

1 **Q. Re: Operating Costs – Customer Services, page 3-28, Table 3-6**

2
3 **For each Customer Services function, please prepare a chart that shows the cost in**
4 **each year (2013 through 2017) the percentage increase in each year and the variance**
5 **from the trend line for this time period. Explain all deviations from the trend line**
6 **that exceed 5% of the 2013 costs.**

7
8 **A.** Please refer to Attachment A.

Newfoundland Power Inc.
Re: Operating Cost – Customer Services, page 3-28, Table 3-6
2013-2017(F)

Operating Costs - Customer Services
2013 to 2017 F
(\$000s)

	2013	2014	2015 F	2016 F	2017 F	% Increase over Prior Year				Variance to Trend		
						2014	2015 F	2016 F	2017 F	\$	%	
Customer Service												
Customer Services	\$9,458	\$9,750	\$9,041	\$9,344	\$9,115	3.1%	-7.3%	3.4%	-2.5%	-513	-5.3%	
Conservation	717	802	767	778	801	11.8%	-4.4%	1.4%	3.0%	71	9.7%	1
Uncollectible Bills	897	1,490	1,300	1,327	1,355	66.2%	-12.8%	2.1%	2.1%	442	48.4%	2
Total Customer Service	\$11,072	\$12,042	\$11,108	\$11,449	\$11,271	8.8%	-7.8%	3.1%	-1.6%	0	0.0%	

Deviations from the trend line that exceed 5%

1. Conservation: Variance is due primarily to the expansion of the customer energy conservation portfolio which is outlined in the *Five-Year Conservation Plan: 2016 - 2020* provided in *Volume 2, Exhibits & Supporting Materials, Reports, Tab 1*.

2. Uncollectible Bills: Variance is due primarily to changing economic conditions as identified in *Section 2.2.3: Balancing Costs & Service, Page 2-10, Lines 1-3*. Also see PUB-NP-018 and CA-NP-215.