

Customer Research

Fourth Quarter 2001 Results



Customer Satisfaction Index

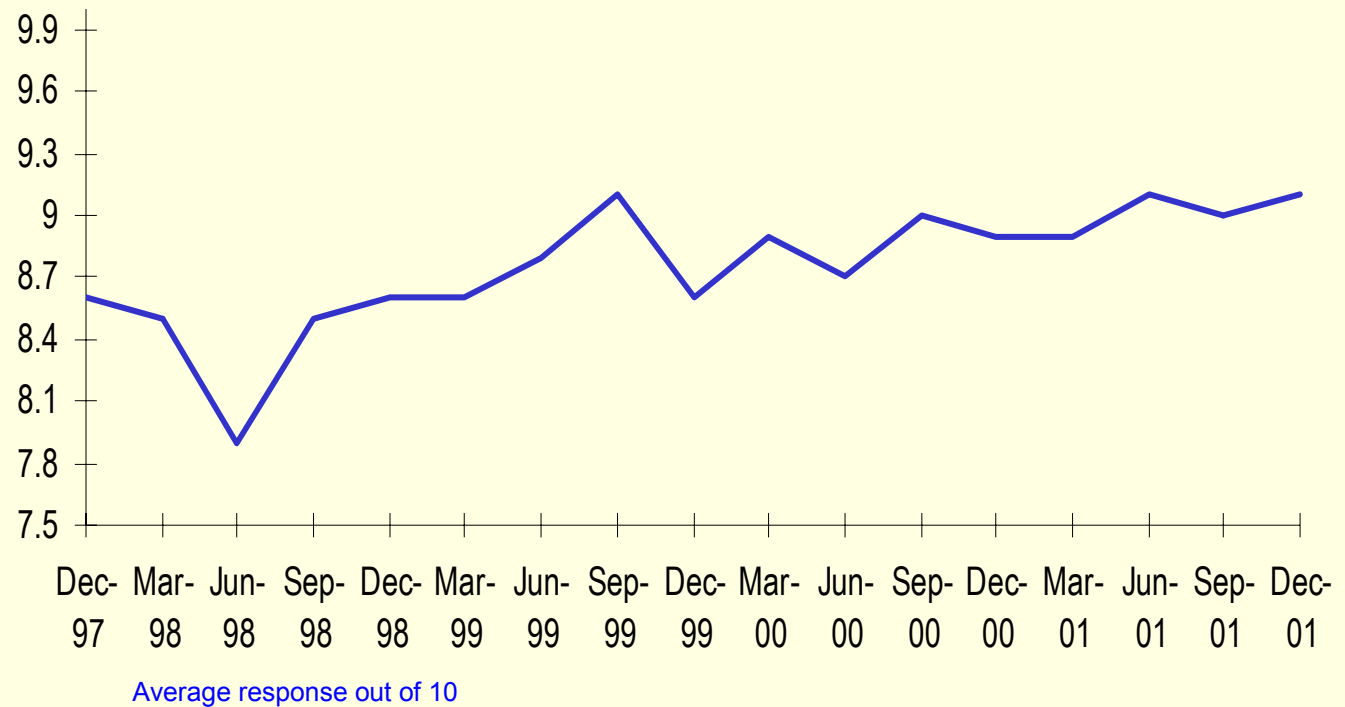
	Index Proportion	Residential Satisfaction Level	Commercial Satisfaction Level	Index Subtotal	Percentage of customers who use the service
Call Centre Service	40%	9.1	8.5	3.6	15.8%
Field Service	20%	9.6	9.3	1.9	22.5%
Cashier Service	20%	9.4	9.7	1.9	21.1%
General Satisfaction	20%	8.5	8.9	1.7	
				Customer Satisfaction Index:	9.1
In-office Service				9.4	1.1%

Notes:

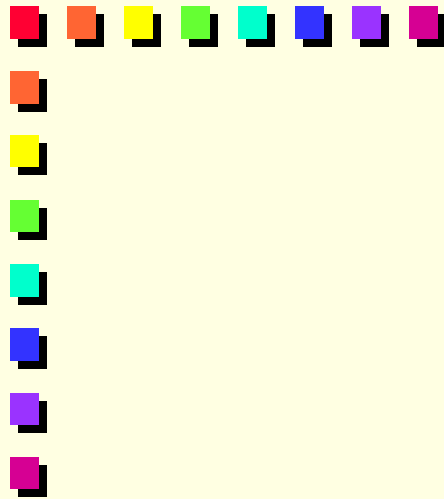
1. Residential customers account for 90% of total customers.
2. The index has been calculated using results taken from the Customer Satisfaction research collected and analyzed in December 2001.
3. Satisfaction levels for the Call Centre, Field, and Cashier Services are for customers who availed of these services within the last six months.
4. The satisfaction levels are based on a scale of 1 to 10 where 1 is 'Not at all satisfied' and 10 is 'Extremely Satisfied'.

Customer Satisfaction Index

The overall index result this quarter equals the highest recorded to date, in June 2001 and September 1999. Increases in commercial customer satisfaction with field and cashier service, as well as general satisfaction, accompanied by greater residential customer satisfaction with field service, offset a decline in commercial customer satisfaction with phone service.

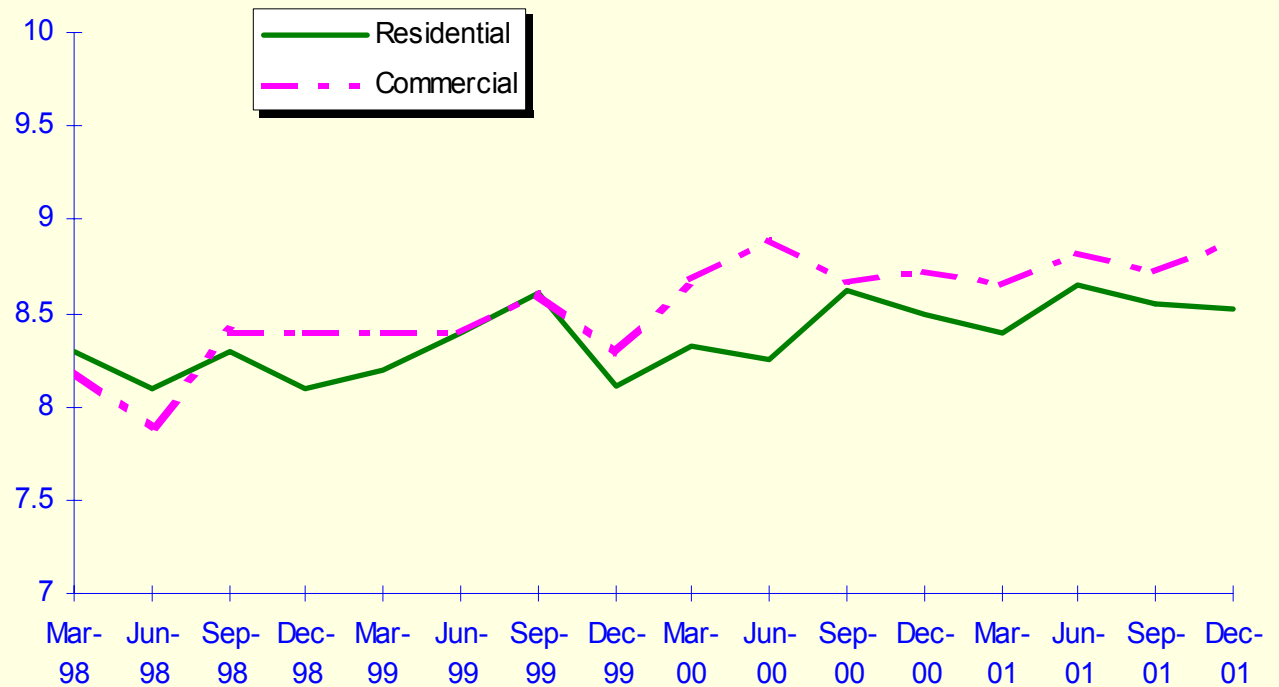


Overall Rating of Service



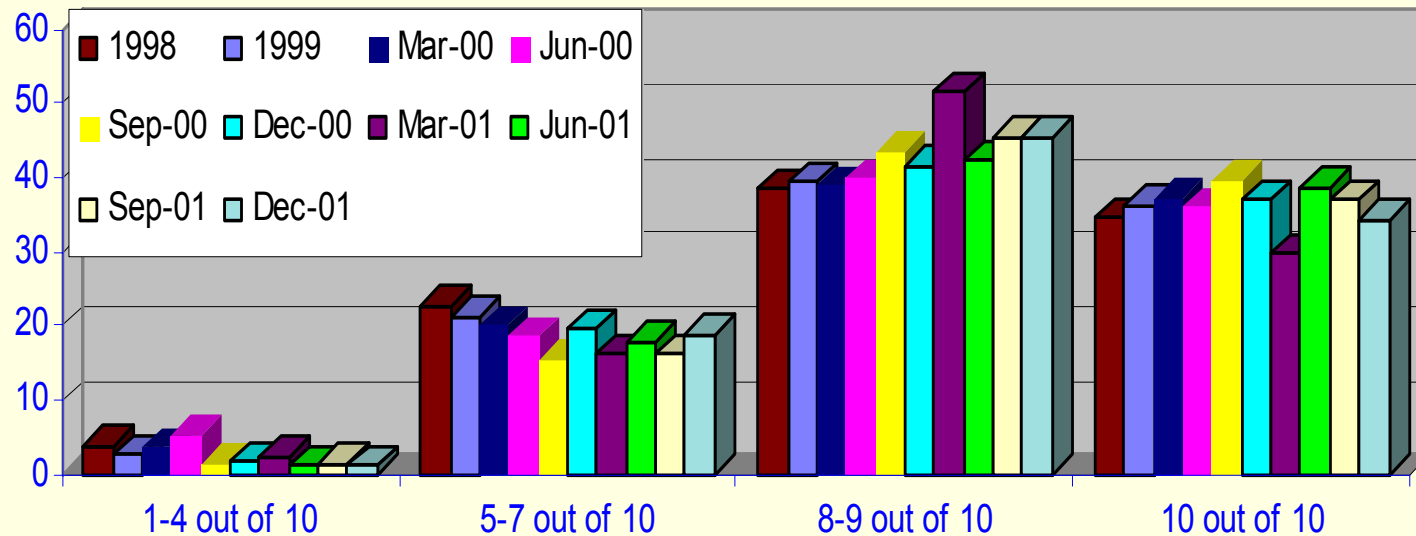
Satisfaction with Overall Service

- Satisfaction with overall service for residential customers has declined slightly but the result of 8.5 is still comparable with the highest levels recorded to date.
- The result for commercial customers (8.88) is the second highest recorded to date, exceeded only by June 2000.



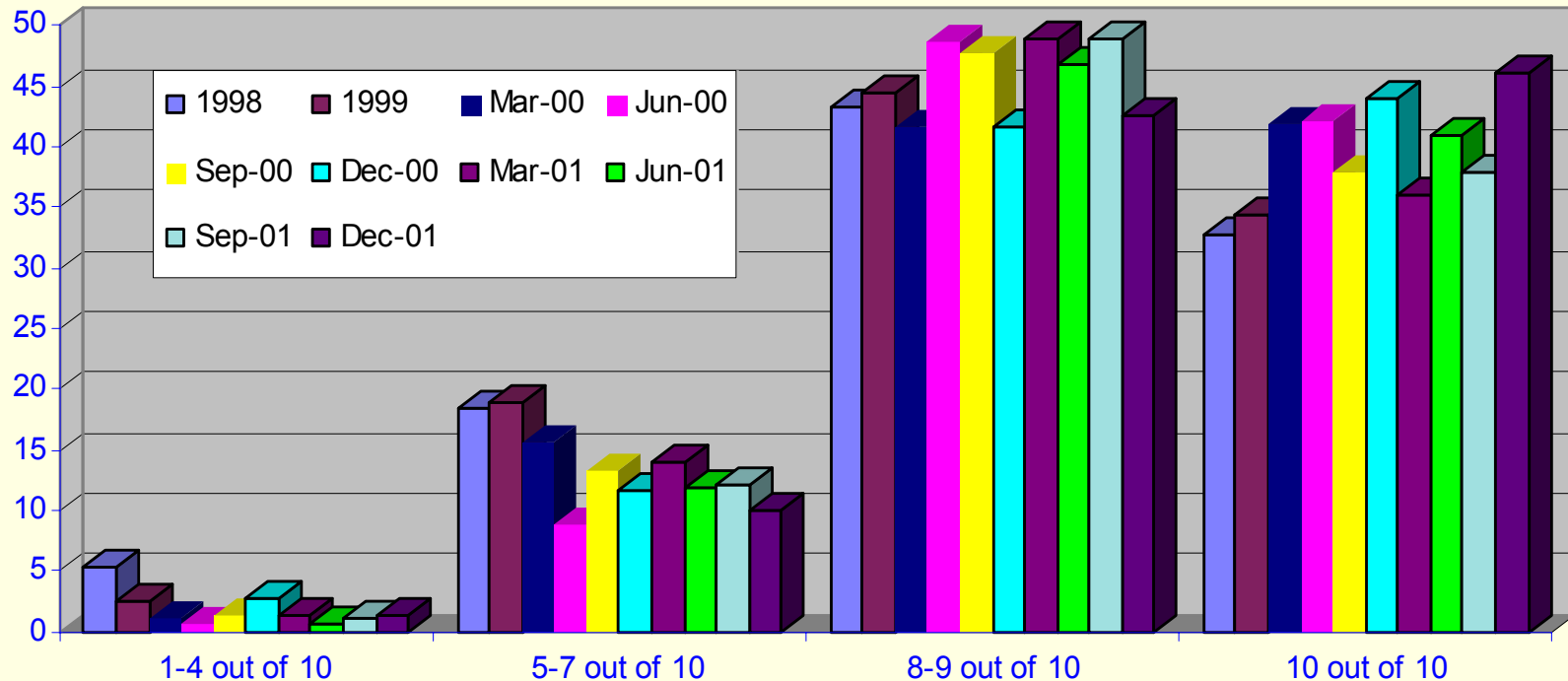
Average response out of 10

Satisfaction with Overall Service Residential Customers



- The percentage of residential customers who ranked our service ten out of ten is 34.4%, compared to 36.9% last quarter and 36.9% recorded in December 2000.
- The percentage ranking our service as 8 or 9 out of 10 remained constant at 45.5%, compared to 41.7% in December 2000.
- Only 1.1% of residential customers ranked our service between one and four.
- During recent surveys, the percentage of customers who ranked our service as 1 to 7 out of 10 has been about 20% while the percentage of customers who ranked our service as 8 or 9 out of 10 has increased. In this survey the percentage ranking our service as 5 to 7 out of 10 has increased slightly, with a corresponding decrease occurring among customers ranking our service as 10 out of 10.

Satisfaction with Overall Service Commercial Customers



- This quarter, 46% of commercial customers ranked our service as ten out of ten, compared with 41% in June 2001 and 38% in September 2001. Taken together with those ranking service as 8 or 9 out of 10, the percentage of customers providing a ranking of 10 out of 10 is the highest and those ranking 8,9, or 10 (88.7% in December 2001) is among the highest recorded to date. In this survey the decrease in the percentage ranking our service as either 8 or 9 out of 10 was offset by an equivalent increase in the percentage ranking service as 10 out of 10.
- The percentage of commercial customers that ranked our service as one to four out of ten remains very low, at 1.3%. Another 10% provided a ranking of 5-7 out of 10.



Telephone Service



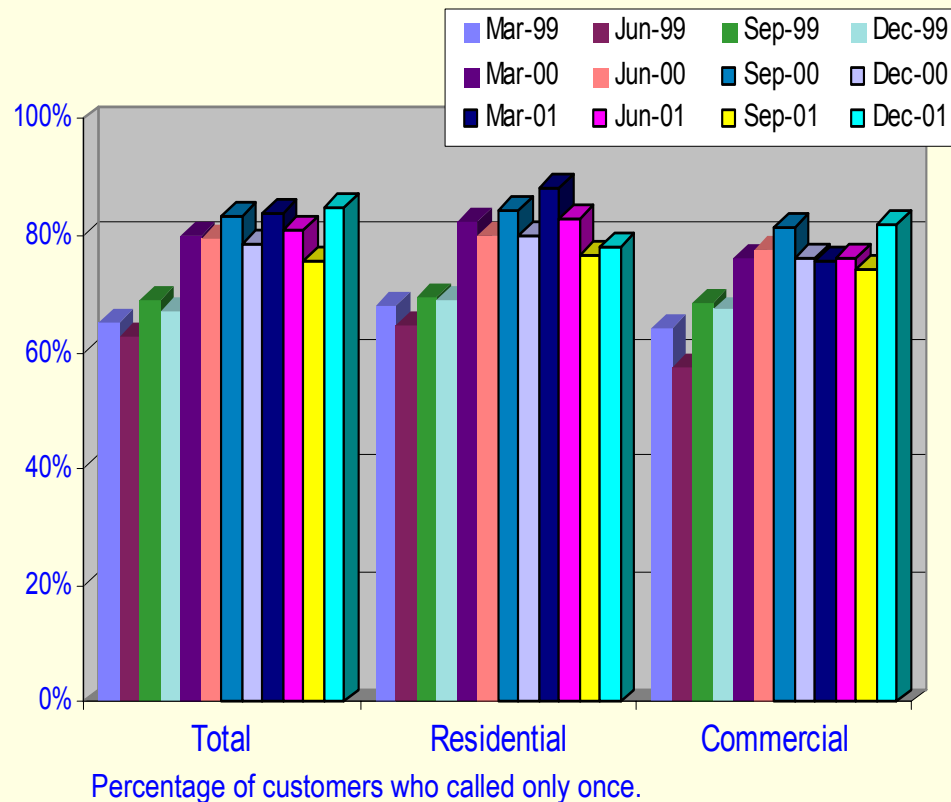
Main Reason for Calling

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Power Interruption	20.0%	46.9%	30.8%
Connect New Service	22.1%	12.5%	18.2%
Balance on Account	22.1%	15.6%	19.5%
Payment Arrangements	10.5%	3.1%	7.5%
Name Change / Final Read	9.5%	3.1%	6.9%

- Top five overall responses are shown. The above percentages are of customers who have called in the past six months.
- 14% of residential and 19% of commercial customers indicated they had called us in the past six months.
- 71% of residential customers indicated they had called the customer service telephone number, 15% had called the trouble/emergency number and 14% had called one of the local offices. For commercial customers, 35% had phoned the customer service line, 38% the trouble/emergency number, and 27% one of the local offices.

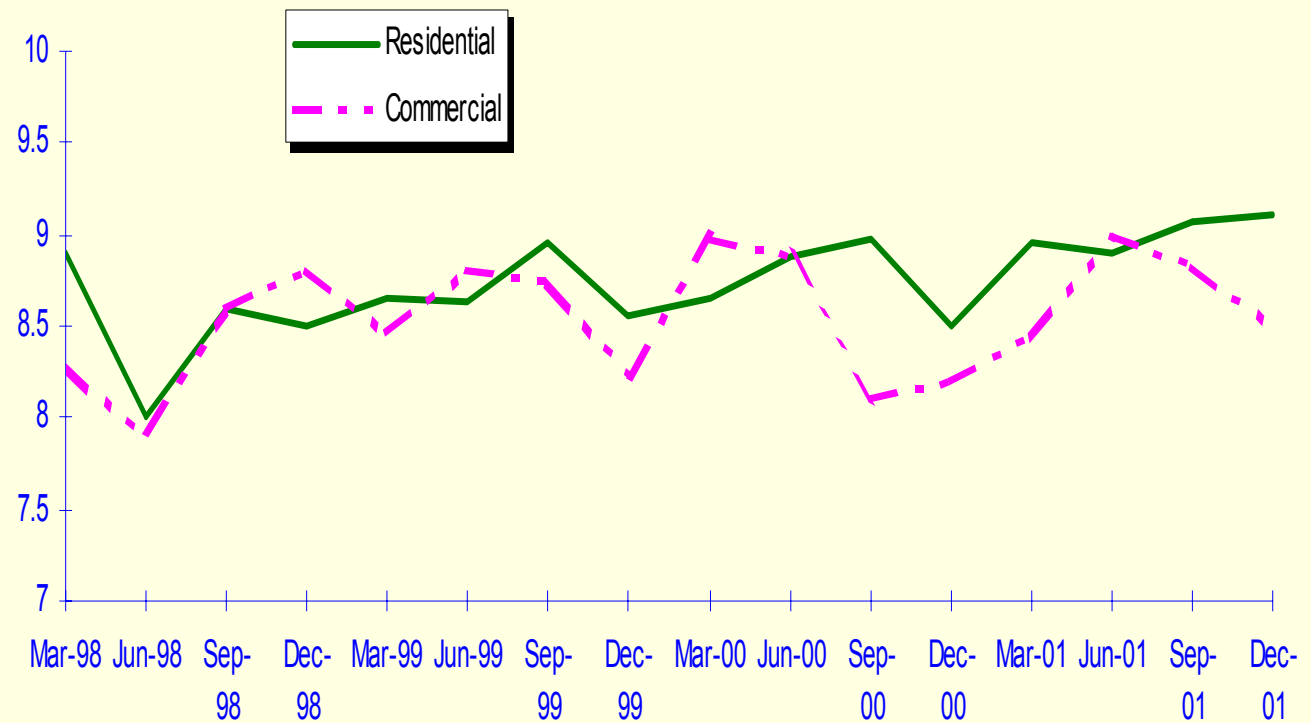
Percentage of Inquiries Resolved on the First Call

- 82.1% of customers indicated their inquiry was handled on the first call; this was the highest figure on this indicator to date. 21% of the customers who called more than once, or 0.6% of all survey respondents, indicated they had called about the same issue twice.
- 53% of callers who called more than once indicated they called three times about the same issue and 23% called more than three times to have their issue resolved.
- The type of inquiry had no significant effect on whether or not the inquiry was handled on the first call.



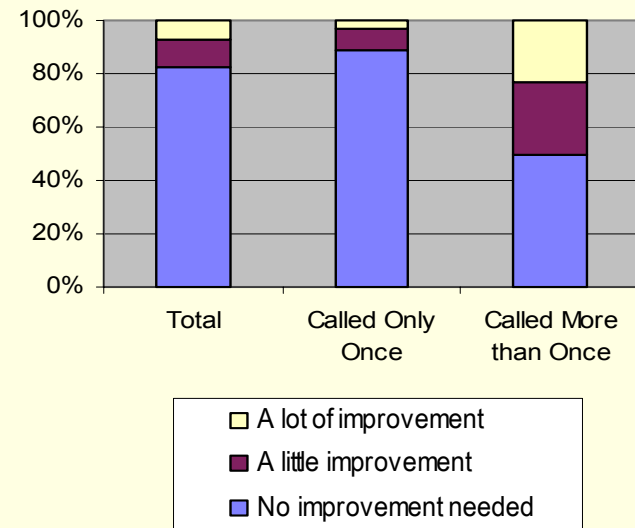
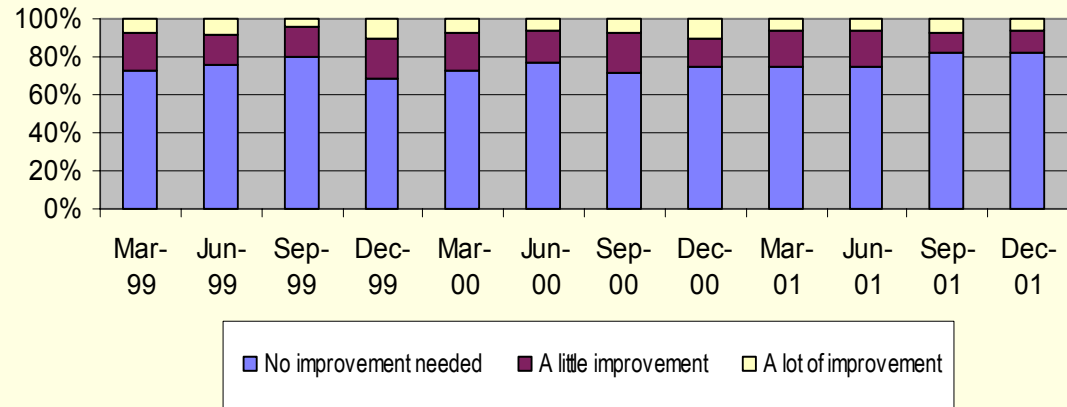
Satisfaction with Telephone Service

- Residential customers' ranking of our telephone service has generally improved over the past four years. It is now at the highest level recorded to date.
- Commercial customers' rankings generally fluctuate between 8 and 9 out of 10.
- There was no difference in the quality of service rating given by customers who called the customer service line, those who called the trouble line and those who called the local offices.

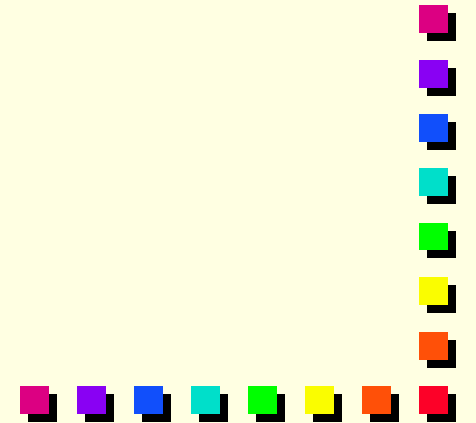


Improvements in Telephone Service

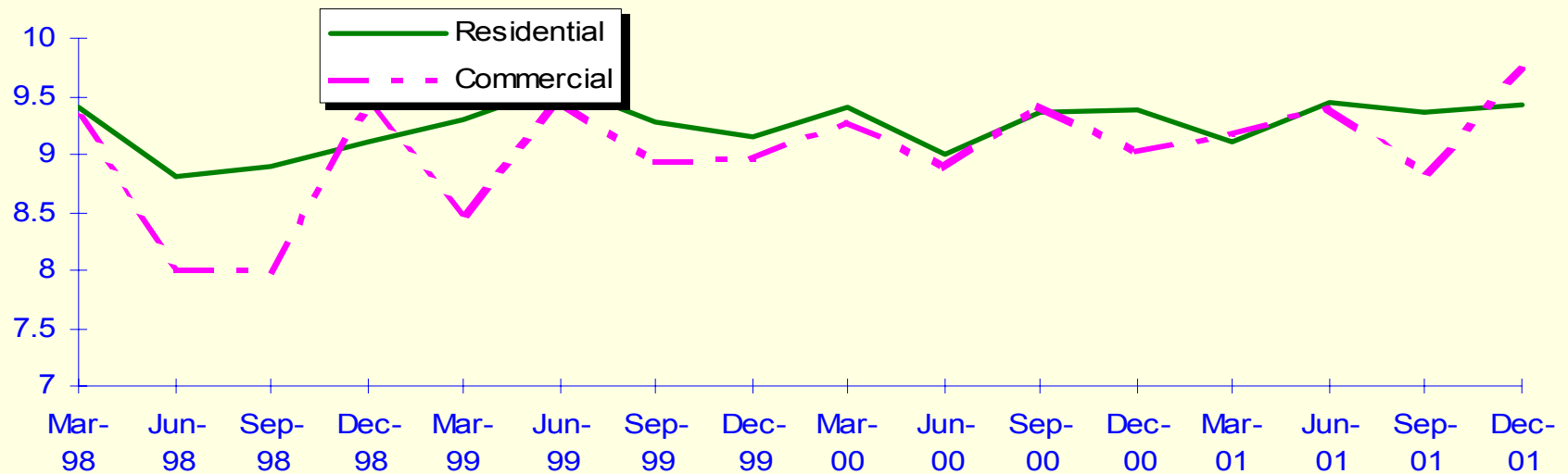
- The percentage of customers who feel we can improve our phone service remains fairly consistent with past quarters.
- In total, 82% of customers responding believe we need no improvement in the quality of our telephone service, 11% of customers think we can improve our telephone service a little and 7% think we can improve it a lot.
- 22% of commercial customers believe we can improve our telephone service a little and 8% believe we can improve our telephone service a lot. This compares to 3.5% and 6.2% respectively for residential customers.
- The particular telephone line the customer called had no significant effect on the percentage of customers who thought we could improve our telephone service. However, customers calling in relation to energy consumption questions expressed a greater belief that telephone service could be improved a lot.
- 11% of customers who called only once about a particular issue thought we could improve service a little or a lot as compared to 50% of customers who called more than once.



Cashier Services



Satisfaction with Cashier Services

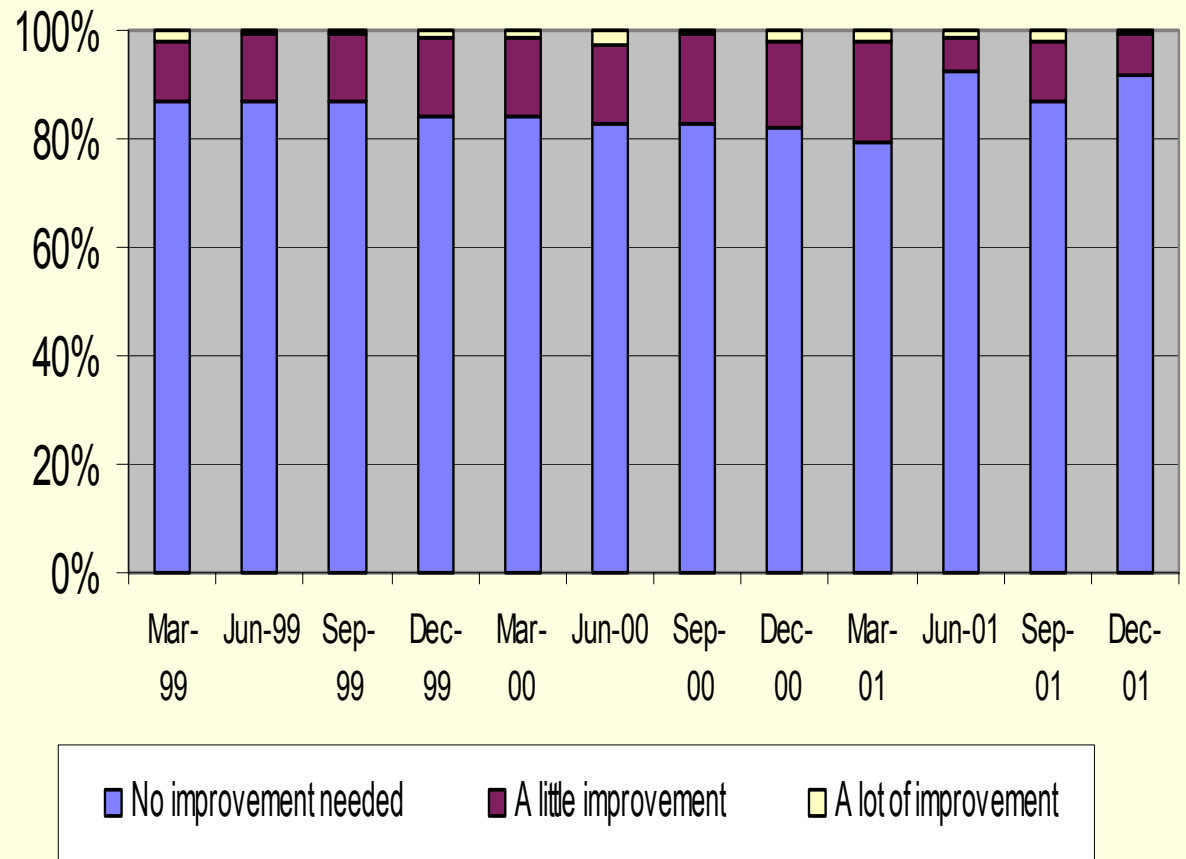


Average response out of 10

- 23% of residential customers and 17% of commercial customers indicated they had used our cash services in the past six months.
- Despite some variability in the quality of service rating, rating of our cash services continues to hover around 9 to 9.5.

Improvement of Cashier Service

- The percentage of customers who feel we need to improve our cashier service has not changed significantly since March 1999.
- Currently, 8% of all customers believe we can improve a little and only 0.4% believe we need to improve a lot.
- 87% of commercial customers and 92% of residential customers believe our cashier service needs no improvement.
- The most common suggestion for improvement was to have more cashiers available during peak times. This suggestion was voiced by 1% of the customers.





In-Office Service



Reason for Visit

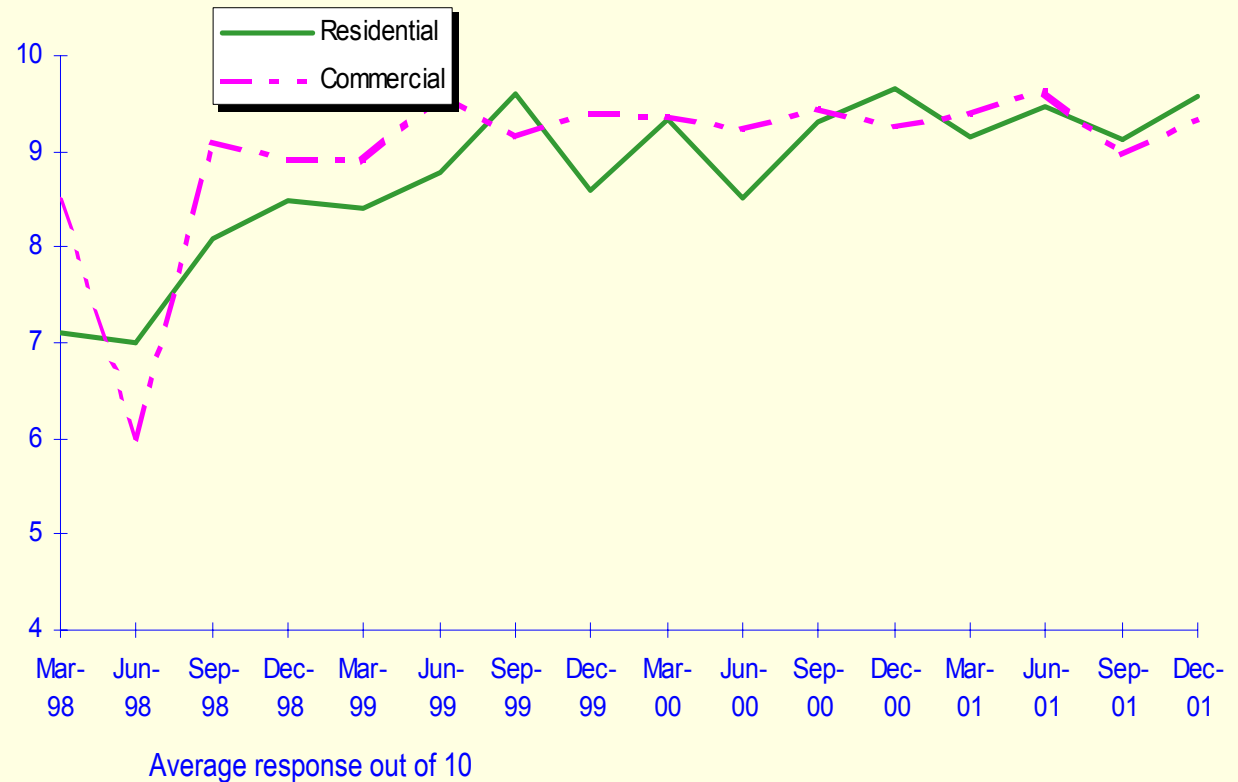
- This quarter, 1.1% of our residential and commercial customers indicated they have visited one of our offices for service (other than cashier services) in the past few months.
- Of the 13 respondents expressing an opinion, 9 rated our service as 10 out of 10, one as 9 out of 10, two as 8 out of 10, and one as 7 out of 10.
- The number of respondents involved is too small for further analysis.

Field Services

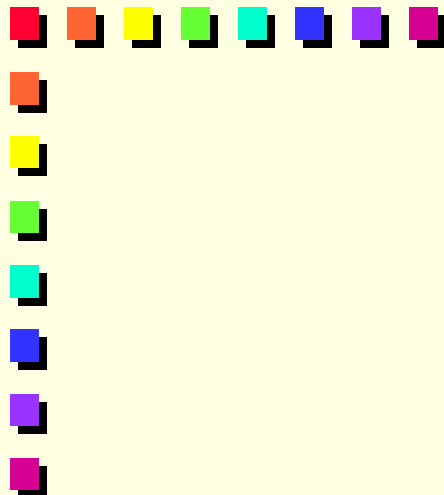


Satisfaction with Field Service

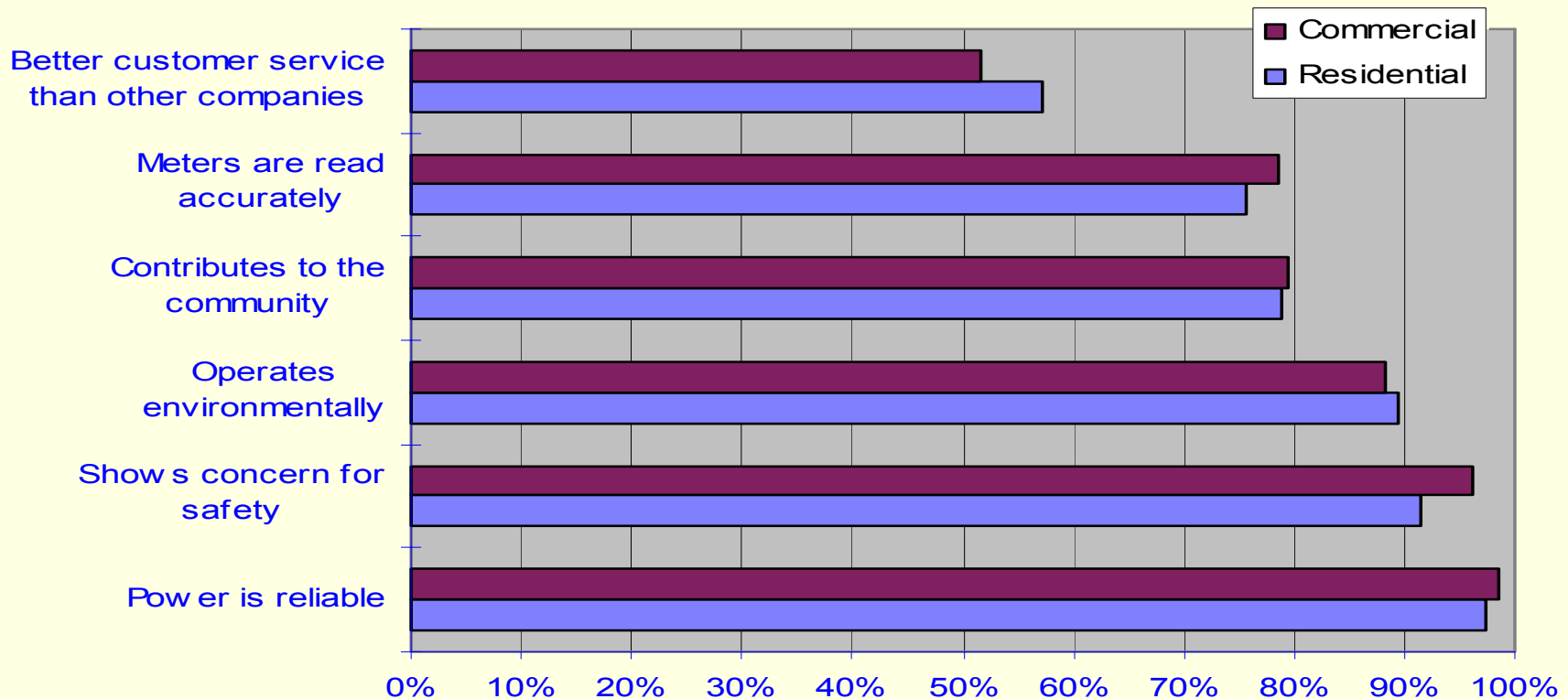
- One fifth of the customers indicated they had received some form of field visit in the past six months. Most of these visits were from meter readers who did not have contact with customers, so the percentage of actual field contacts was 11%.
- The quality of service rating given for our field services has remained fairly stable over the past year.



Ranking of Service Attributes



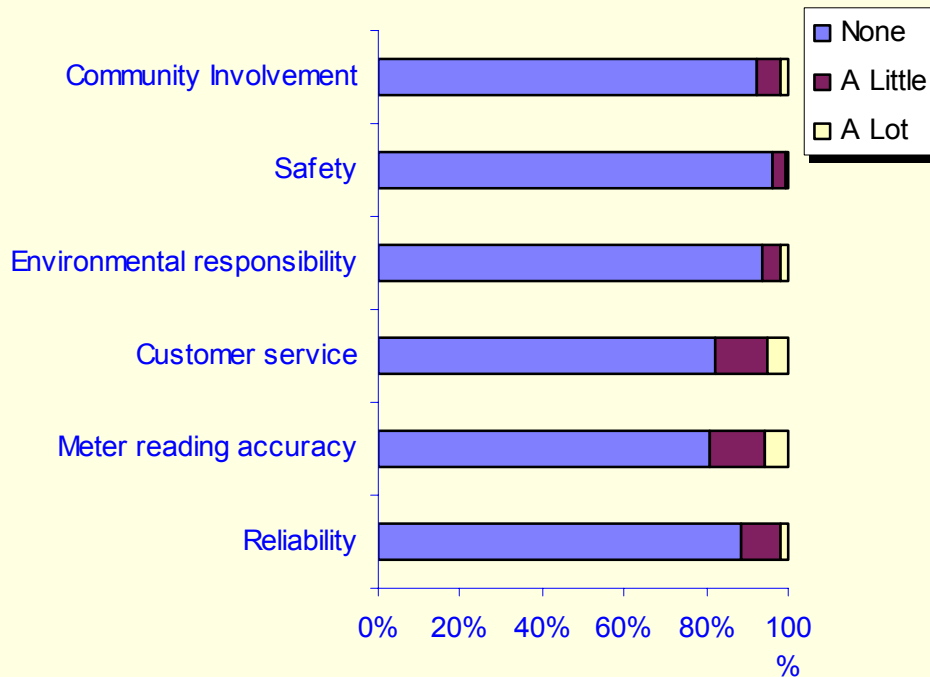
How Well We are Doing



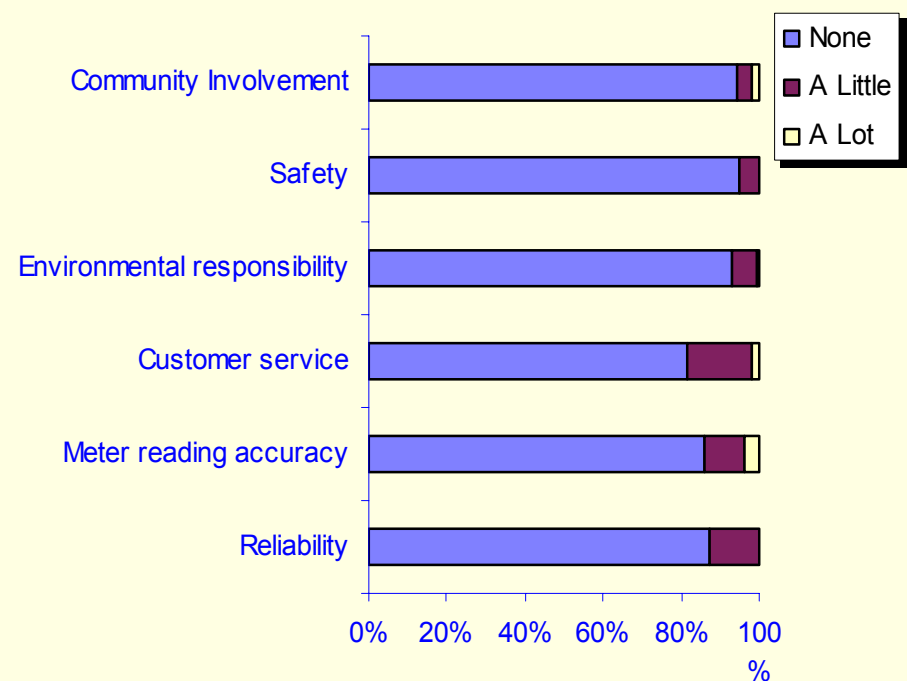
- The graph represents the percentage of customers who either strongly agree or somewhat agree with the statement.
- The degree of agreement expressed by customers to these statements has remained generally constant in the last number of surveys.

How We Can Improve

Residential Customers



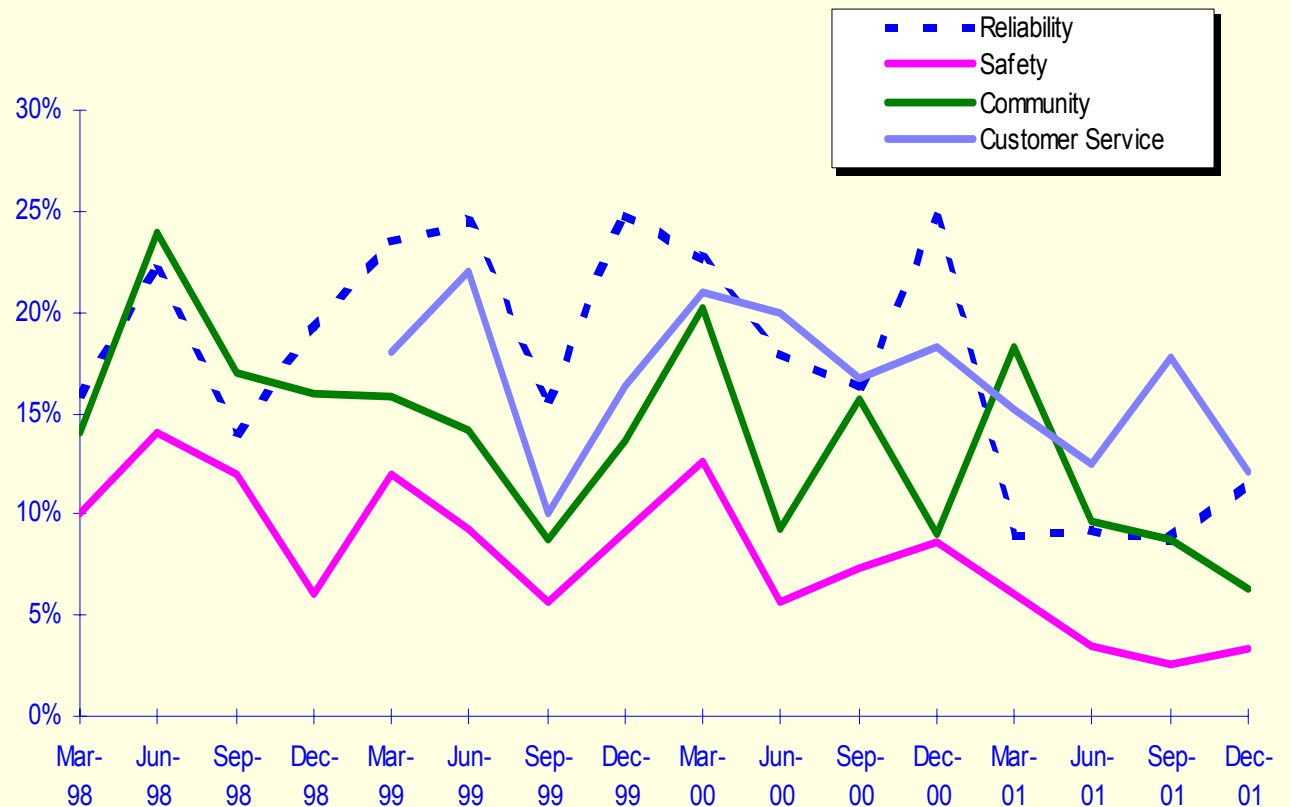
Commercial Customers



- Residential customers' expectations for improvement are highest for meter reading accuracy, then customer service. In comparison to the last quarter, there are slight increases in the percentages of residential customers who feel there should be improvements; these increases apply to all areas except safety. Commercial customers' expectations for improvement are highest for reliability, then customer service.
- Burin residential customers had significantly stronger expectations for improvements in most of the above. In addition, Corner Brook and Stephenville residential customers expressed somewhat stronger expectations regarding reliability, and Corner Brook and S. John's residential customers expressed expectations for improvements in meter reading accuracy.
- Commercial customers in Burin, Gander, and Grand Falls had stronger expectations for improvements in our reliability.

Change in Residential Customers' Perceptions

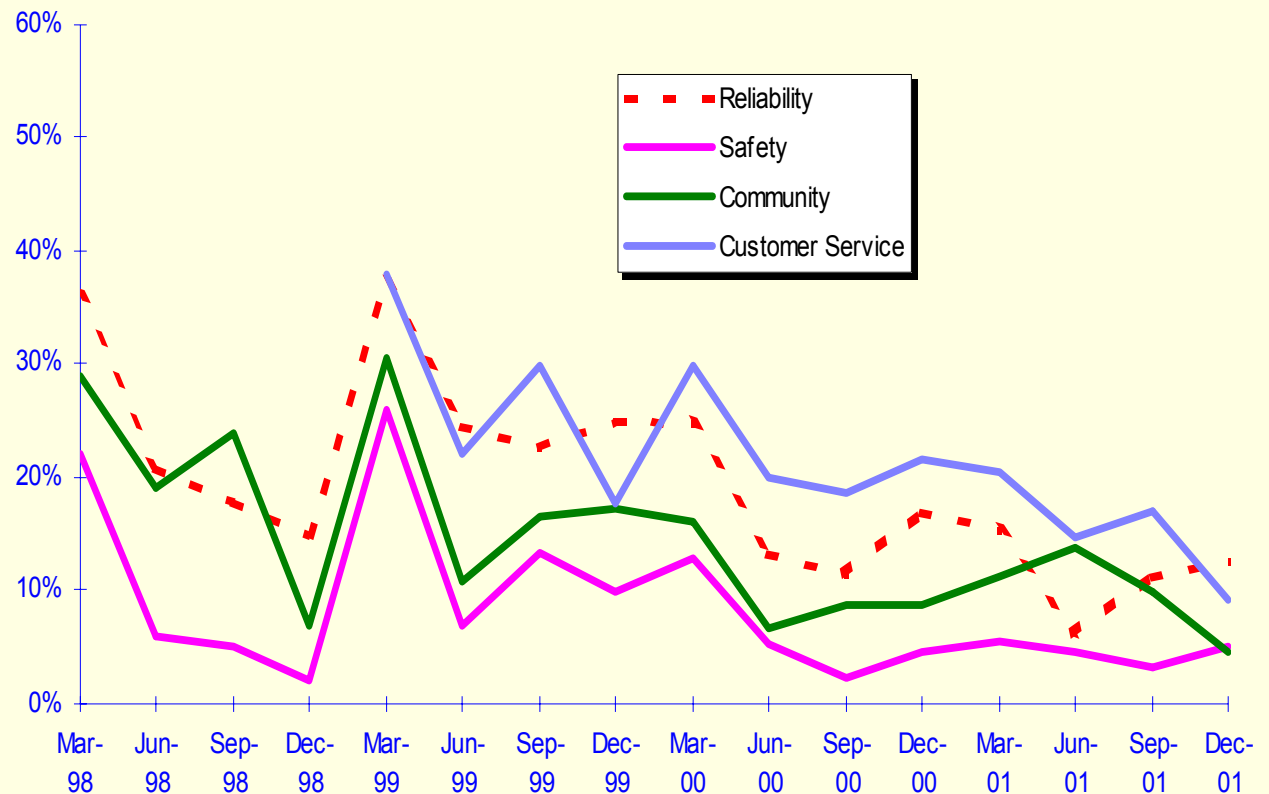
- The percentage of customers who believe we can improve reliability a little or a lot remained at a low level throughout 2001.
- The percentage of customers who feel we can improve on our concern for public safety a little or a lot is 3.3%; this is among the lowest figures recorded to date.
- The percentage of customers who believe we can improve our community contribution declined from 8.7 % last quarter to 6.3%. We have experienced variation in this result over time as the graph indicates.
- The percentage of customers who believe we can improve our customer service is 12.1%. This result has ranged from 10% to 22% within the past two years.



Percentage of residential customers who believe we can improve the service either a little or a lot.

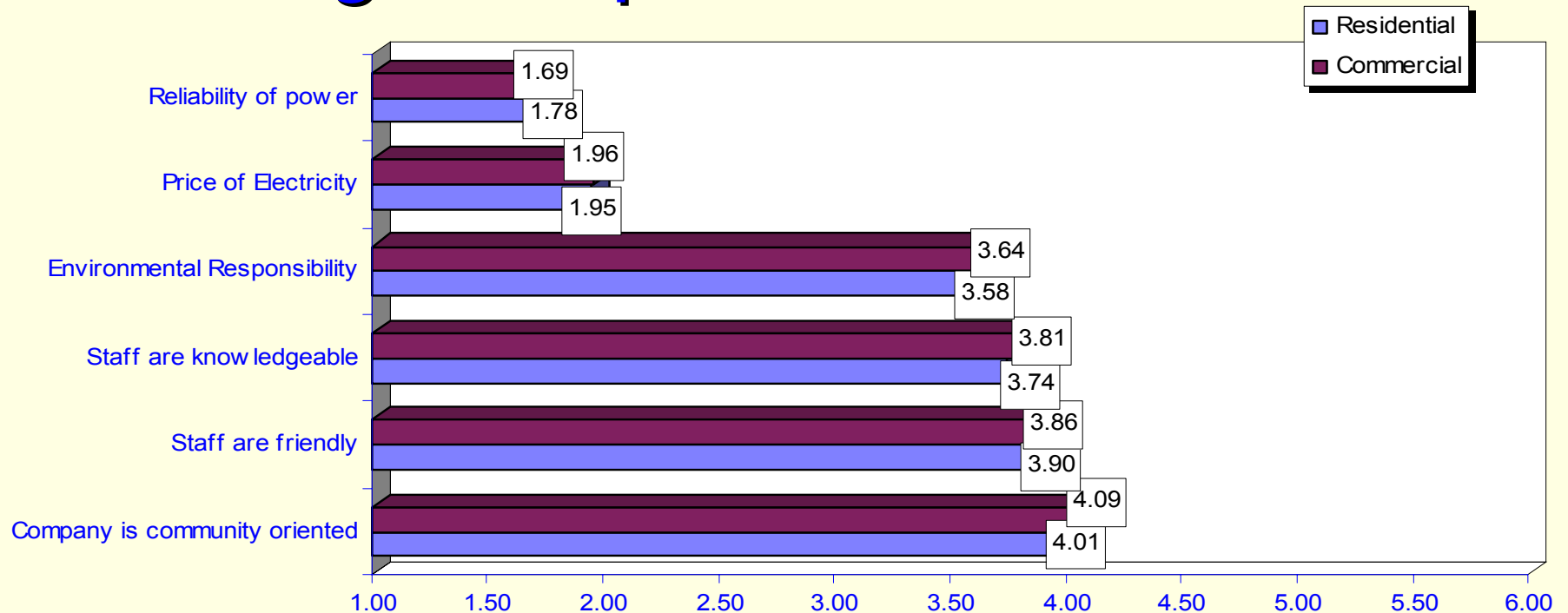
Change in Commercial Customers' Perceptions

- The percentage of commercial customers who believe we can improve our reliability of supply is 13% this quarter compared to 11% in September 2001 and 17% in December 2000.
- The percentage of commercial customers who believe we can improve our concern for public safety is 5.1% this quarter compared to 3.3% last quarter and 4.7% in December of 2000.
- The percentage of commercial customers who believe we can improve our community contribution is 4% this quarter compared to 9% in December 2000 and 10 % last quarter.
- 9% of commercial customers believe we can improve our customer service. This is a decrease from 17% last quarter and from 22% in December 2000.



Percentage of commercial customers who believe we can improve the service either a little or a lot.

Ranking of Importance

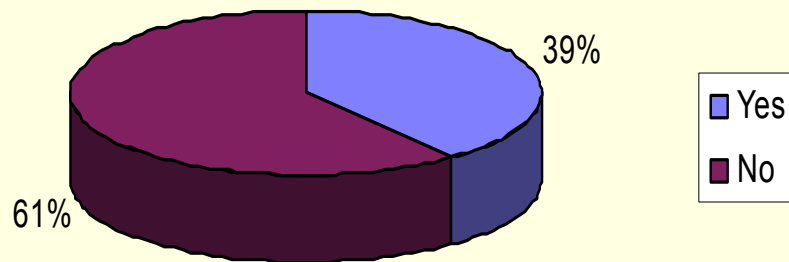


Average response out of 6. Ranking is from 1 to 6 with 1 being the most important attribute.

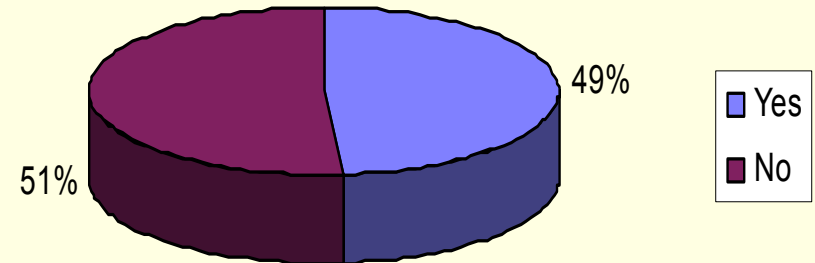
- Reliability was ranked by commercial customers as the most important aspect of our service. Price is ranked second in importance.
- Residential customers ranked reliability as more important than price.
- Reliability was ranked higher in importance by commercial customers than by residential customers.
- Residential customers in Grand Falls and Corner Brook placed a greater emphasis on the importance of price. Clarendville residential customers placed emphasis on the importance of knowledgeable staff, while those in Stephenville placed relatively greater emphasis on the importance on friendly staff and of environmental responsibility.
- Commercial customers in Clarendville placed the greatest emphasis on reliability, while those in Burin and Stephenville placed the greatest importance on price and those in Burin and Corner Brook the greatest importance on environmental responsibility.

Internet Access & NP site visits

Residential Access

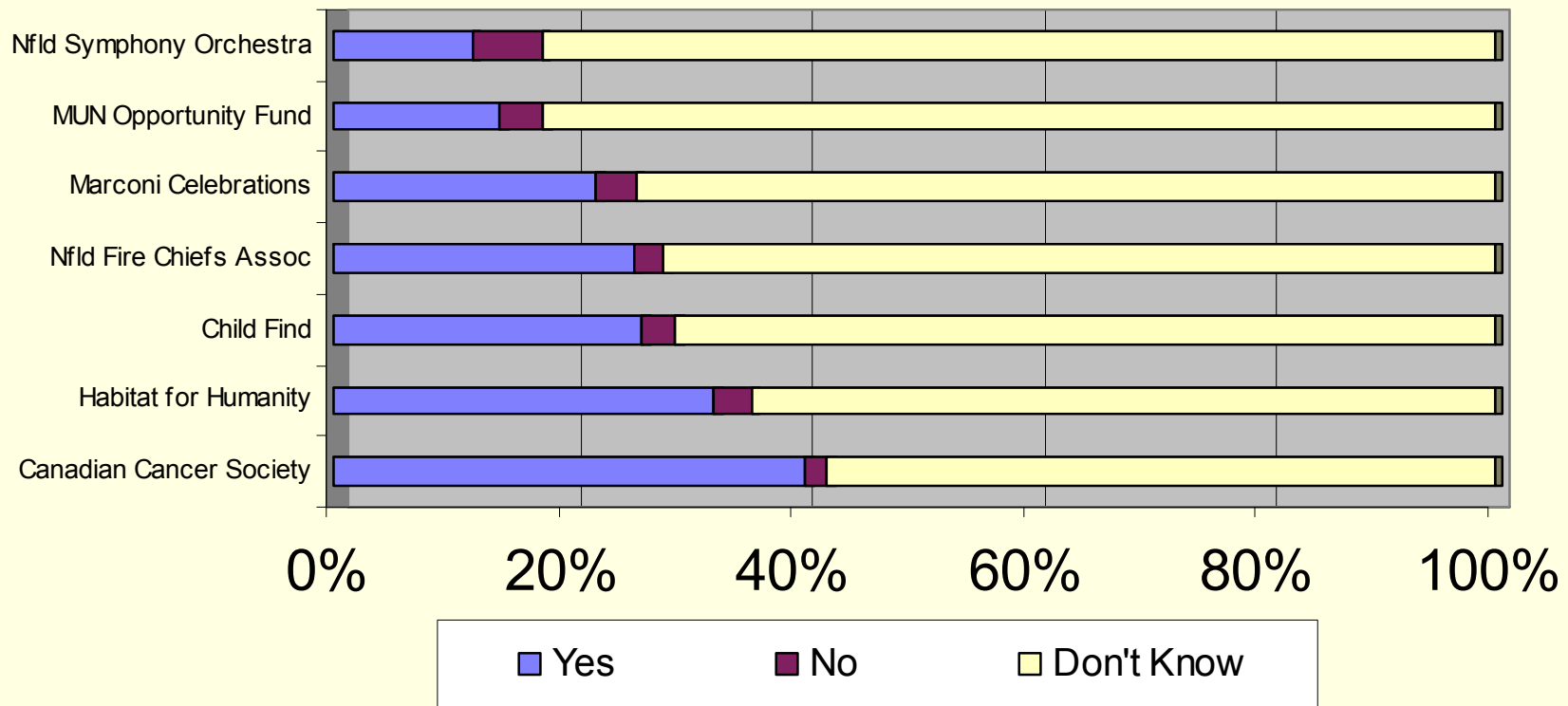


Commercial Access



- 39% of residential customers and 49% of commercial customers reported having access to the Internet. These figures compare to 29% of residential and 49% of commercial customers reporting access during our survey of March 2001.
- Of those having access, 9.1% of residential customers and 7.4% of commercial customers reported having visited the Newfoundland Power Web site in the last six months. These figures compare to 10.9% of residential and 8.2% of commercial customers reporting having visited the Newfoundland Power Web site, asked in the March 2001 survey.

Awareness of Sponsorship



- Customers were asked their awareness of various Newfoundland Power sponsorship activities.
- Sponsorship of the Canadian Cancer Society achieved the greatest level of awareness, followed by Habitat for Humanity and Child Find Newfoundland and Labrador.