

1 Q. **Exhibit 4**

2 Page 8, lines 17-19 – Describe the process for the consultations with Newfoundland
3 Power, including the number of meetings held, the persons attending, the options
4 discussed for providing customers with information on the rural subsidy and the
5 current status of the discussions.

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8 A. Hydro recognizes that any decision relating to the identification of the rural subsidy
9 on customer bills will also impact Newfoundland Power and its customers. Hydro
10 consulted with Newfoundland Power regarding the survey design used by Hydro
11 and further detailed in Exhibit 4 to Hydro's 2017 GRA, the survey results, and the
12 identification of potential next steps based on the research results. The following is
13 a summary of Hydro's consultation with Newfoundland Power to date:

- 14 • **Survey Design and Approach** – Hydro engaged Corporate Research
15 Associates (CRA) to conduct quantitative research using a random telephone
16 survey of 600 participants who pay a utility bill. While Hydro led the
17 development of the survey with CRA, Hydro consulted with Newfoundland
18 Power regarding overall survey design and content, such as the questions
19 and answers, sample size, and survey structure.
- 20 • **Identification of Survey Results** – Upon completion of the research, CRA
21 prepared a Subsidized Rate Study report outlining survey results. Hydro
22 provided a copy of the report to Newfoundland Power for review. The
23 Subsidized Rate Study report prepared by CRA is provided as Exhibit 4 –
24 Schedule I, Volume II (Revised) in Hydro's 2017 GRA.
- 25 • **Consultation on Next Steps** – Following a review of the research results,
26 Hydro and Newfoundland Power discussed potential next steps. As the vast

1 majority of customers who participated in the survey indicated they are
2 interested in learning more about rate subsidization, therefore it was
3 recognized by both utilities that additional information about this topic
4 should be made available to customers. It was further agreed that a
5 communications plan should be developed collaboratively by both utilities
6 to identify the most effective method(s) and approach to providing such
7 information.

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9 Hydro continues to work with Newfoundland Power on this matter and the utilities
10 will collaboratively develop a communications plan identifying the most effective
11 approach to providing rural subsidy information to customers. Hydro will provide an
12 update on the plan to the Board by December 15, 2017.