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Q. 1 (GRA, Volume II, Exhibit 2 - Annual Report on KPIs, page E32 and E33) 2 Why has customer satisfaction slipped so dramatically? Dissatisfaction with service 3 reliability is given as a possible explanation, but hasn't reliability improved in recent 4 years? 5

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In 2012, 91% of residential customers were either "very satisfied" or "somewhat satisfied" with Hydro's service reliability, however there was slippage in the "very satisfied" rating for customers in the Central, Northern, and Labrador Interconnected regions. The 2012 Residential Customer Satisfaction Tracking Study was undertaken between November 30, 2012 and December 10, 2012. Just prior to and during the survey period Hydro experienced a number of lengthy power interruptions that affected significant numbers of customers in each of the three interconnected regions. The causes of these interruptions were attributed to both planned and unplanned events that Hydro believes to be reflected in the survey. The performance of rural systems service continuity for 2012 has improved in comparison to 2011 and in comparison to the five-year average. Please refer to 2013 GRA, Volume II, Exhibit 2 - Annual Report on Key Performance Indicators, pages E20 and E21 for rural systems performance tables; and to CA-NLH-094 Attachment 1, pages 1 to 14 - Hydro's 2012 Residential Customer Satisfaction Tracking Study for the 2012 satisfaction survey.