a suggestion or said there was nothing that could be done to improve the site. Some of the suggestions provided by the remaining customers included:

- Develop a section for contactors that can be accessed by a password and includes information on technology, standards, grounding, rules and regulations.
- More promotion of the services available on the website.
- More user friendly and simple.

### 7.3 Billing Options

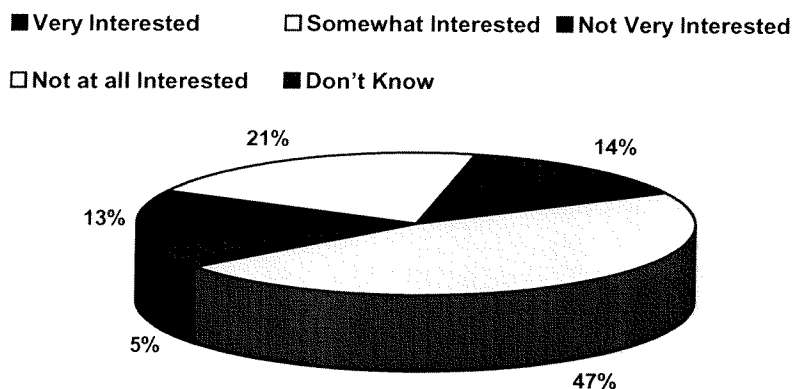
In 2005, commercial customers were asked several questions relating to billing options including the equal payment plan, the pre authorized payment option and electronic billing.

A common method of billing is to bill customers each month for their use of electricity in that particular month. Equal Payment Plan is a different method of billing, whereby customers are billed an equal amount over 12 months. Approximately half (51%) of commercial customers reported awareness of the Equal Payment Plan, while 15% were unaware and 34% were uncertain. Customers in Isolated areas were more likely to be aware of the Equal Payment Plan (67%) than those in Interconnected areas (49%).

The pre-authorized bill payment option is when the amount of the bill is automatically deducted from the customers' bank account each month. Approximately three in ten (31%) commercial customers reported awareness of the pre-authorized bill payment option, while 17% were unaware and 52% were uncertain.

Electronic billing is a type of billing through which customers receive and view their monthly electric bill on-line. Through electronic billing, a customer receives an email once a month containing an Internet link to their on-line bill. However, once a customer signs up for electronic billing, they no longer receive an electric bill in the mail. Customers were asked how interested they would be in electronic billing if it was offered by Hydro. Slightly more than one in three (35%) commercial customers reported interest in an electronic billing system.

**Chart 38: Interest in the Electronic Billing System**



As would be expected, customers with Internet access were more likely to be very or somewhat interested in an electronic billing system compared to those with no Internet access (39% and 10%, respectively).

Regional analysis revealed that Labrador customers were more likely to be interested in an electronic billing system (44%) than Central customers (25%). Approximately three in ten Northern customers expressed interest in the electronic billing system.

## 8.0 CUSTOMER PROFILE

This section presents a profile of survey respondents.

For commercial customers, the individual responsible for paying the bills and dealing with Hydro were equally as likely to be a male (51%) or a female (49%).

Commercial customers represented a large range of industries, with the majority of those surveyed representing retail trade (23%) and other services (22%).

**Table 4: Demographic Profile**

	% Respondents (n=270)
<b>GENDER</b>	
Male	49
Female	51
<b>INDUSTRY</b>	
Retail trade	23
Other services (except public administration)	22
Accommodation and food services	9
Agriculture, forestry, fishing and hunting	9
Public administration	9
Construction	5
Manufacturing	4
Administrative and support, waste management and remediation	3
Information and cultural industries	2
Transportation and warehousing	2
Wholesale trade	2
Health care and social assistance	2
Real estate and rental and leasing	1
Finance and insurance	1
Arts, entertainment and recreation	1
Mining, oil and gas extraction	<1
Professional, scientific and technical services	<1
Educational services	<1
Other	1
Don't know	3

**Table 4: Demographic Profile (Continued)**

NUMBER OF PROPERTIES	% Respondents (n=270)
One	57
Two to five	33
More than five	8
Don't Know	2

Approximately six in ten commercial customers surveyed owned one property or building (57%) that is serviced by Hydro, while 33% owned between two and five buildings or properties, and 8% owned more than five. Of those commercial customers who were responsible for more than one building or property, 76% indicated that their buildings or properties were all located in the same community.

## 8.1 Years of Service Relationship

Among the surveyed customers, the number of years as a Hydro customer ranged from 1 year to 94 years. Close to half of commercial customers have been customers of Hydro for 20 years or more (48%), while half have been customers for less than 20 years.

**Table 5: Years of Service with Hydro**

	2001 % Respondents (n=278)	2002 % Respondents (n=270)	2003 % Respondents (n=273)	2004 % Respondents (n=297)	2005 % Respondents (n=270)
One year or less	--	3	4	8	3
2 – 10 years	34	34	25	26	30
11 – 19 years	16	13	13	13	19
20+ years	47	31	28	22	48
Always	--	14	27	29	-
Don't Know	3	4	3	2	1

## **APPENDIX A: SURVEY INSTRUMENT**



## Hydro Commercial Customer Satisfaction Survey October, 2005

Hello, my name is \_\_\_\_\_ from Market Quest Research, a professional marketing research firm. Today we are conducting a short survey on commercial electricity. May I please speak to the individual in your organization who is primarily responsible for dealing with the electric company [REPEAT INTRO IF NECESSARY].

*We would appreciate your participation, would you have a few minutes to complete the survey?  
...it will take approximately 5 minutes of your time.*

YES - CONTINUE  
NO - THANK & TERMINATE

### Screener:

1a. What is the name of the electric company which....

	NF & LAB. <u>HYDRO</u> 1	NF <u>POWER</u> 2	D/K OR <u>N/A</u> 3
...Supplies electricity to the properties owned or operated by your company or organization			

IF NF & LAB HYDRO NOT MENTIONED- THANK & TERMINATE

We are conducting this survey on behalf of NF & Labrador Hydro to measure customer satisfaction and identify ways to improve the service they offer you as a commercial customer. Your company has been randomly selected to participate in this survey. When answering these questions, please refer to the service provided to you as a commercial customer. The information you provide is confidential and will be analyzed with all other responses. Since the accuracy of the study depends on your answers, I would like to ask you to be honest in your response, whether good or bad.

2. Before we talk specifically about NF and Lab. Hydro, please think about electric companies in general, and about what is important for any electric company to provide your company. Using a scale of 1 to 10 where 1 means "Not At All Important" and 10 means "Extremely Important", please rate the importance of: [READ LIST]

	Not at all important										Extremely important	Don't know
A reliable, uninterrupted supply of electricity	1	2	3	4	5	6	7	8	9	10		98
Electricity at a reasonable cost	1	2	3	4	5	6	7	8	9	10		98
Electricity restored promptly when there is a power outage	1	2	3	4	5	6	7	8	9	10		98
Bills that are easy to read and understand	1	2	3	4	5	6	7	8	9	10		98
Billing statement accuracy	1	2	3	4	5	6	7	8	9	10		98



	Not at all important										Extremely important	Don't know
Response to customer questions and concerns in a timely manner	1	2	3	4	5	6	7	8	9	10	98	
Convenient hours of operation	1	2	3	4	5	6	7	8	9	10	98	
Easy access to account information at any time	1	2	3	4	5	6	7	8	9	10	98	
Timely and accurate information on power outages	1	2	3	4	5	6	7	8	9	10	98	
Response to service requests in a timely manner (e.g., new service, transfer of service, installation/removal/ repair of)	1	2	3	4	5	6	7	8	9	10	98	
Educating customers on efficient use of electricity	1	2	3	4	5	6	7	8	9	10	98	
Friendly & courteous employees	1	2	3	4	5	6	7	8	9	10	98	
Caring about it's customers	1	2	3	4	5	6	7	8	9	10	98	
Operating in an environmentally responsible manner	1	2	3	4	5	6	7	8	9	10	98	
Concern for public safety	1	2	3	4	5	6	7	8	9	10	98	
Contributing back to the community	1	2	3	4	5	6	7	8	9	10	98	

3. Now think specifically about the service, which you currently receive from NF & Lab. Hydro. Based on your experience to date and using a scale of 1 to 10 where 1 means "Very Poor" and 10 means "Excellent", please rate the performance of NF & Lab. Hydro in providing: **[READ LIST]**

	Very Poor										Excellent	Don't know
A reliable, uninterrupted supply of electricity	1	2	3	4	5	6	7	8	9	10	98	
Electricity at a reasonable cost	1	2	3	4	5	6	7	8	9	10	98	
Electricity restored promptly when there is a power outage	1	2	3	4	5	6	7	8	9	10	98	
Bills that are easy to read and understand	1	2	3	4	5	6	7	8	9	10	98	
Billing statement accuracy	1	2	3	4	5	6	7	8	9	10	98	
Response to customer questions and concerns in a timely manner	1	2	3	4	5	6	7	8	9	10	98	

	Very Poor									Excellent	Don't know
Convenient hours of operation	1	2	3	4	5	6	7	8	9	10	98
Easy access to account information at any time	1	2	3	4	5	6	7	8	9	10	98
Timely and accurate information on power outages	1	2	3	4	5	6	7	8	9	10	98
Responding to service requests in a timely manner (e.g., new service, transfer of service, installation/removal/ repair of)	1	2	3	4	5	6	7	8	9	10	98
Educating customers on efficient use of electricity	1	2	3	4	5	6	7	8	9	10	98
Friendly & courteous employees	1	2	3	4	5	6	7	8	9	10	98
Caring about it's customers	1	2	3	4	5	6	7	8	9	10	98
Operating in an environmentally responsible manner	1	2	3	4	5	6	7	8	9	10	98
Concern for public safety	1	2	3	4	5	6	7	8	9	10	98
Contributing back to the community	1	2	3	4	5	6	7	8	9	10	98

3b. In general, how satisfied are you with NF And Lab. Hydro on a scale of 1 to 10, where 1 means "Not at all Satisfied" and 10 means "Very Satisfied"?

Not at all Satisfied										Very Satisfied	Don't Know
1	2	3	4	5	6	7	8	9	10		98



Now I would like to ask a few questions related to billing...

- 4a. In the past year, has someone from Newfoundland and Labrador Hydro visited your office or property in response to a service request that was made by you or someone else in your company or organization? Some examples of service requests are new service, street light repair, and pole relocation.

[Interviewer note: The request for service must have resulted in a visit by Hydro to the customer's office/property.]

Yes	1	-CONTINUE
No	2	-GO TO Q5
Don't know	98	-GO TO Q5

- 4b. Thinking about the last time you requested a service from Hydro, what service did you request? [DO NOT READ LIST. RECORD ONLY ONE ANSWER.]

New service	1
Check meter/meter replacement	2
Street light repair	3
Pole relocation	4
Other – <i>Specify</i>	95

- 4c. Approximately how long did it take for Hydro to respond to this service request? [RECORD RESPONSE] \_\_\_\_\_ days/ weeks

- 4d. On a scale of 1 to 10, with 1 meaning "Very Dissatisfied" and 10 meaning "Very Satisfied", in general, how satisfied were you with the amount of time it took for Hydro to respond to this service request?

Very Dissatisfied											Very Satisfied	Don't know
	1	2	3	4	5	6	7	8	9	10		98

5. For the next question, I am going to list three types of requests that a customer can make to Hydro and I would like you to think about how long you feel it should take Hydro to respond to each type of request. What do you feel is a reasonable amount of time for Hydro to respond to each of the following requests? [READ LIST]

Response to a full loss or partial loss of power	_____	hours/
	days	
Response to general questions and concerns that cannot be addressed immediately and require further investigation	_____	hours/
	days	
Response to a service request for your office or property (e.g. new service, transfer of service, installation/ removal/ repair of, etc.) excluding power outages	_____	hours/
	days	

6. Now please think of electric companies as serving customers in two ways: (1) the first being the supply of electricity to your commercial property and (2) the second being customer service or response to customer needs, such as hook-ups, repairs, account billings and inquiries. On a scale of 1 to 10, with 1 meaning "Very Dissatisfied" and 10 meaning "Very Satisfied", how satisfied are you with: **[READ LIST]**

	Very Dissat.										Very Sat.	D/K
The <u>supply of electricity</u> you receive from NF & Lab. Hydro	1	2	3	4	5	6	7	8	9	10	98	
The overall <u>customer service</u> you receive from NF & Lab. Hydro	1	2	3	4	5	6	7	8	9	10	98	

7. Which of the following statements best describes... **[READ LIST]**

	Have not met my expectations	Met my expectations	Exceeded my expectations
The <u>supply of electricity</u> you receive from NF & Lab. Hydro	1	2	3
The overall <u>customer service</u> you receive from NF & Lab. Hydro	1	2	3

- 8a. Would you incur a financial loss during an outage that lasted 30 minutes?

Yes	1	- CONTINUE
No	2	- GO TO Q8C

- 8b. Would you be willing to pay more in electricity costs to reduce these outage costs?

Yes	1
No	2
Don't Know	98

- 8c. What is more important to you: (1) lower electricity rates, or (2) getting the most reliable service possible which means less and/or shorter outages, even though you may have to pay extra?

Lower electricity rates	1
Getting the most reliable service possible, even though you may have to pay extra	2
Don't know	98

**Now I would like to ask a couple of questions related to billing...**

9. A common method of billing is to bill customers each month for their use of electricity in that particular month. Equal payment plan is a different method of billing, whereby customers are billed an equal amount over 12 months. To your knowledge, does NF and Lab. Hydro offer an equal payment plan to its customers?

Yes	1
No	2
Don't Know	98

10. To your knowledge, does NF and Lab. Hydro offer a pre authorized bill payment option, where the amount of your bill is automatically deducted from your bank account each month?

Yes	1
No	2
Don't Know	98

- 10b. Electronic billing is a type of billing through which customers receive and view their monthly electric bill on-line. Through electronic billing, a customer receives an email once a month containing an Internet link to their on-line bill. However, once a customer signs up for electronic billing, they no longer receive an electric bill in the mail. If NF and Lab. Hydro offered electronic billing, would you be very interested, somewhat interested, not very interested or not at all interested in using this service?

Very Interested	1
Somewhat Interested	2
Not Very Interested	3
Not at all Interested	4
Don't Know	98

**The next couple of questions are about ways of accessing information...**

11. Based on your knowledge, how can Hydro customers get information about their Hydro bill or account? Anything else? **[DO NOT READ LIST]**

	First Mention	Other Mentions
Call Hydro	1	1
Hydro Website	2	2
Visit Hydro Office	3	3
Other ( <b>Specify</b> )	95	95

12. Are you aware that Hydro has an automated toll-free number where customers can obtain power outage information and/ or billing and account information twenty-four hours a day?

Yes	1
No	2
Don't Know	98

13. Do you have access to the Internet... **[READ LIST]**

	Yes	No	Not Applicable
At home	1	2	99
At work	1	2	99
At school	1	2	99
Somewhere other than home, work, or school	1	2	99

14a. To your knowledge, does NF and Lab. Hydro have a website?

Yes	1	- CONTINUE
No	2	- GO TO Q16A
Don't Know	98	- GO TO Q16A

14b. To your knowledge, can customers access planned power outage information on Hydro's website?

Yes	1
No	2
Don't Know	98

14c. To your knowledge, can customers access their billing and/or account information on Hydro's website?

Yes	1	- CONTINUE
No	2	- GO TO Q 14F
Don't Know	98	- GO TO Q 14F

14d. Have you ever accessed your billing and/or account information on Hydro's website?

Yes	1	- GO TO Q 14G
No	2	- CONTINUE

14e. Why have you not accessed billing and/or account information on Hydro's website? **RECORD RESPONSE.**

14f. Have you ever visited the NF and Lab. Hydro website?

Yes	1	-CONTINUE
No	2	-GO TO Q15

14g. On a scale of 1 to 10, with 1 being "very poor" and 10 being "excellent", please rate Hydro's website on the following: **READ AND ROTATE LIST**

	Very Poor										Excellent	D/K
Layout and design	1	2	3	4	5	6	7	8	9	10	98	
Ease of navigation	1	2	3	4	5	6	7	8	9	10	98	
Finding the right information to meet your needs	1	2	3	4	5	6	7	8	9	10	98	
Overall quality of the website	1	2	3	4	5	6	7	8	9	10	98	



14h. Do you have any suggestions that will help Hydro to improve their website? **RECORD RESPONSE**

GO TO Q16

15. Why have you not visited the NF and Lab. Hydro website? **RECORD RESPONSE**

16. Please take a moment to think about customer services. Are there any customer services not currently offered by NF and LAB Hydro but which you feel should be offered? **RECORD RESPONSE**

## DEMOGRAPHICS

*Now just some final questions for classification purposes only....*

17. For approximately how many years has your company been a customer of NF & Lab. Hydro?  
\_\_\_\_\_ years

18. In which industry does your company operate? \_\_\_\_\_

19. To how many properties/buildings owned by your company does NF Hydro supply electricity?  
\_\_\_\_\_

**IF ONE- GO TO Q22**

20. ***Are these properties/buildings.....***

*...located in the same community*  
*...located in different communities*

**1** -GO TO Q22  
**2** -CONTINUE

21. In how many different communities are the properties/buildings located? \_\_\_\_\_

**IF FIVE OR LESS- CONTINUE, ELSE GO TO END**

22. In what community/communities are the properties/buildings located?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I would like to thank you for your participation, your assistance is greatly appreciated. Have a good day/evening!