

1 Q. **Other**

2 Further to CA-NLH-094, are these the most recent customer satisfaction survey and
3 results that Hydro has?

4

5

6 A. The customer satisfaction surveys attached to Hydro's response to CA-NLH-094
7 were completed in 2012. The most recent customer satisfaction results were
8 completed in December 2014 and are attached as CA-NLH-323 Attachments 1 and
9 2. Customer satisfaction was 84% for both residential and commercial customers.

2014 Residential Customer Satisfaction Tracking Study



Study Methodology

On a regular basis, Hydro conducts customer satisfaction research with its residential customers.

The primary objectives of this research are to assess customer satisfaction with the service provided by Hydro and to identify any changes in customer satisfaction over time.

For this study, customers are surveyed via telephone. The pre-test occurred on November 12th and interviews were completed between November 13th and December 5th, 2014.

The *sampling frame* included all households within Hydro's service area that identified Hydro or Nalcor Energy as their electricity supplier. The *sampling unit* was the adult household member responsible for paying the electricity bill and dealing with Hydro.

A total of 725 residential customers completed the survey, which provides a margin of error of $\pm 3.6\%$, 19 times out of 20.

Study Methodology (cont'd)

To allow for analysis by region and rate area, disproportionate stratified sampling was used to draw a random sample from the following areas: Labrador West (n*=97), Happy Valley/Goose Bay (n=103), Labrador Isolated (n=97), Northern Interconnected (n=121), Northern Isolated (n=80), Southern Labrador (n=53), Central Interconnected (n=127) and Central Isolated (n=47).

Due to the use of disproportionate sampling, regional weights were applied to ensure that the sample was a proportionate representation of the population at the overall level.

*NOTE: Throughout this report, 'n' refers to sample size.

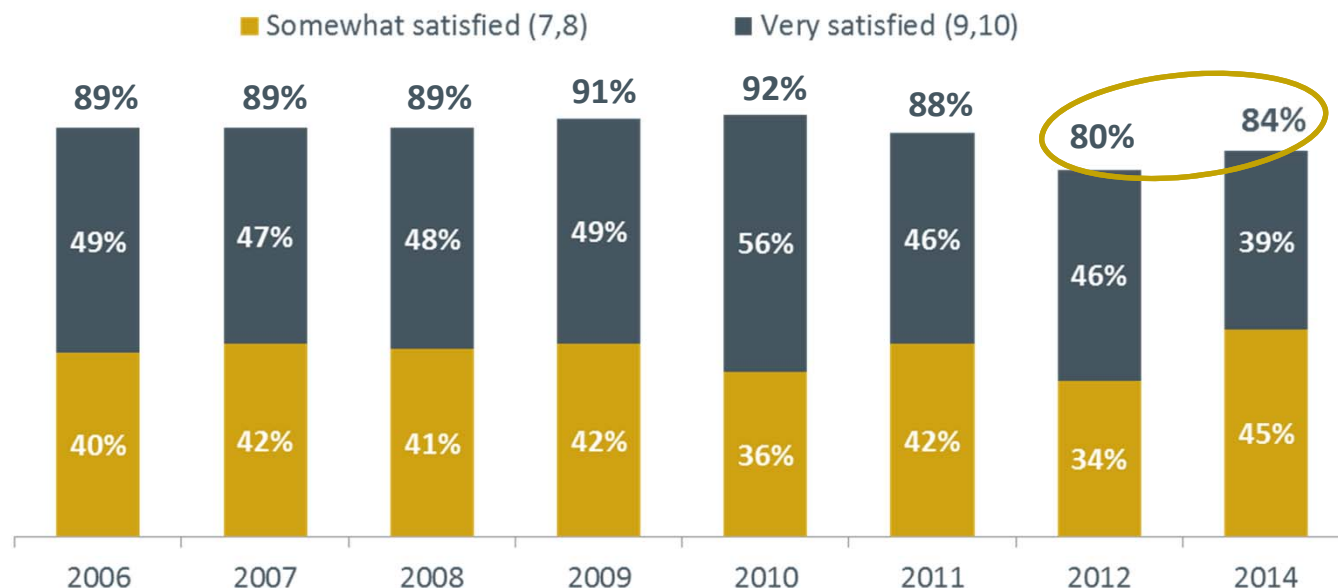
DETAILED RESEARCH RESULTS



Overall Satisfaction Score

The vast majority of customers are satisfied with Hydro. Eighty-four percent (84%) are either *very satisfied* (39% provided a rating of 9 or 10) or *somewhat satisfied* (45% provided a rating of 7 or 8).

Compared to 2012, the proportion of customers who are *very satisfied* decreased and the proportion of customers who are *somewhat satisfied* increased. This is the first year that the proportion of customers who provided a rating of 9 or 10 has slipped below 40%.



Compared to 2012, there is an increase in the proportion of customers who are satisfied with Hydro.

Q5. In general, how satisfied are you with Hydro on a scale of 1 to 10 where 1 means 'not at all satisfied' and 10 means 'very satisfied'?

Overall Satisfaction Score (cont'd)

The table below details the percentage of customers who provided an overall satisfaction score of 7 or higher by region and rate area.

Looking at the 2014 results, customers in the Central and Northern region are more likely to be satisfied with Hydro than customers in the Labrador region.

	2011 % Indicating 7+	2012 % Indicating 7+	2014 % Indicating 7+
Overall	88%	80%	84%
Region			
<i>Central</i>	94%	77%	88%
<i>Northern</i>	91%	83%	85%
<i>Labrador</i>	78%	80%	77%
Rate Area			
<i>Interconnected</i>	89%	80%	85%
<i>Isolated</i>	83%	80%	80%

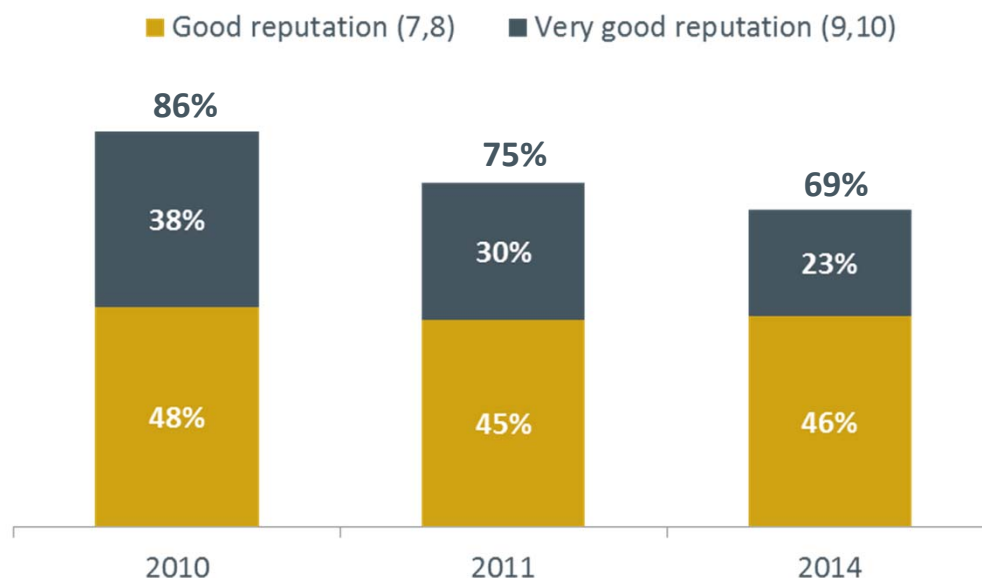
For the Central region and the interconnected rate area, after declining in 2012, the top four score partially recovered.

Q5. In general, how satisfied are you with Hydro on a scale of 1 to 10 where 1 means 'not at all satisfied' and 10 means 'very satisfied'?

Overall Reputation Score

There has been a decline in Hydro's overall reputation score (from 86% in 2010 to 69% in 2014).

The proportion of customers who provided a rating of 9 or 10 declined over this same time period (from 38% to 23%).



Q2. Based on what you know or have heard, how would you rate Newfoundland and Labrador Hydro's overall reputation, using a scale of 1 to 10, where 1 is a 'very bad reputation' and 10 is a 'very good reputation'?

Customers were asked to identify which companies in NL first come to mind when they think of a *good corporate citizen*.

The majority (59%) said 'don't know'.

Twenty-one percent (21%) mentioned Hydro/Nalcor. Three percent (3%) mentioned NF Power and 3% mentioned Iron Ore Company of Canada.

Overall Reputation Score (cont'd)

Looking at the 2014 results, customers in the Central and Northern region are more likely than those in Labrador to rate Hydro's overall reputation as being either *very good* or *good* (that is, to provide a rating of 7 or higher).

	2010 % Indicating 7+	2011 % Indicating 7+	2014 % Indicating 7+
Overall	86%	75%	69%
Region			
<i>Central</i>	93%	80%	74%
<i>Northern</i>	88%	79%	72%
<i>Labrador</i>	75%	64%	60%
Rate Area			
<i>Interconnected</i>	87%	75%	69%
<i>Isolated</i>	81%	76%	67%

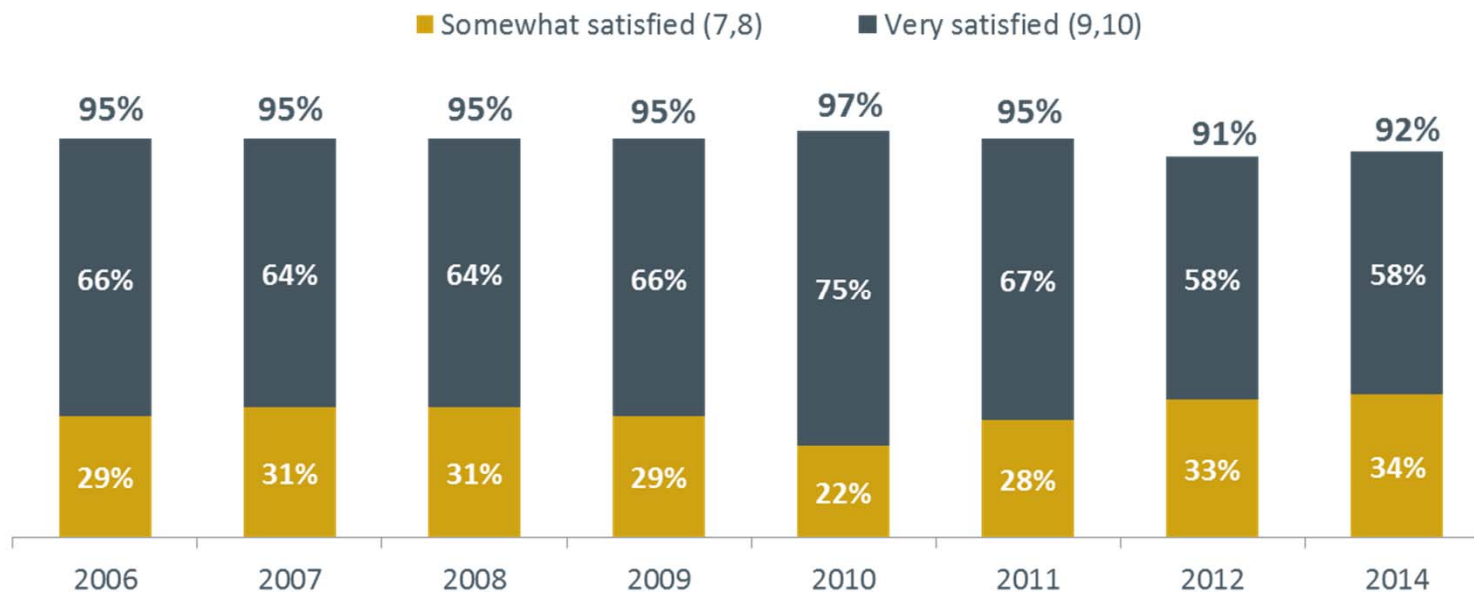
For each region and rate area there has been a notable decline year over year.

Q2. Based on what you know or have heard, how would you rate Newfoundland and Labrador Hydro's overall reputation, using a scale of 1 to 10, where 1 is a '*very bad reputation*' and 10 is a '*very good reputation*'?

Service Reliability Score

The vast majority of customers (92%) are satisfied with the supply of electricity received from Hydro (58% *very satisfied*; 34% *somewhat satisfied*).

In 2010, there was an increase in the proportion of customers who provided a rating of 9 or 10 (top two score). After decreasing in 2011 and 2012, the proportion who provided a top two score held steady in 2014.



Q6A. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the supply of electricity you receive from Hydro?

Service Reliability Score (cont'd)

Looking at the 2014 results, customers in Central are more likely to be *very satisfied* with the supply of electricity received from Hydro (that is, to provide a rating of 9 or 10).

	2011 % Indicating 9 or 10	2012 % Indicating 9 or 10	2014 % Indicating 9 or 10
Overall	67%	58%	58%
Region			
<i>Central</i>	77%	66%	69%
<i>Northern</i>	68%	58%	52%
<i>Labrador</i>	53%	49%	49%
Rate Area			
<i>Interconnected</i>	68%	60%	58%
<i>Isolated</i>	57%	52%	53%

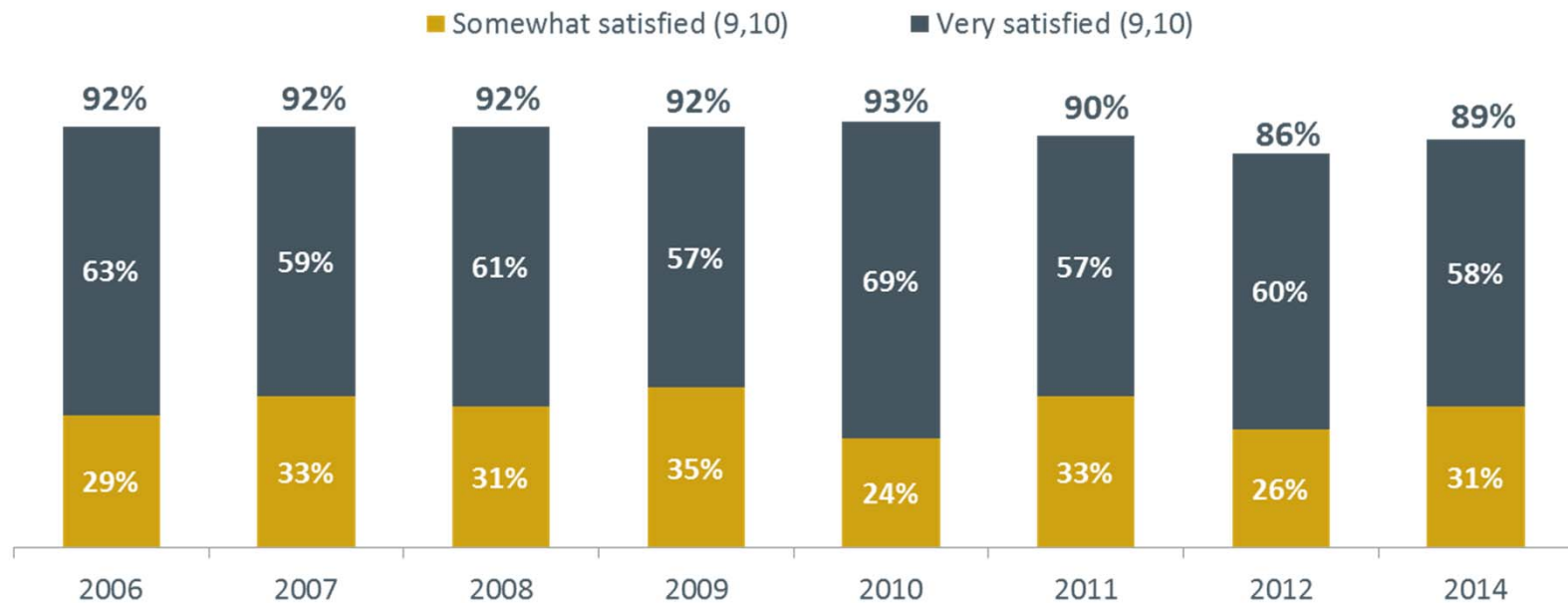
Q6A. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the supply of electricity you receive from Hydro?



Customer Service Score

Results have consistently revealed that residential customers are satisfied with the customer service received from Hydro.

Compared to 2012, the proportion of customers who are *very satisfied* slipped slightly while the proportion of those who are *somewhat satisfied* increased.



Q6B. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the overall customer service you receive from Hydro?



Customer Service Score (cont'd)

The table below details the percentage of customers who provided an overall customer service score of 7 or higher.

Looking at the 2014 results, customers in the Central and Northern region are more likely to be satisfied with Hydro's customer service than those in the Labrador region.

	2011 % Indicating 7+	2012 % Indicating 7+	2014 % Indicating 7+
Overall	90%	86%	89%
Region			
Central	94%	90%	92%
Northern	92%	86%	90%
Labrador	82%	81%	82%
Rate Area			
Interconnected	90%	86%	88%
Isolated	89%	89%	86%

Q6B. On a scale of 1 to 10 where 1 means 'not at all satisfied' and 10 means 'very satisfied', how satisfied are you with the overall customer service you receive from Hydro?

Service Attributes

Customers were asked to rate 16 service attributes in terms of ***importance*** and ***satisfaction***.

Customers were first asked to think about their electricity supplier and to rate the ***importance*** of each service attribute using a scale of 1 to 10, with 1 being '*not at all important*' and 10 being '*very important*'.

Customers were then asked to rate their ***satisfaction*** with the performance of Hydro on each attribute using a scale of 1 to 10, with 1 being '*not at all satisfied*' and 10 being '*very satisfied*'.

Service Attributes - Importance Ratings

Residential customers provided high importance ratings for all attributes.

For 2014, mean importance ratings range from a high of 9.6 (*concern for public safety*) to a low of 8.3 (*contributes back to the community*).

2014 mean importance ratings are consistent compared to 2011. However; analysis revealed notable differences between 2010 and 2014 ratings. These differences are shaded in the table.

Service Attributes	Mean Importance Rating		
	2010	2011	2014
Concern for public safety	9.5	9.5	9.6
Good power quality free from voltage fluctuations	9.5	9.4	9.4
Accuracy of billing	9.5	9.4	9.4
Ensures a sufficient supply of electricity for the foreseeable future	9.4	9.4	9.4
Bills that are easy to read and understand	9.4	9.3	9.3
Friendly and courteous employees	9.3	9.3	9.3
Operates in an environmentally responsible manner	9.3	9.2	9.3
The way Hydro maintains the electric system	9.3	9.2	9.3
Quality of customer service received	9.3	9.1	9.2
Speed in restoring power when a problem occurs	9.4	9.2	9.2
The price you pay for electricity	9.1	9.0	9.1
Listens to and acts upon customer concerns	9.3	9.2	9.1
Cares about its customers	9.3	9.2	9.1
Encourages consumers to make more efficient use of electricity	8.9	8.9	9.0
The number of power outages	8.9	8.8	8.8
Contributes back to the community	8.3	8.2	8.3

Service Attributes - Satisfaction Ratings

For 2014, mean satisfaction ratings range from a high of 9.0 (*concern for public safety & bills that are easy to read and understand*) to a low of 6.1 (*price you pay for electricity*).

Looking at 2014 compared to 2011, there are notable differences in the mean satisfaction ratings for 6 of the 16 service attributes (which are shaded in the table).

It is important to note that *concern for public safety* and *encourages consumers to make more efficient use of electricity* held steady in 2014.

Service Attributes	Mean Satisfaction Rating		
	2010	2011	2014
Concern for public safety	9.1	9.0	9.0
Bills that are easy to read and understand	9.2	9.0	9.0
Friendly and courteous employees	9.1	8.8	8.9
Operates in an environmentally responsible manner	8.8	8.6	8.6
Accuracy of billing	8.9	8.6	8.6
Quality of customer service received	8.9	8.6	8.5
Encourages consumers to make more efficient use of electricity	8.7	8.4	8.4
Good power quality free from voltage fluctuations	8.6	8.5	8.2
Ensures a sufficient supply of electricity for the foreseeable future	8.9	8.6	8.1
The way Hydro maintains the electric system	8.8	8.6	8.1
Speed in restoring power when a problem occurs	8.7	8.3	8.1
Listens to and acts upon customer concerns	8.4	8.2	8.1
Cares about its customers	8.6	8.2	8.1
Contributes back to the community	7.4	7.1	7.2
The number of power outages	8.2	7.8	7.1
The price you pay for electricity	7.0	6.4	6.1

Gap Analysis

A gap score is the ***difference between the evaluation of importance and the evaluation of satisfaction with performance on any one service attribute.***

Through gap analysis, we can identify those service attributes for which there is a gap in how important an attribute is to a customer and how Hydro is performing.

Gap Analysis (cont'd)

Attributes with relatively larger gaps (1.0 or higher) are circled in the table.

Each attribute under the *reliability dimension* has a relatively larger gap. Also, for each of these three attributes (*number of power outages, speed in restoring power and sufficient supply of electricity*) the gap has widened each year since 2010.

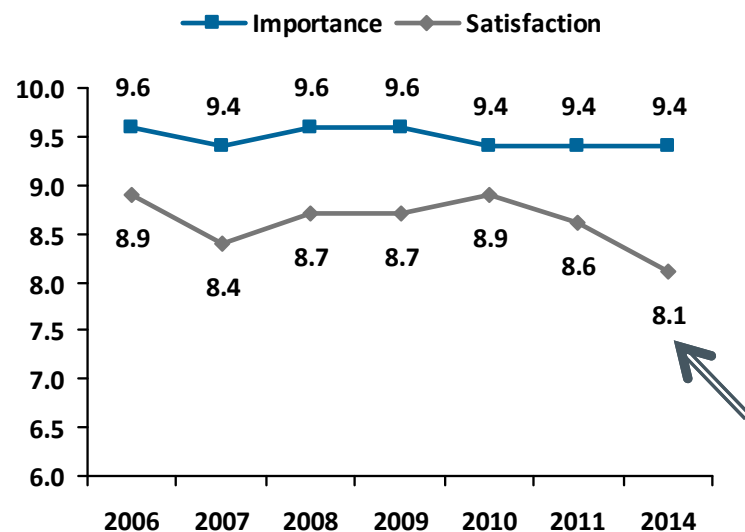
	Gap in 2010	Gap in 2011	Gap in 2014
Service Dimension			
The price you pay for electricity	-2.1	-2.6	-3.0
Listens to and acts upon customer concerns	-0.9	-1.0	-1.0
Good power quality free from voltage fluctuations	-0.9	-0.9	-1.2
Cares about its customers	-0.7	-1.0	-1.0
Accuracy of billing	-0.6	-0.8	-0.8
The way Hydro maintains the electric system	-0.5	-0.6	-1.2
Quality of customer service received	-0.4	-0.5	-0.7
Bills that are easy to read and understand	-0.2	-0.3	-0.3
Friendly and courteous employees	-0.2	-0.5	-0.4
Corporate Citizenship Dimension			
Contributes back to the community	-0.9	-1.1	-1.1
Operates in an environmentally responsible manner	-0.5	-0.6	-0.7
Encourages consumers to make more efficient use of electricity	-0.2	-0.5	-0.6
Concern for public safety	-0.4	-0.5	-0.6
Reliability Dimension			
The number of power outages	-0.7	-1.0	-1.7
Speed in restoring power when a problem occurs	-0.7	-0.9	-1.1
Ensures a sufficient supply of electricity for the foreseeable future	-0.5	-0.8	-1.3

Gap Analysis (cont'd)

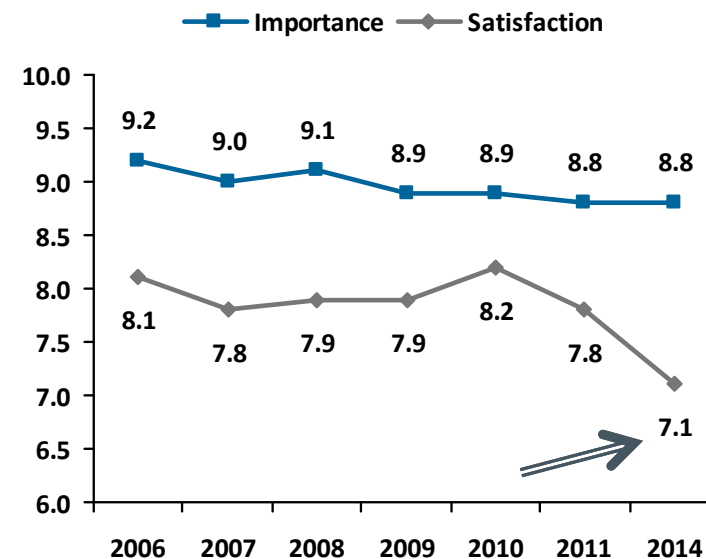
While importance and satisfaction ratings have changed over time, in many cases they have shifted in the same direction to a similar degree, thus maintaining the size of the gap between them*. There are however; a few notable changes.

The gap for *ensures a sufficient supply of electricity* was smaller in 2011 (-0.8) than in 2014 (-1.3) due to a decrease in satisfaction (from 8.6 to 8.1). The gap for *number of power outages* was smaller in 2011 (-1.0) than in 2014 (-1.7) due to a decrease in satisfaction (from 7.8 to 7.1). For both attributes satisfaction scores have consistently declined since 2010.

Ensures a sufficient supply of electricity for the foreseeable future



The number of power outages

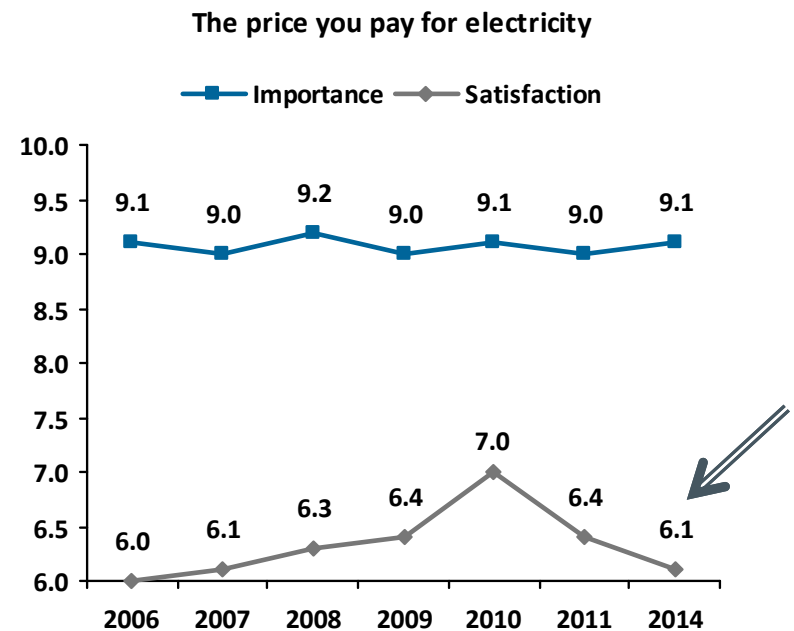
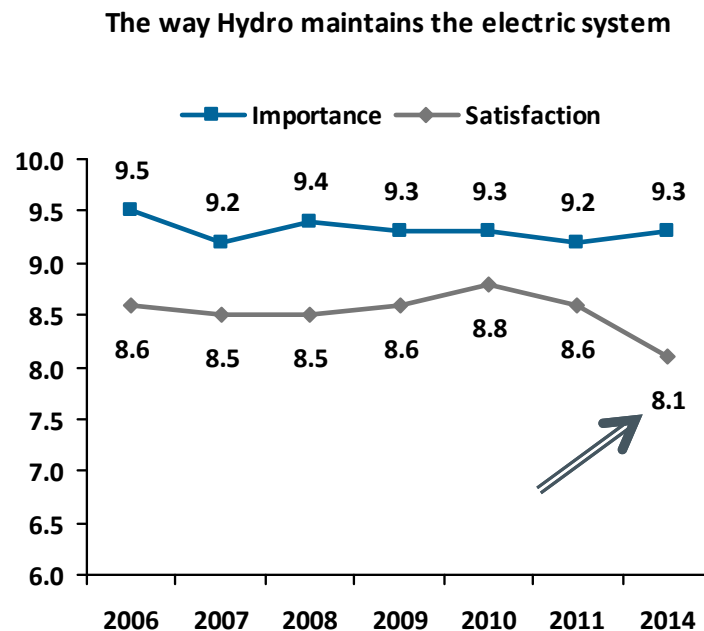


*NOTE: Graphs for each of the 16 service attributes are presented in the Appendix.

Gap Analysis (cont'd)

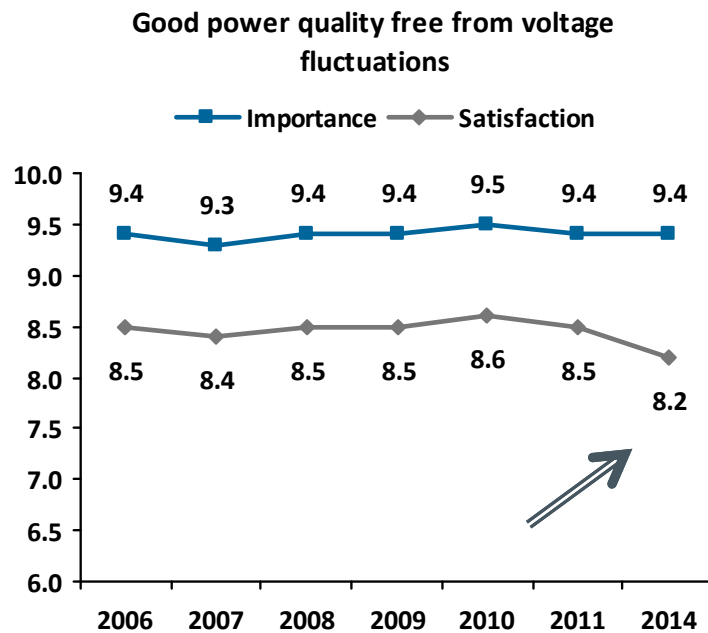
The gap for *the way Hydro maintains the electric system* increased from -0.6 in 2011 to -1.2 in 2014. Importance increased slightly (from 9.2 to 9.3) while satisfaction decreased from 8.6 to 8.1.

The gap for *the price you pay for electricity* increased from -2.6 in 2011 to -3.0 in 2014. Importance increased slightly (from 9.0 to 9.1) while satisfaction decreased from 6.4 to 6.1. Again, for both attributes satisfaction scores have consistently declined since 2010.



Gap Analysis (cont'd)

The gap for *good power quality free from voltage fluctuations* increased from -0.9 in 2011 to -1.2 in 2014 due to a decrease in satisfaction (from 8.5 to 8.2).



Drivers of Customer Satisfaction

To identify the drivers of satisfaction for Hydro, specialized statistical techniques were employed including a factor analysis and regression analysis.

In order to provide meaningful analysis based on the large list of statements asked in the survey, MQO conducted a factor analysis. This is a statistical technique where all of the statements are compared and then the ones that are most similar (in that people have answered them in a similar manner) are grouped together.

Even though the factors 'replace' all the individual questions for analysis and reporting, it is always possible to move back to the root questions.

The factors and individual statements that emerged from the factor analysis are shown next.

Drivers of Customer Satisfaction (cont'd)

Customer Concern

- Hydro listens to and acts upon customer concerns
- Hydro cares about its customers

Price

- Price you pay for electricity

Supply of Electricity

- Hydro ensures a sufficient supply of electricity for the foreseeable future
- The way Hydro maintains the electric system

Power Restoration

- Speed in restoring power when a problem occurs

Drivers of Customer Satisfaction (cont'd)

Customer Service

- Quality of customer service you receive from Hydro
- Friendly and courteous employees

Reliability

- Number of power outages
- Good power quality that is free from voltage fluctuations

Billing

- Hydro providing bills that are easy to read and understand
- Accuracy of Hydro's billing

Environmentally Responsible

- Hydro operates in an environmentally responsible manner

Drivers of Customer Satisfaction (cont'd)

Concern for Public Safety

- Hydro's concern for public safety

Efficient Use of Electricity

- Hydro encourages consumers to make more efficient use of electricity

Community Investment/Involvement

- Hydro contributes back to the community through initiatives such as community sponsorship programs

Drivers of Customer Satisfaction (cont'd)

Using a regression analysis, the data was analyzed to determine which of the factors have the most influence on perceptions of overall satisfaction with Hydro.

When the analysis is run, a calculation is made of how much of the overall variable is explained by the model (R-squared value). To be clear, the analysis shows which factors/statements have the most influence in terms of changing the overall satisfaction score, however it does not mean that the other factors are not important to customers.

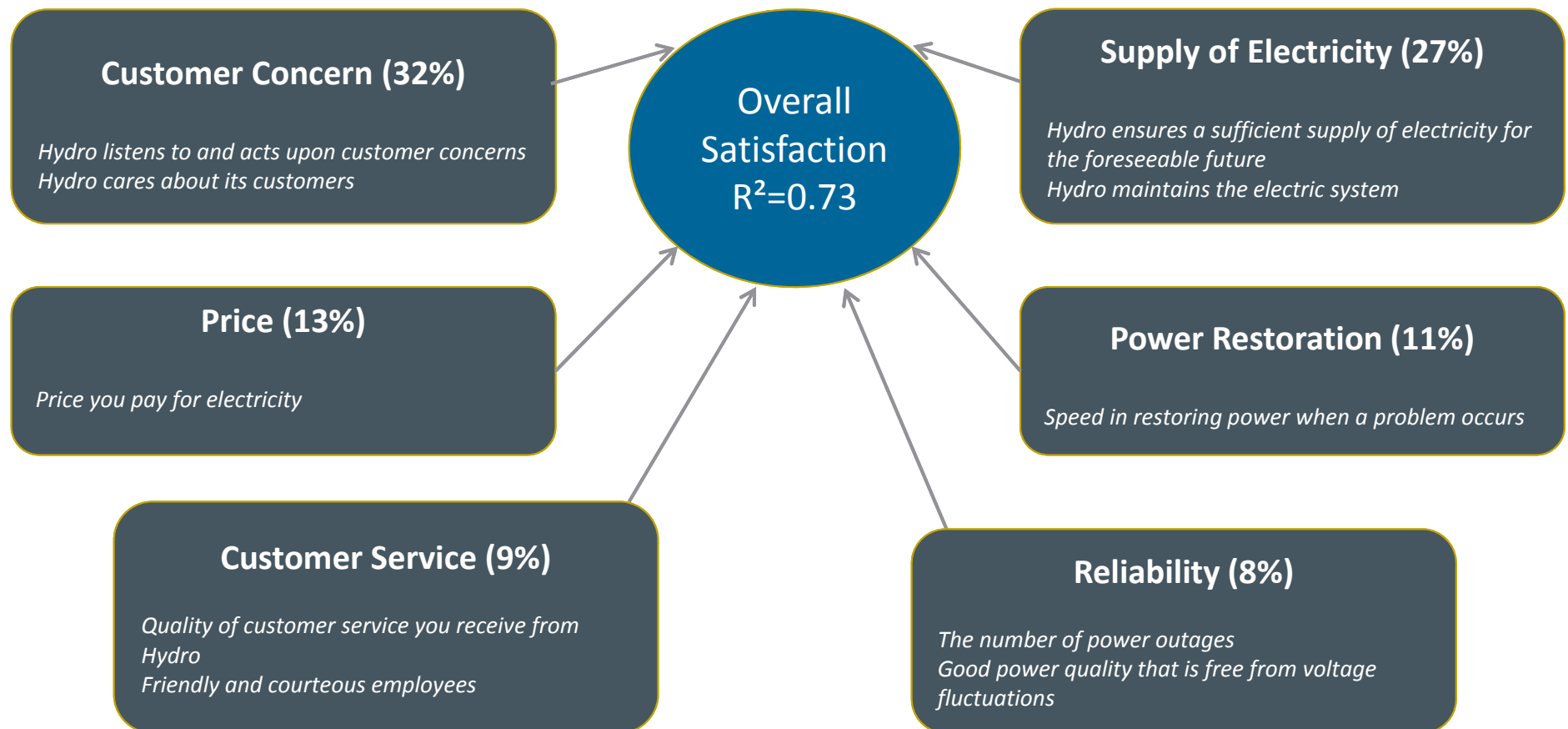
The graphic on the following slide shows the key drivers of overall satisfaction. This analysis has an R-squared value of 0.73 which is strong and means that the model includes variables that explain 73% of the variance in the overall measure of satisfaction.

The percentages show the relative contribution of each factor with higher numbers meaning there is more influence on the overall measure of satisfaction.

Although there are eleven factors measured, the regression analysis indicates that there are only six that significantly contribute to overall satisfaction with Hydro.

Key Drivers of Customer Satisfaction

Customer Concern ♦ Supply of Electricity ♦ Price ♦ Power Restoration ♦ Customer Service ♦ Reliability



Performance on Key Drivers

Two areas of weak performance: price and number of power outages.

Performance on Key Drivers*

	Top 4 Scores
Customer Concern (High Importance 32%)	
Hydro listens to and acts upon customer concerns	82%
Hydro cares about its customers	82%
Supply of Electricity (High Importance 27%)	
Ensures a sufficient supply of electricity for the foreseeable future	82%
The way Hydro maintains the electric system	82%
Price (Medium Importance 13%)	
Price you pay for electricity	49%
Power Restoration (Medium Importance 11%)	
Speed in restoring power when a problem occurs	84%
Customer Service (Medium Importance 9%)	
Quality of customer service you receive from Hydro	89%
Friendly and courteous employees	94%
Reliability (Medium Importance 8%)	
Number of power outages	66%
Good power quality that is free from voltage fluctuations	83%

Legend

Excellent	Good	Fair	Poor
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*NOTE: Don't knows and refusals have been removed from this analysis.

OTHER TOPICS

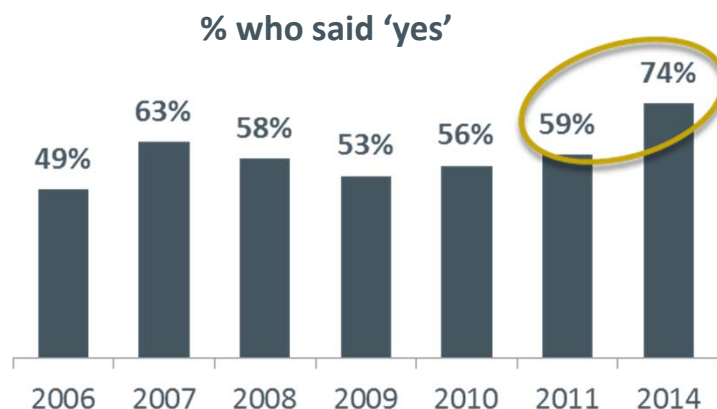
Other Topics

In addition to overall measures of satisfaction, other topics that matter to Hydro were assessed through this research. Some of these topics include: unplanned power outages, Hydro's automated toll-free number, Hydro's website, Watts New and winter readiness.

Unplanned Power Outages

An unplanned power outage is an outage that a customer receives no notification about and lasts longer than 30 minutes. The proportion of residential customers who recalled experiencing an unplanned power outage at their home within the past year increased from 59% in 2011 to 74% in 2014.

In 2014, residential customers in the Labrador and Northern region are most likely to recall experiencing an unplanned power outage. Compared to 2011, there is an increase in the proportion of customers in the Central and Northern region who recall such an experience.



*Q7. Within the past year, have you experienced an unplanned power outage at your home that lasted more than 30 minutes?

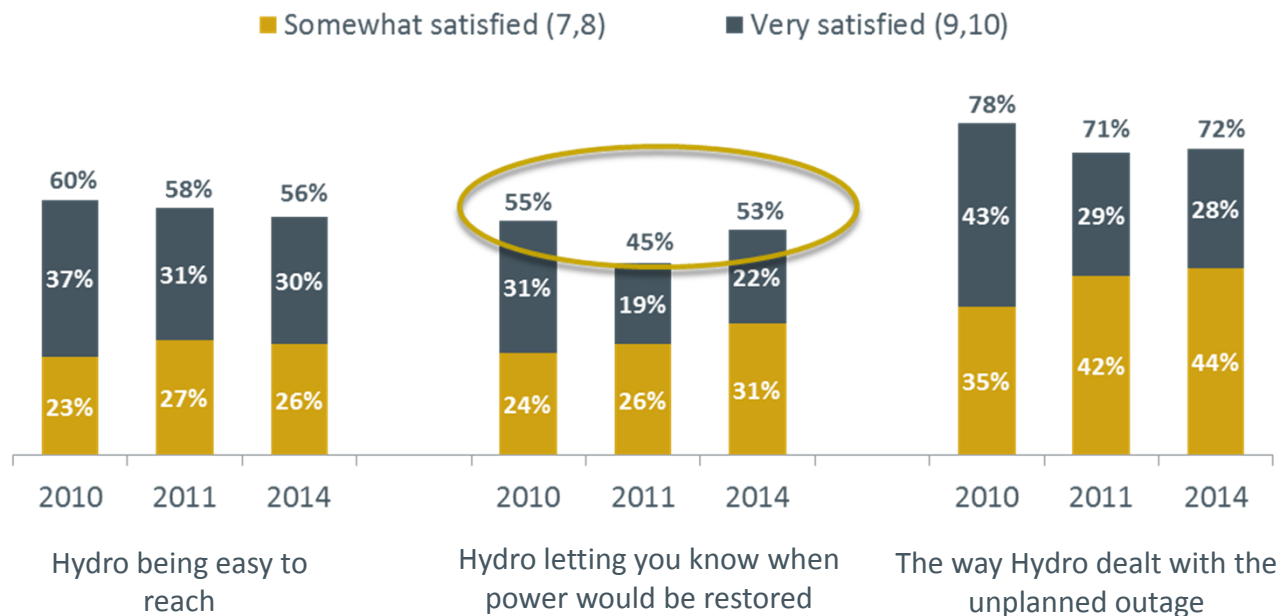
	% who said 'yes'		
	2010	2011	2014
Region			
Central	52%	42%	68%
Northern	39%	56%	77%
Labrador	80%	84%	78%

Q7. Within the past year, have you experienced an unplanned power outage at your home that lasted more than 30 minutes?

Unplanned Power Outages (cont'd)

Customers who recalled experiencing an unplanned power outage in the past year were asked to rate their satisfaction with aspects of Hydro's service during their **most recent** unplanned outage.

Residential customers are moderately satisfied with the service received from Hydro during their most recent power outage. Similar to previous years, customers provided the highest rating for *the way Hydro dealt with the unplanned power outage* (72% very or somewhat satisfied). It is important to note that for the attribute *letting you know when the power would be restored*, after declining in 2011 the top four score recovered.



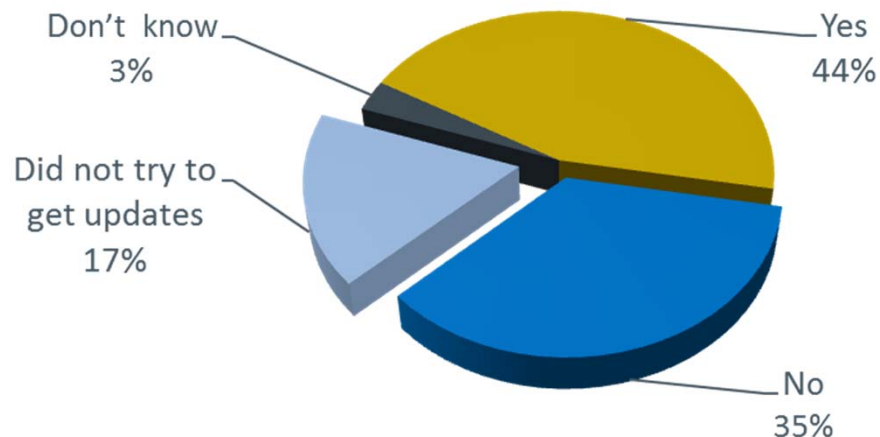
Customers residing in Central are more likely to be **very satisfied** with Hydro in terms of:

letting you know when power would be restored (33% versus 17% for Labrador and 16% for Northern) and *being easy to reach* (48% versus 21% for Northern and 20% for Labrador).

Unplanned Power Outages (cont'd)

Forty-four percent (44%) of those who experienced an unplanned power outage were able to get regular updates from Hydro during their most recent outage.

Some customers (17%) did not try to get regular updates from Hydro.



Q8D. Still thinking about the most recent unplanned power outage at your home, were you able to get regular updates from Hydro during the outage? *SUBSET: Those who experienced an unplanned power outage.*

Customers residing in Central are more likely to report being able to get regular updates (63% versus 36% for Northern and 31% for Labrador).

Those in Labrador (23%) and Northern (20%) are more likely than those in Central (10%) to report that they did not try to get regular updates.

Customers in interconnected areas (46%) are more likely than customers in isolated areas (22%) to report being able to get regular updates.



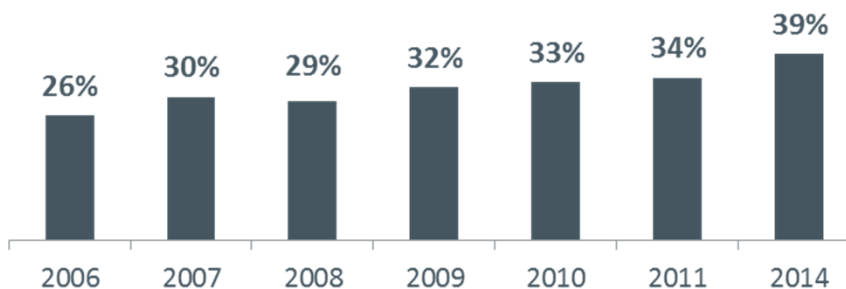
Automated Toll-Free Number

Hydro makes available to its customers an automated toll-free number which provides power outage information and billing/account information 24 hours a day.

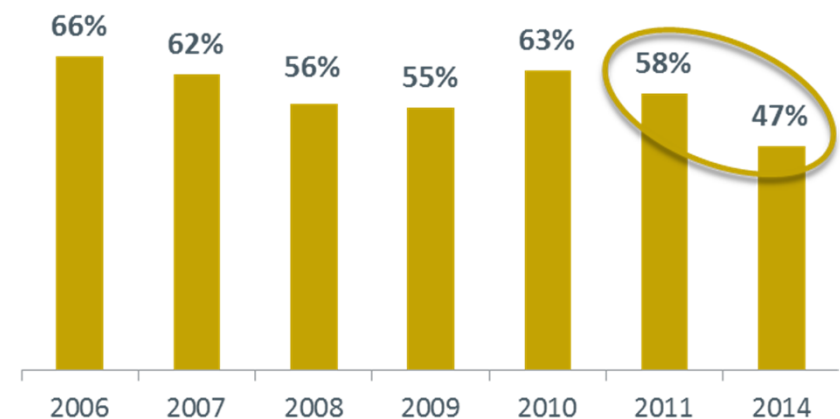
Thirty-nine percent (39%, n=244) of residential customers reported calling Hydro's automated toll-free number within the past year (up from 34% in 2011). The vast majority of those who called (79%) were able to get the information needed.

Even though more customers reported calling the toll-free line in 2014, fewer reported needing to speak with a customer service agent (47%, down from 58% in 2011).

Customers in Central (47%) are more likely than those in Labrador (35%) and Northern (33%) to report calling Hydro's toll-free number.



Q9. Have you called Hydro's automated toll-free number within the past year?



Q11. In the past year, have you called Hydro's automated toll-free number and needed to speak with a customer service agent? *SUBSET: Those who called Hydro's toll-free number.*



Automated Toll-Free Number (cont'd)

Of those customers who called Hydro's automated toll-free number and needed to speak with a customer service agent, 18% (n=29) recalled having difficulty reaching an agent.

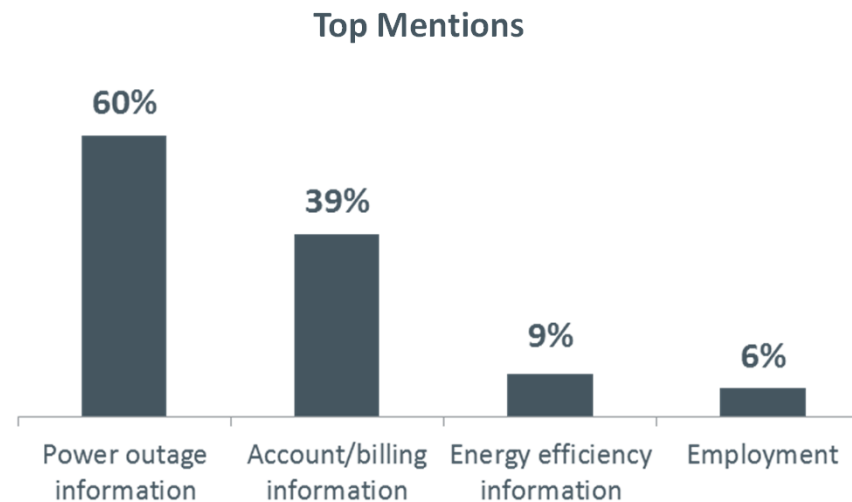
Most customers experiencing difficulty were calling to obtain power outage information (n=14) while others were calling for billing/account information (n=9) or for a repair/service (n=5).



Hydro's Website

Hydro has a website that offers power outage information, account/billing information, safety information etc.

Twenty-seven percent (27%) of residential customers reported that they have visited Hydro's website at least once in the past year (up from 17% in 2011). Customers who visited Hydro's website were most commonly *seeking power outage information* (60%) and *account/billing information* (39%). The vast majority (86%) of those who visited Hydro's website were able to find the information they were looking for.



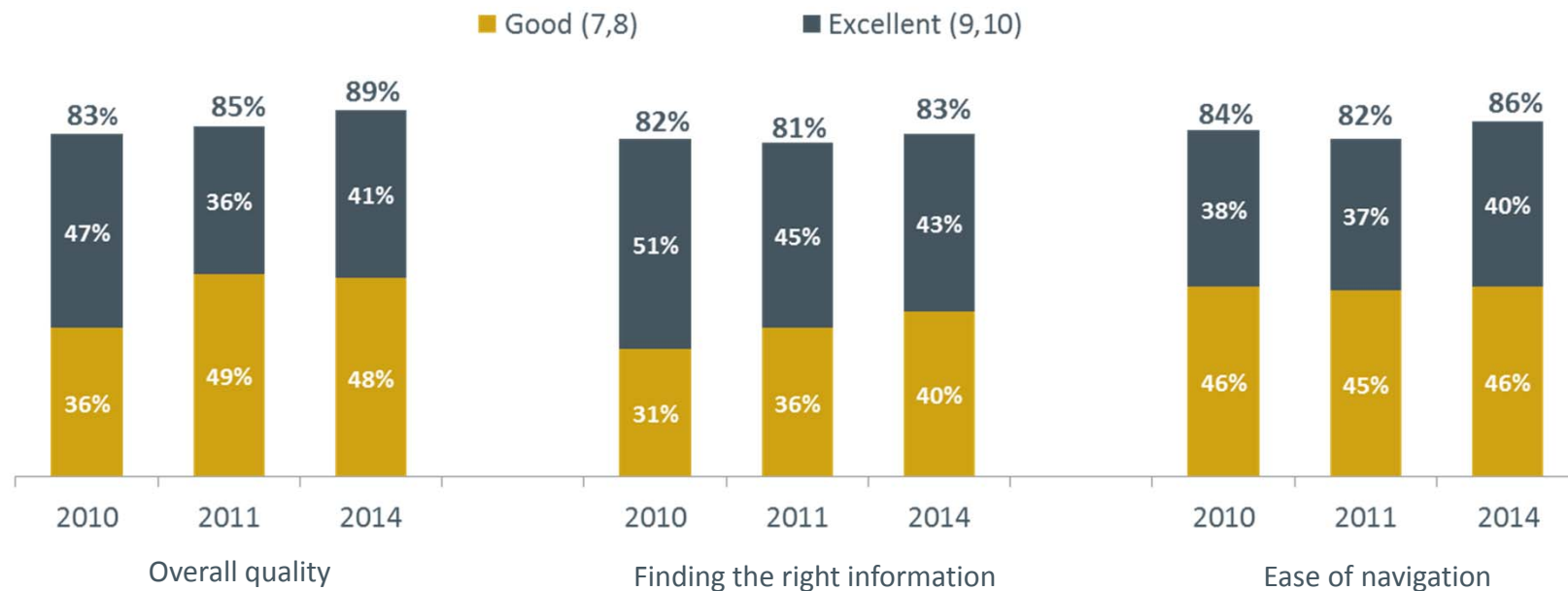
Q18. In the past year, what information have you looked for on Hydro's website?
SUBSET: Those who visited Hydro's website.



Hydro's Website (cont'd)

Those who reported visiting Hydro's website over the past year were asked to rate the site on a variety of attributes.

Ratings are favorable as the vast majority provided a rating of 7 or higher on each of the three attributes.

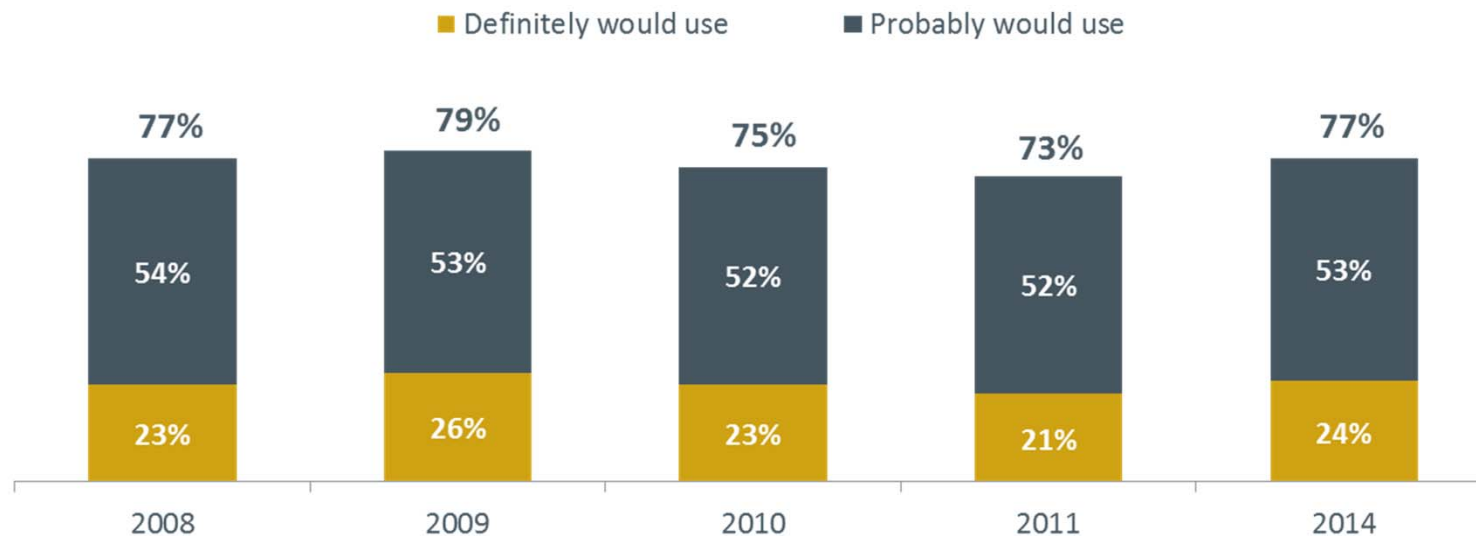


Q21. On a scale of 1 to 10, with 1 being 'very poor' and 10 being 'excellent', please rate Hydro's website on the following...? SUBSET: Those who visited Hydro's website.

Online Services

Hydro is considering expanding their online customer service capabilities by allowing customers to request a service or information online through their website. Customers were asked about the likelihood of using such online services.

In 2014, 24% of residential customers with internet access reported that they *definitely would use* online services and 53% reported that they *probably would use* online services.

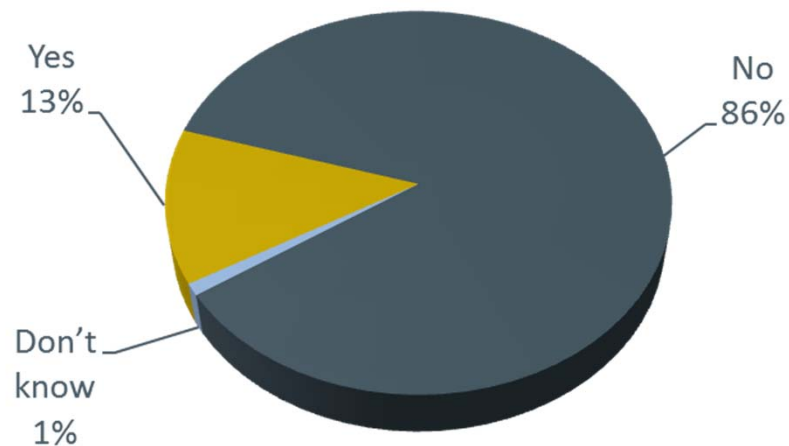


Q22. Hydro is considering expanding access to services by allowing customers to make a request for service or a request for information online through their website. If such online services were available, how likely are you to use them? *SUBSET: Those with access to the internet.*

Electronic Billing

Electronic billing is a type of billing offered by Hydro through which customers receive and view their monthly bill online through their email.

Eighty-six percent (86%) of residential customers reported that they have access to the internet. Of those customers, 13% reported that they currently use electronic billing from Hydro (up from 9% in 2011 and 4% in 2010).



Q23. Do you currently use electronic billing from Hydro?
SUBSET: Those with access to the internet.

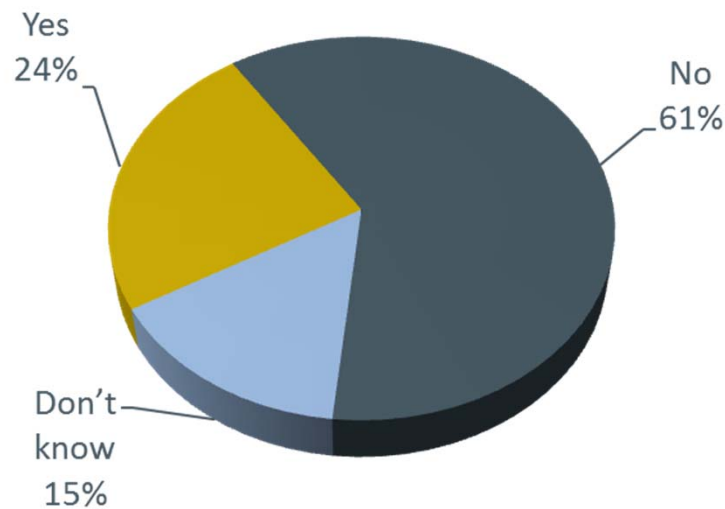
Customers in Labrador (20%) are more likely than those in Northern (9%) and Central (12%) to report that they currently use electronic billing from Hydro.

Customers in isolated areas (20%) are more likely than those in interconnected areas (13%) to report that they currently use electronic billing.

Electronic Billing (cont'd)

Those who are not currently using (and have never used) electronic billing from Hydro were asked to identify if, over the next six months, they plan to sign up for this service.

Twenty-four percent (24%) said 'yes' while an additional 15% said 'do not know'.



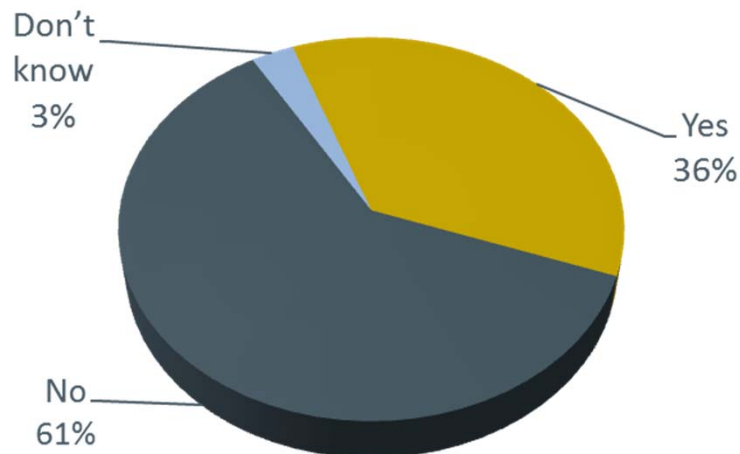
Customers in Labrador (33%) are more likely than those in Northern (23%) and Central (17%) to report that they plan to sign up for electronic billing from Hydro.

Q25. Thinking ahead, over the next six months, do you plan to sign up for electronic billing from Hydro? *SUBSET: Those with access to the internet and have never used electronic billing from Hydro.*

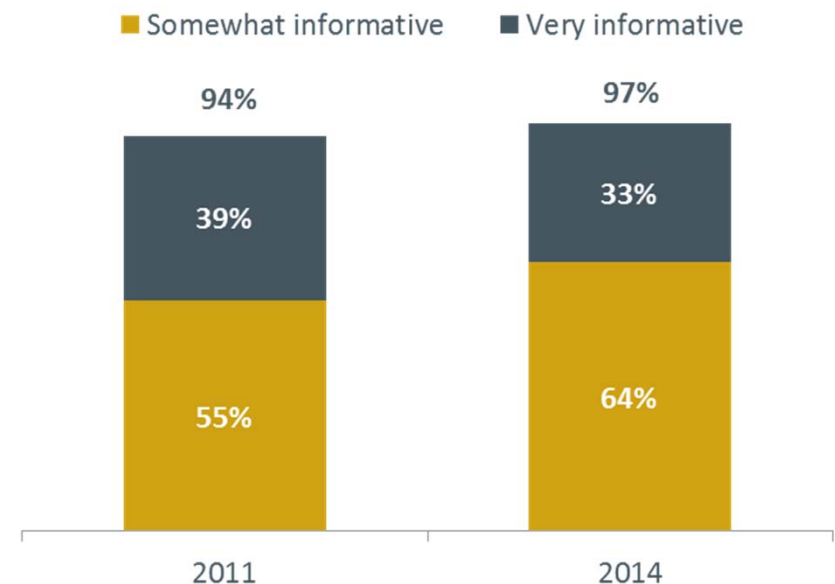
Watts New

In 2005, Hydro introduced a customer newsletter called '*Watts New*', which is distributed to all customers on a quarterly basis as an insert with their Hydro bill. Thirty-six percent (36%) of residential customers have read an issue of '*Watts New*' over the past year (down from 42% in 2011).

The majority of customers (97%) who read the newsletter rated its content as informative (33% *very informative* and 64% *somewhat informative*). The proportion who said *very informative* decreased from 39% in 2011 to 33% in 2014.



Q27. Over the past year have you read an issue of Hydro's customer newsletter '*Watts New*'?



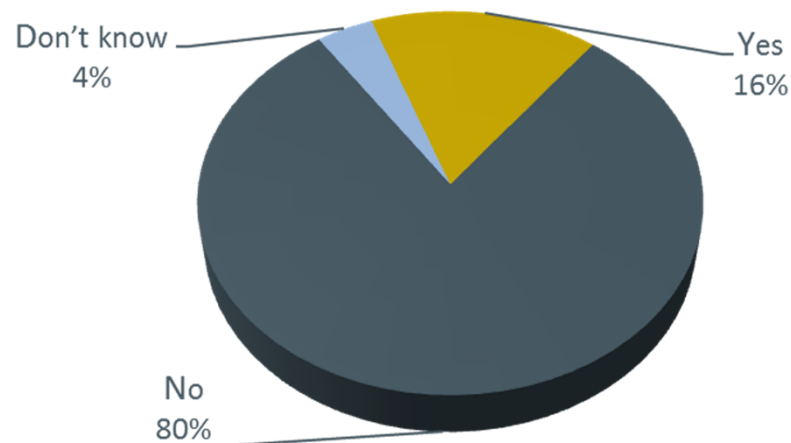
Q28. And overall, would you rate the content of '*Watts New*' as very informative, somewhat informative, not very informative or not at all informative to you as a Hydro customer? *SUBSET: Those who have read an issue of 'Watts New' over the past year.* 39

Safety Advertising Programs

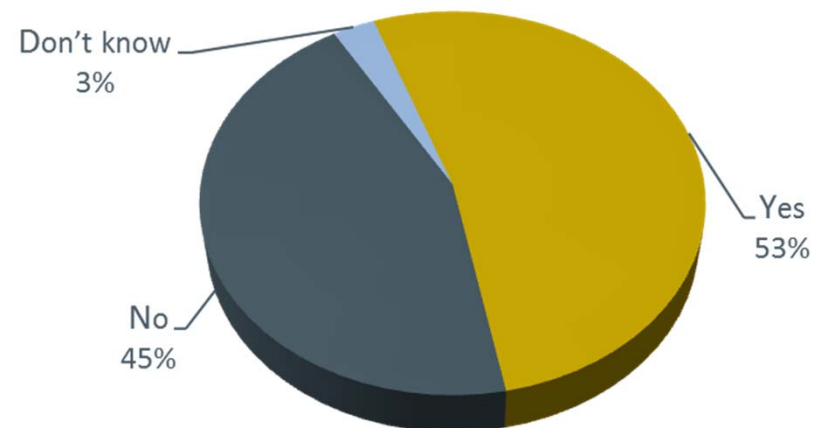
Sixteen percent (16%) reported that they have heard of Hydro's public safety advertising program *'Back it Up'*. Slightly more than one half (53%) reported that they have heard of *'Power Line Safety'*.

The website HydroSafety.ca delivers both of these safety programs and is where the public can get information about electrical safety, emergency preparedness and safety for children.

Very few residential customers (2%) reported that they have visited the HydroSafety.ca website over the past year.



Q31A. 'Back it Up' is one of Hydro's public safety advertising programs. Have you heard of this program?



Q31B. 'Power Line Safety' is one of Hydro's public safety advertising programs. Have you heard of this program?

Social Media

A very small proportion of residential customers reported that they have visited Hydro's social media sties.

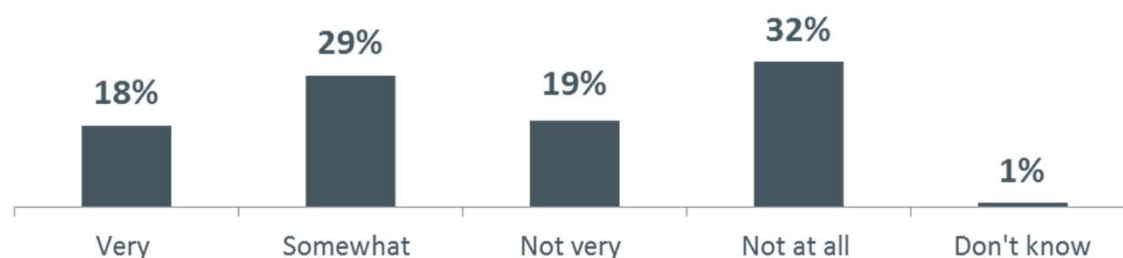
Five percent (5%, n=29) reported visiting Hydro's social media site on Facebook and 1% (n=8) reported visiting Hydro's social media site on Twitter.

It is important to note that many (68%) of those who reported that they have not visited either Hydro's Facebook or Twitter site, have not visited **any** social media sites over the past twelve months (in an effort to acquire information).

Text Message Service

Hydro is considering offering to its customers a text message service that provides information about power outages and energy efficiency.

Approximately one-half of residential customers (47%) are interested in subscribing to a text message service from Hydro (18% *very interested* and 29% *somewhat interested*).



Q37A. How interested would you be in subscribing to a text message service from Hydro that provides information about power outages and energy efficiency?

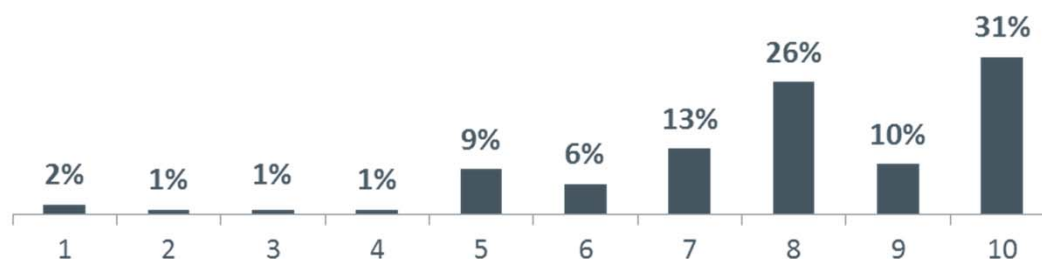
	% <i>very or somewhat interested</i>
Overall	47%
Region	
<i>Central</i>	43%
<i>Northern</i>	49%
<i>Labrador</i>	51%
Rate Area	
<i>Interconnected</i>	48%
<i>Isolated</i>	46%

Winter Readiness

The vast majority of residential customers (80%) are confident in Hydro's ability to deliver power this winter (that is, provided a rating of 7 or higher).

Level of confidence is consistent across each of the regions and rate areas.

41% provided a rating of 9 or 10 and 39% provided a rating of 7 or 8.



Q37B. Overall, how confident are you in Hydro's ability to deliver power this winter? Please use a scale of 1 to 10 where 1 is 'not at all confident' and 10 is 'very confident'.

	2014 % Indicating 7+
Overall	80%
Region	
Central	78%
Northern	80%
Labrador	81%
Rate Area	
Interconnected	80%
Isolated	82%

SUMMARY

Summary

The vast majority of residential customers are satisfied with Hydro. Eighty-four percent (84%) provided a rating of 7 or higher when asked to rate their overall satisfaction with Hydro using a 10-point scale with 1 being *'not at all satisfied'* and 10 being *'very satisfied'*. It is important to note that the proportion of customers who are *very satisfied* (provided a rating of 9 or 10) decreased from 46% in 2012 to 39% in 2014.

Compared to 2011 and 2010, Hydro's overall reputation score has declined. In 2014, 69% of customers provided a rating of 7 or higher when asked to rate Hydro's overall reputation using a 10-point scale with 1 being a *'very bad reputation'* and 10 being a *'very good reputation'*. In 2010, 86% provided a rating of 7 or higher and in 2011, 75% provided a rating of 7 or higher.

Residential customers continue to be satisfied with Hydro's service reliability. Fifty-eight percent (58%) provided a rating of 9 or 10 when asked to rate their satisfaction with the supply of electricity they receive from Hydro using a scale of 1 to 10, with 1 being *'not at all satisfied'* and 10 being *'very satisfied'*.

Summary (cont'd)

Residential customers are satisfied with the customer service received from Hydro. The vast majority (89%) provided a rating of 7 or higher when asked to rate their satisfaction with the customer service received from Hydro using a 10-point scale with 1 being *'not at all satisfied'* and 10 being *'very satisfied'*.

Compared to 2011, customer satisfaction with Hydro's service delivery has declined in certain areas. Residential customers were asked to rate their satisfaction with the performance of Hydro on sixteen attributes using a scale of 1 to 10, with 1 being *'not at all satisfied'* and 10 being *'very satisfied'*. Analysis revealed statistically significant decreases for 6 of the 16 attributes.

More residential customers report visiting Hydro's website. Twenty-seven percent (27%) of residential customers reported that they have visited Hydro's website at least once in the past year (up from 17% in 2011). This is positive because increasing traffic to Hydro's website may entice customers to use online customer service capabilities and may also increase awareness of Hydro's social media sites.

Summary (cont'd)

Fewer customers are reading Hydro's customer newsletter 'Watts New'. In 2014, 36% of residential customers read an issue of 'Watts New' compared to 42% in 2011.

A relatively small proportion of customers have heard of Hydro's public safety advertising program called 'Back It Up' (16%). Awareness of Hydro's public safety advertising program called 'Power Line Safety' is stronger (53%).

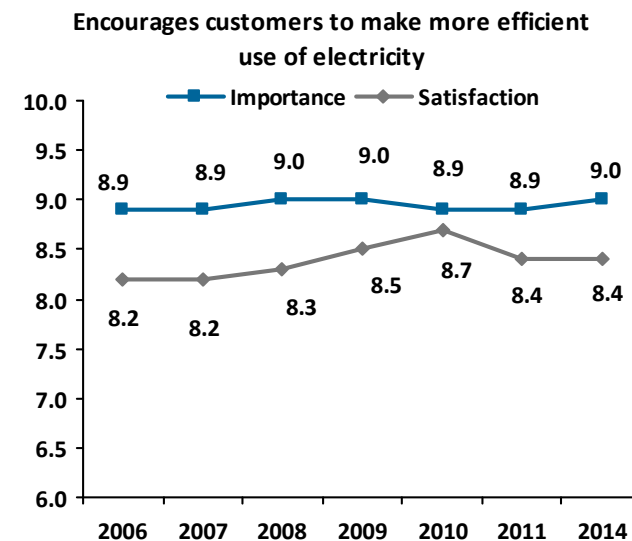
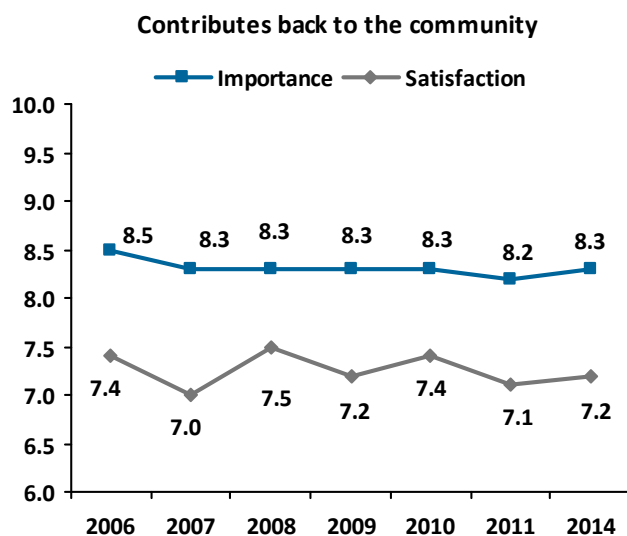
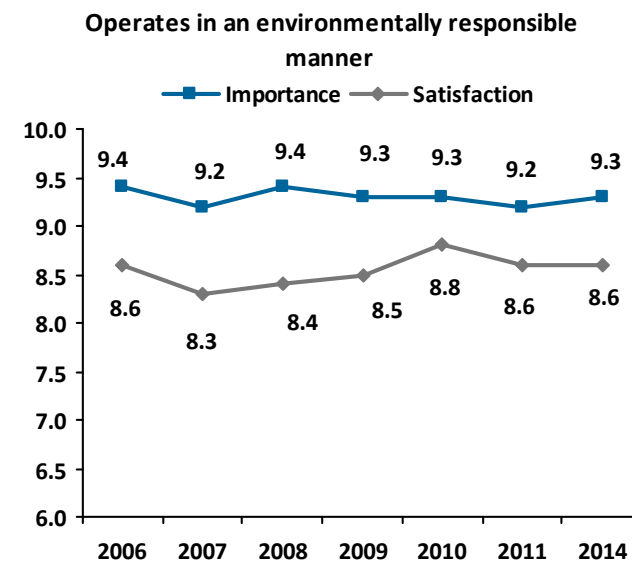
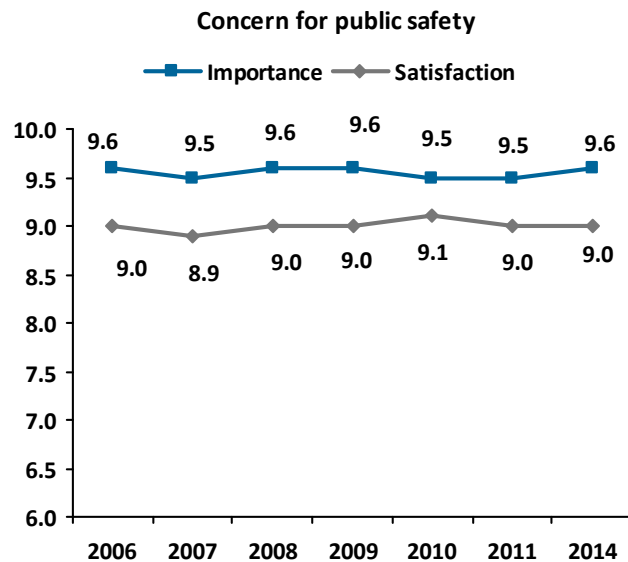
A very small proportion of residential customers have visited Hydro's social media sites. Five percent (5%) have visited Hydro's social media site on Facebook and 1% have visited Hydro's social media site on Twitter.

The vast majority of customers are confident in Hydro's ability to deliver power this winter. Eighty percent (80%) provided a rating of 7 or higher when asked to rate their overall confidence in Hydro's ability to deliver power this winter using a 10-point scale with 1 being 'not at all confident' and 10 being 'very confident'. Forty-one percent (41%) provided a rating of 9 or 10 and 39% provided a rating of 7 or 8.

APPENDIX

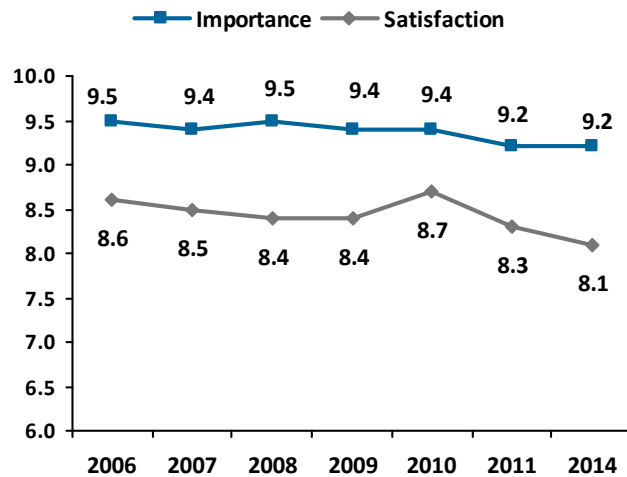
GAP ANALYSIS

Gap Analysis – Corporate Citizenship

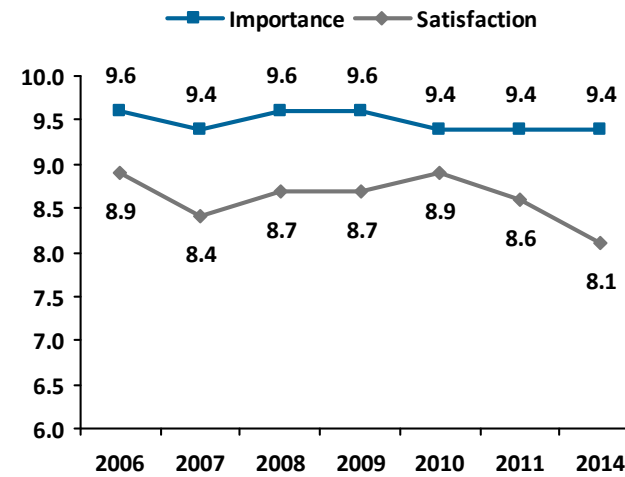


Gap Analysis – Reliability

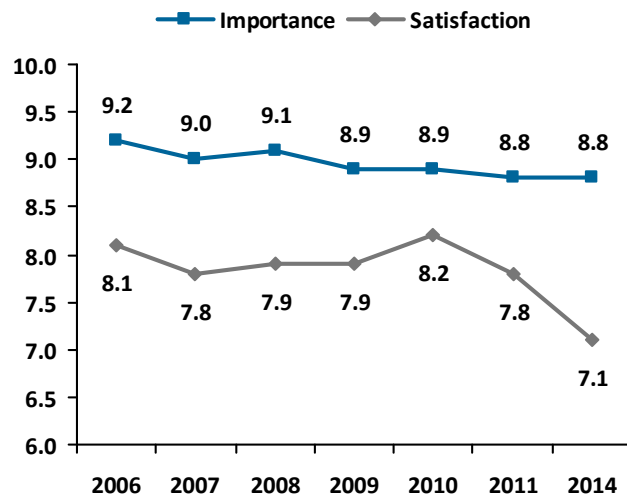
Speed in restoring power when a problem occurs



Ensures a sufficient supply of electricity for the foreseeable future

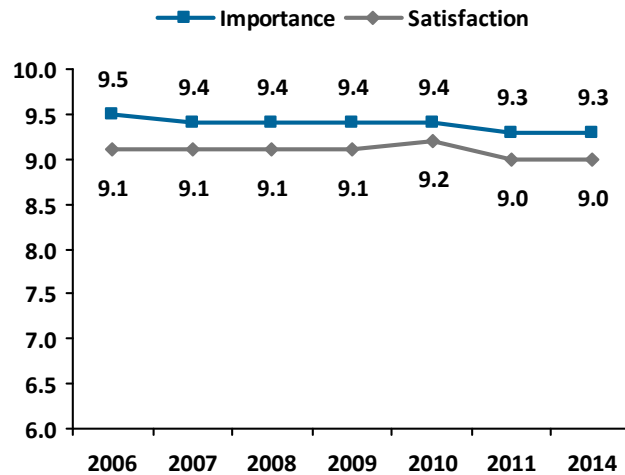


The number of power outages



Gap Analysis – Service

Bills that are easy to read and understand



Accuracy of billing

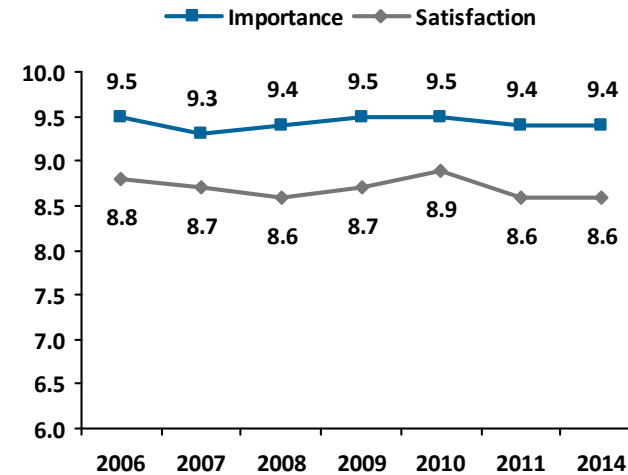
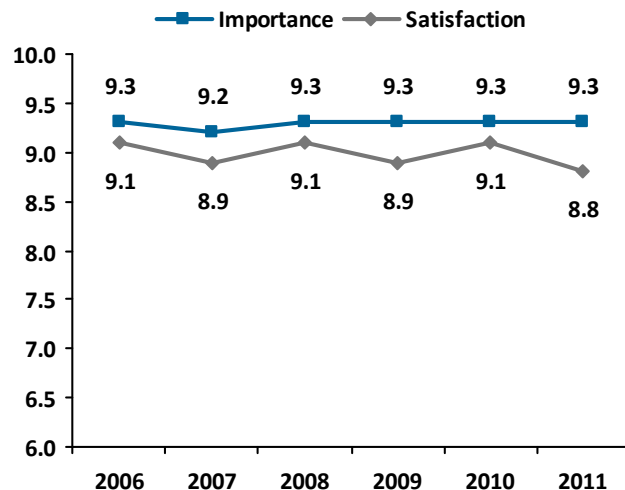
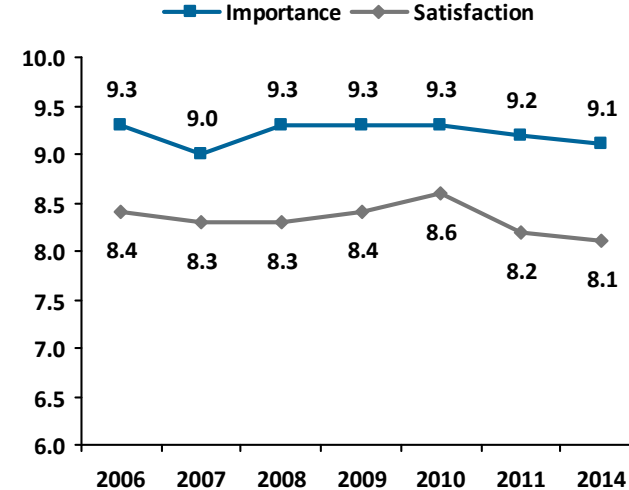


Figure 15: Friendly and courteous employees

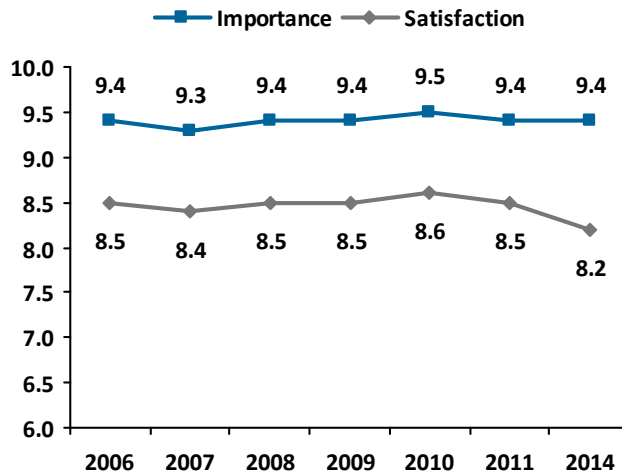


Cares about its customers

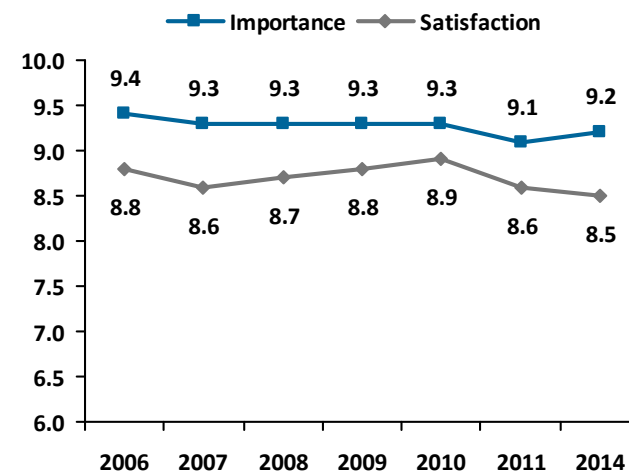


Gap Analysis – Service (cont'd)

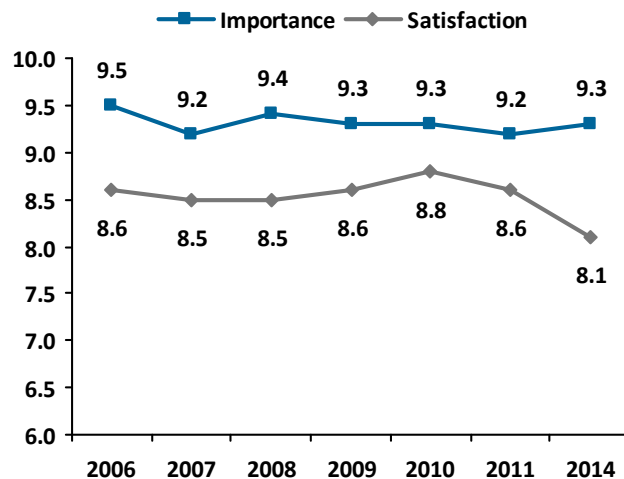
Good power quality free from voltage fluctuations



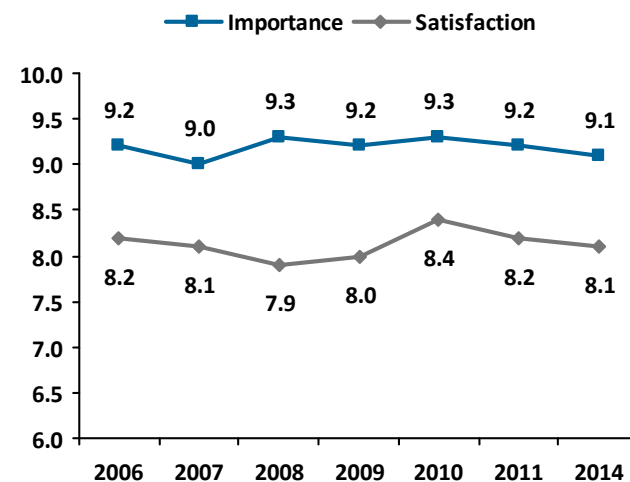
Quality of customer service received



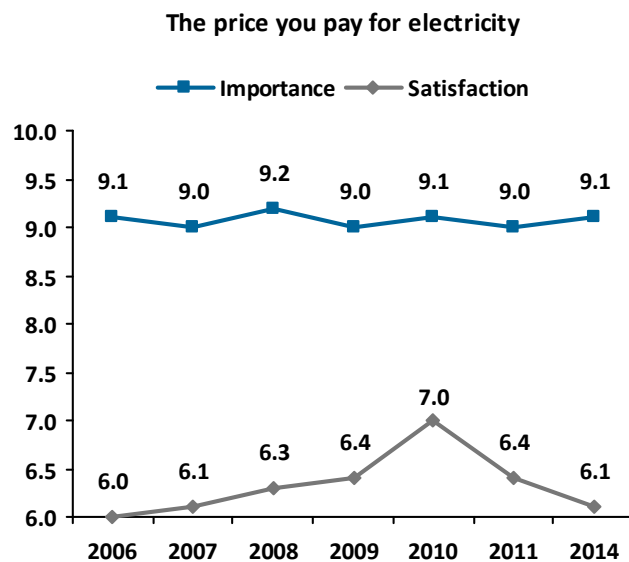
The way Hydro maintains the electric system



Listens to and acts upon customer concerns



Gap Analysis – Service (cont'd)



2014 Commercial Customer Satisfaction Tracking Study



Study Methodology

On a regular basis, Hydro conducts customer satisfaction research with its commercial customers.

The primary objectives of this research are to assess customer satisfaction with Hydro's performance in providing service to commercial customers and to determine any changes in customer satisfaction over time.

For this study, customers are surveyed via telephone. The pre-test occurred on November 26th and interviews were completed between November 27th and December 12th, 2014.

The sample was drawn from a database of commercial customers provided by Hydro. The *sampling unit* was the individual within the organization primarily responsible for dealing with Hydro.

A total of 310 commercial customers completed the survey, which provides a margin of error of $\pm 5.5\%$, 19 times out of 20.

Study Methodology (cont'd)

To allow for analysis by region, disproportionate stratified sampling was used to draw a random sample from the following areas: Central (n=105), Northern (n=111) and Labrador (n=94).

Due to the use of disproportionate sampling, regional weights were applied to ensure that the sample was a proportionate representation of the commercial customer population at the overall level.

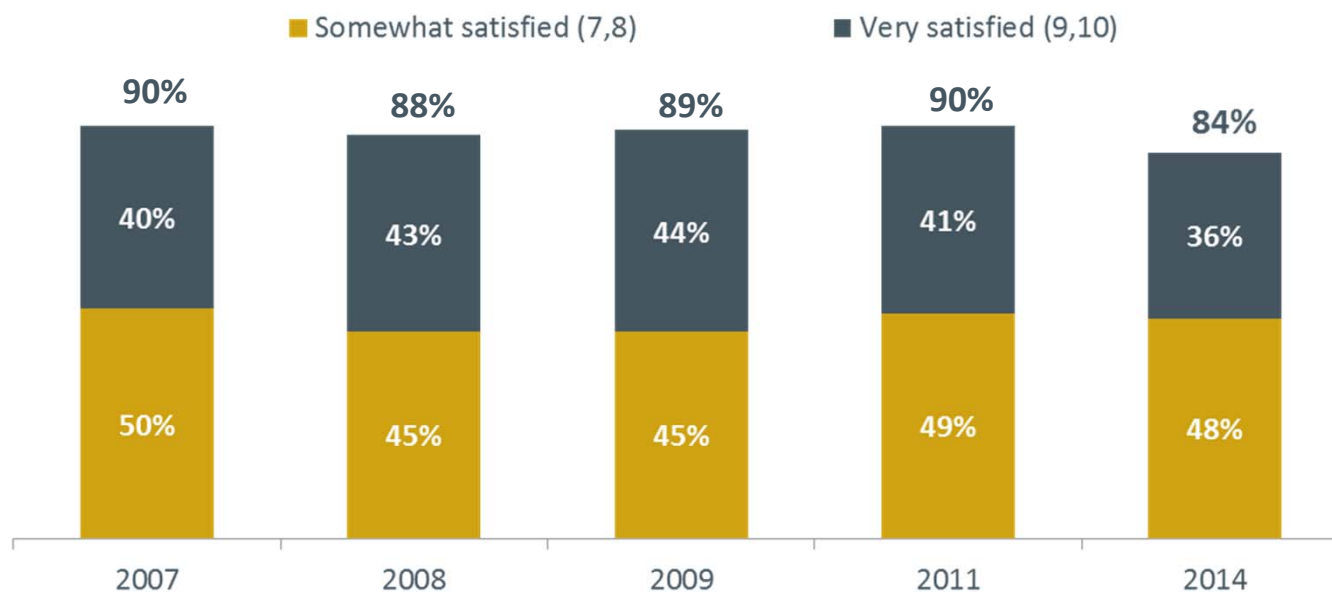
*NOTE: Throughout this report, 'n' refers to sample size.

DETAILED RESEARCH RESULTS

Overall Satisfaction Score

The vast majority of customers are satisfied with Hydro. Eighty-four percent (84%) are either *very satisfied* (36% provided a rating of 9 or 10) or *somewhat satisfied* (48% provided a rating of 7 or 8).

Compared to 2011, the proportion of customers who are *very satisfied* decreased. This is the first year that the proportion of customers who provided a rating of 9 or 10 slipped below 40%.



Q5. In general, how satisfied are you with Hydro on a scale of 1 to 10 where 1 means 'not at all satisfied' and 10 means 'very satisfied'?

Overall Satisfaction Score (cont'd)

The table below details the percentage of customers who provided an overall satisfaction score of 9 or 10 by region.

Looking at the 2014 results, customers in the Central region are more likely to be *very satisfied* with Hydro than those in the Northern and Labrador region.

	2011 % Indicating 9 or 10	2014 % Indicating 9 or 10
Overall	41%	36%
Region		
<i>Central</i>	53%	49%
<i>Northern</i>	39%	29%
<i>Labrador</i>	28%	30%

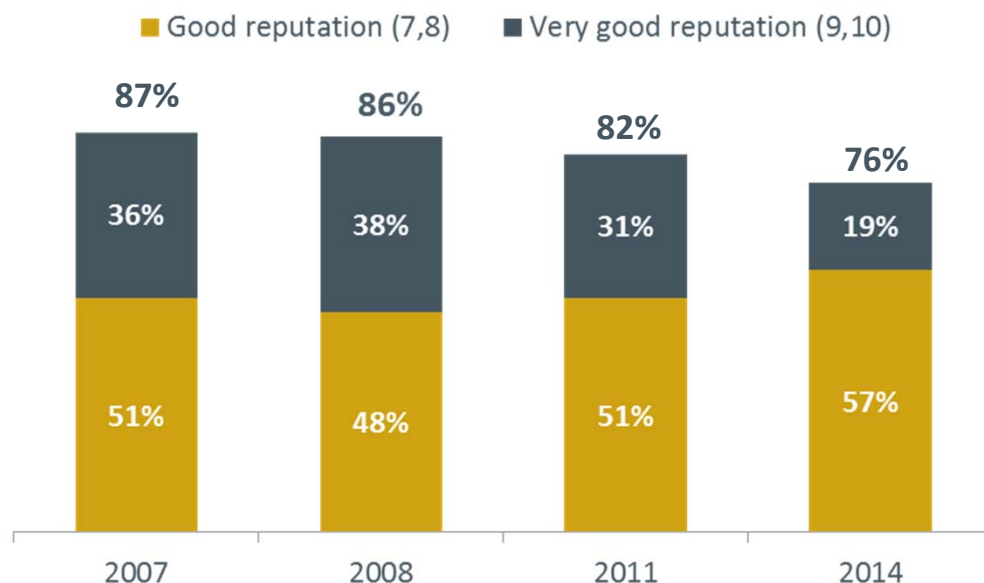
The Northern region experienced a notable decline from 39% in 2011 to 29% in 2014.

Q5. In general, how satisfied are you with Hydro on a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*'?

Overall Reputation Score

There has been a consistent decline in Hydro's overall reputation score (from 87% in 2007 to 76% in 2014).

The proportion of commercial customers who provided a rating of 9 or 10 dropped significantly from 2011 to 2014.



Q2. Based on what you know or have heard, how would you rate Newfoundland and Labrador Hydro's overall reputation, using a scale of 1 to 10, where 1 is a 'very bad reputation' and 10 is a 'very good reputation'?

Customers were asked to identify which companies in NL first come to mind when they think of a *good corporate citizen*.

Approximately one-half (52%) said 'don't know'.

Twenty-three percent (23%) mentioned Hydro/Nalcor. Seven percent (7%) mentioned Bell Aliant, 5% mentioned NF Power and 5% mentioned Iron Ore Company of Canada.

Overall Reputation Score (cont'd)

Looking at the 2014 results, customers in the Central region are more likely than those in the Northern and Labrador region to rate Hydro's overall reputation as being *very good* (that is, to provide a rating of 9 or 10).

	2011 % Indicating 9 or 10	2014 % Indicating 9 or 10
<i>Overall</i>	31%	19%
<i>Region</i>		
<i>Central</i>	37%	25%
<i>Northern</i>	33%	18%
<i>Labrador</i>	20%	13%

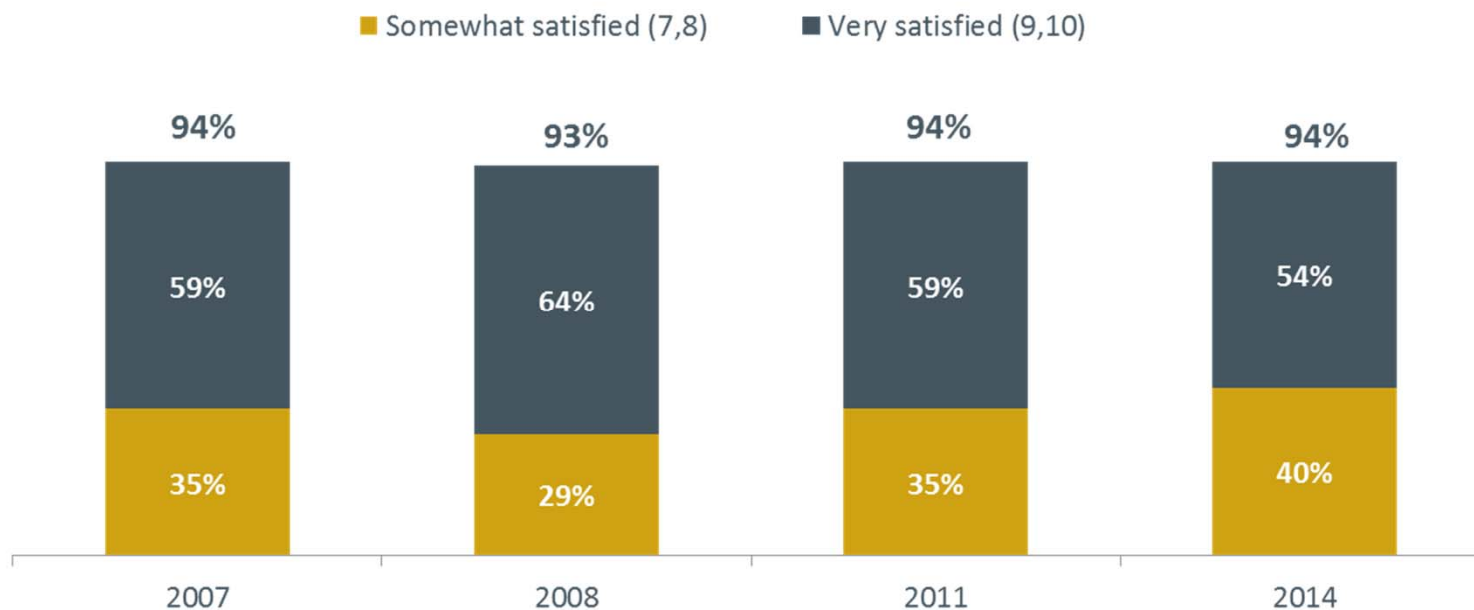
Scores declined for each of the three regions, 2011 compared to 2014.

Q2. Based on what you know or have heard, how would you rate Newfoundland and Labrador Hydro's overall reputation, using a scale of 1 to 10, where 1 is a 'very bad reputation' and 10 is a 'very good reputation'?

Service Reliability Score

The vast majority of customers (94%) are satisfied with the supply of electricity received from Hydro (54% *very satisfied*; 40% *somewhat satisfied*).

Since 2008, the proportion of customers who are *very satisfied* has decreased while the proportion of customers who are *somewhat satisfied* has increased.



Q6A. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the supply of electricity you receive from Hydro?

Service Reliability Score (cont'd)

Customers in Central are more likely to be *very satisfied* with the supply of electricity received from Hydro (that is, to provide a rating of 9 or 10).

Both the Central and Northern region experienced a decline in 2014. Labrador increased 5 percentage points to 47%.

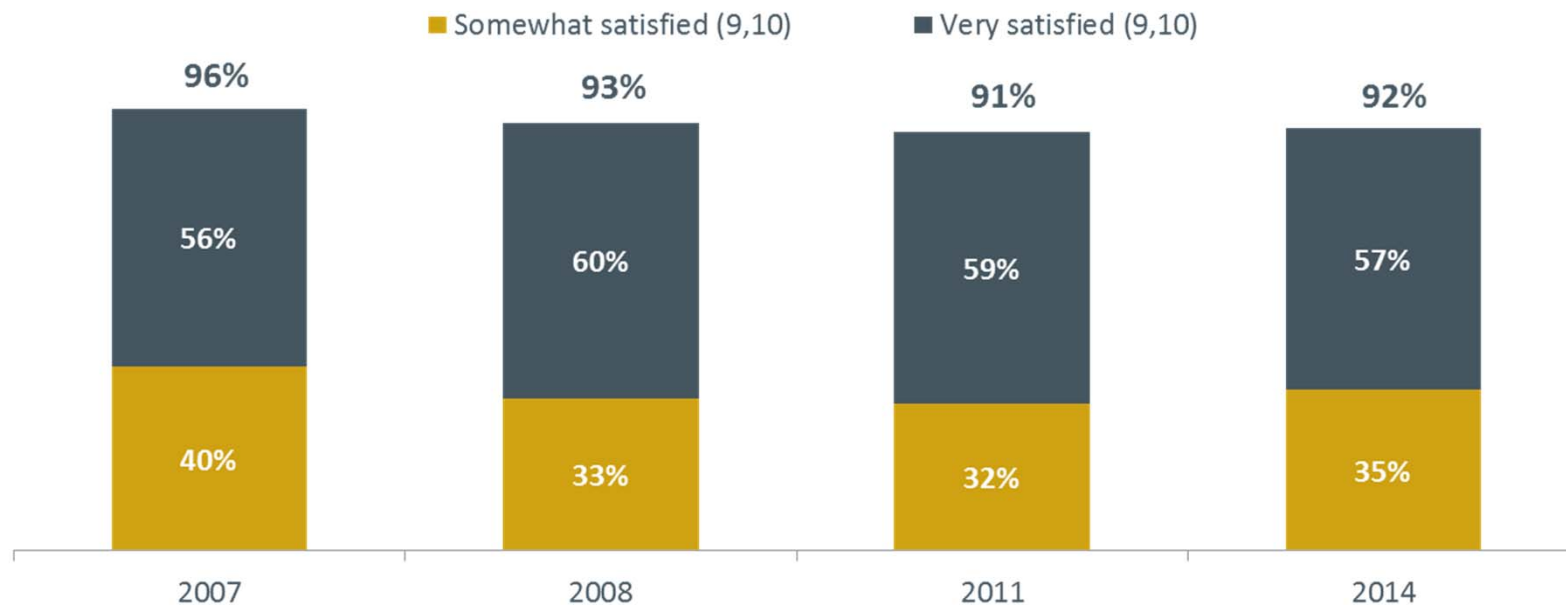
	2011 % Indicating 9 or 10	2014 % Indicating 9 or 10
<i>Overall</i>	59%	54%
<i>Region</i>		
<i>Central</i>	74%	64%
<i>Northern</i>	57%	50%
<i>Labrador</i>	42%	47%

Q6A. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the supply of electricity you receive from Hydro?

Customer Service Score

Results have consistently revealed that commercial customers are satisfied with the customer service received from Hydro.

Compared to 2011, the proportion of customers who are *very satisfied* slipped while the proportion of those who are *somewhat satisfied* increased slightly.



Q6B. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the overall customer service you receive from Hydro?

Customer Service Score (cont'd)

The table below details the percentage of customers who provided an overall customer service score of 9 or 10.

Looking at the 2014 results, customers in the Central region are more likely to be *very satisfied* with Hydro's customer service than those in the Labrador and Northern region.

	2011 % Indicating 9 or 10	2014 % Indicating 9 or 10
<i>Overall</i>	59%	57%
<i>Region</i>		
<i>Central</i>	73%	67%
<i>Northern</i>	53%	51%
<i>Labrador</i>	47%	53%

Compared to 2011, the Central region dropped 6 percentage points and the Labrador region gained 6 percentage points. The Northern region held fairly steady.

Q6B. On a scale of 1 to 10 where 1 means '*not at all satisfied*' and 10 means '*very satisfied*', how satisfied are you with the overall customer service you receive from Hydro?

Service Attributes

Customers were asked to rate 16 service attributes in terms of ***importance*** and ***satisfaction***.

Customers were first asked to think about their electricity supplier and to rate the ***importance*** of each service attribute using a scale of 1 to 10, with 1 being '*not at all important*' and 10 being '*very important*'.

Customers were then asked to rate their ***satisfaction*** with the performance of Hydro on each attribute using a scale of 1 to 10, with 1 being '*not at all satisfied*' and 10 being '*very satisfied*'.

Service Attributes - Importance Ratings

Commercial customers provided high importance ratings for all attributes.

For 2014, mean importance ratings range from a high of 9.6 (*concern for public safety*) to a low of 8.3 (*contributes back to the community*).

Looking at 2014 compared to 2011, there are notable differences in the mean importance ratings for 4 of the 16 service attributes (which are shaded in the table).

Service Attribute	Mean Importance Rating	
	2011	2014
Concern for public safety	9.7	9.6
Good power quality free from voltage fluctuations	9.6	9.5
Ensures a sufficient supply of electricity for the foreseeable future	9.6	9.5
Speed in restoring power when a problem occurs	9.6	9.4
Operates in an environmentally responsible manner	9.5	9.2
The way Hydro maintains the electric system	9.5	9.4
Accuracy of billing	9.5	9.5
Cares about its customers	9.5	9.3
Friendly and courteous employees	9.5	9.3
Quality of customer service received	9.4	9.4
Listens to and acts upon customer concerns	9.4	9.3
The number of power outages	9.3	9.2
Bills that are easy to read and understand	9.3	9.3
The price you pay for electricity	9.3	9.2
Encourages consumers to make more efficient use of electricity	9.1	9.0
Contributes back to the community	8.6	8.3

Service Attributes - Satisfaction Ratings

For 2014, mean satisfaction ratings range from a high of 8.9 (*concern for public safety & friendly and courteous employees*) to a low of 6.4 (*price you pay for electricity*).

Looking at 2014 compared to 2011, there are notable differences in the mean satisfaction ratings for 8 of the 16 service attributes. These declines are shaded grey.

Service Attribute	Mean Satisfaction Rating	
	2011	2014
Concern for public safety	9.1	8.9
Friendly and courteous employees	9.0	8.9
Bills that are easy to read and understand	8.9	8.7
Operates in an environmentally responsible manner	8.8	8.4
Accuracy of billing	8.8	8.4
Quality of customer service received	8.7	8.5
Ensures a sufficient supply of electricity for the foreseeable future	8.7	8.1
Encourages consumers to make more efficient use of electricity	8.5	8.2
The way Hydro maintains the electric system	8.5	7.9
Cares about its customers	8.4	8.1
Speed in restoring power when a problem occurs	8.3	8.2
Listens to and acts upon customer concerns	8.3	7.9
Good power quality free from voltage fluctuations	8.2	8.0
The number of power outages	7.6	7.0
Contributes back to the community	7.3	7.2
The price you pay for electricity	6.3	6.4

Gap Analysis

A gap score is the ***difference between the evaluation of importance and the evaluation of satisfaction with performance on any one service attribute.***

Through gap analysis, we can identify those service attributes for which there is a gap in how important an attribute is to a customer and how Hydro is performing.

Gap Analysis (cont'd)

Attributes with relatively larger gaps (1.0 or higher) are circled in the table.

Each attribute under *the reliability dimension* has a relatively larger gap. Also, for two of these three attributes (*number of power outages* and *sufficient supply of electricity*) the gap has widened from 2011 to 2014.

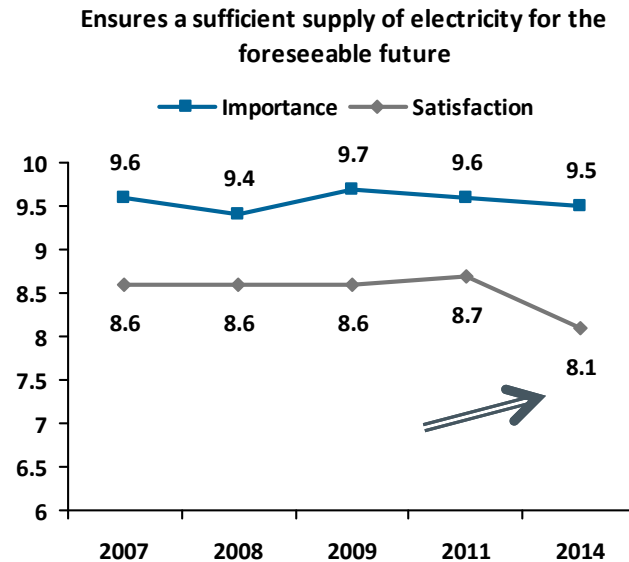
	Gap in 2011	Gap in 2014
Service Dimension		
The price you pay for electricity	-3.0	-2.8
Listens to and acts upon customer concerns	-1.1	-1.4
Good power quality free from voltage fluctuations	-1.4	-1.5
Cares about its customers	-1.1	-1.2
Accuracy of billing	-0.7	-1.1
The way Hydro maintains the electric system	-1.0	-1.5
Quality of customer service received	-0.7	-0.9
Bills that are easy to read and understand	-0.4	-0.6
Friendly and courteous employees	-0.5	-0.4
Corporate Citizenship Dimension		
Contributes back to the community	-1.3	-1.1
Operates in an environmentally responsible manner	-0.7	-0.8
Encourages consumers to make more efficient use of electricity	-0.6	-0.8
Concern for public safety	-0.6	-0.7
Reliability Dimension		
The number of power outages	-1.7	-2.2
Speed in restoring power when a problem occurs	-1.3	-1.2
Ensures a sufficient supply of electricity for the foreseeable future	-0.9	-1.4

Gap Analysis (cont'd)

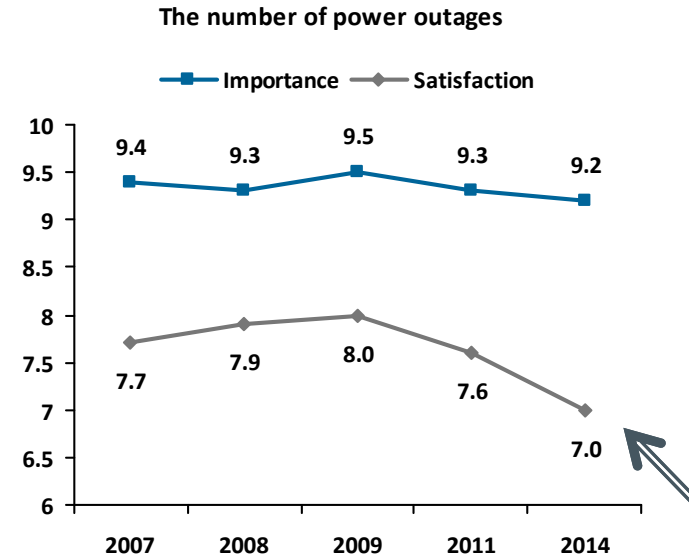
While importance and satisfaction ratings have changed over time, in many cases they have shifted in the same direction to a similar degree, thus maintaining the size of the gap between them*. The following slides highlight attributes that should be a flag for concern.

***NOTE: Graphs for each of the 16 service attributes are presented in the Appendix.**

Gap Analysis (cont'd)



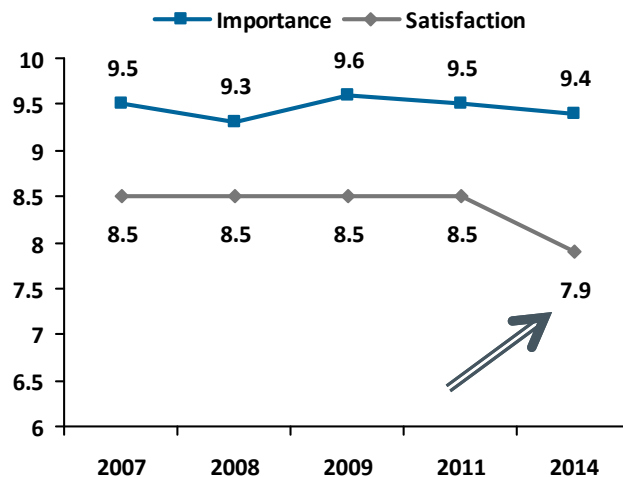
The gap for *ensures a sufficient supply of electricity* was smaller in 2011 (-0.9) than in 2014 (-1.4) due to a decrease in satisfaction (from 8.7 to 8.1).



The gap for *number of power outages* was smaller in 2011 (-1.7) than in 2014 (-2.2) due to a decrease in satisfaction (from 7.6 to 7.0). The satisfaction score for *number of power outages* has consistently declined since 2009.

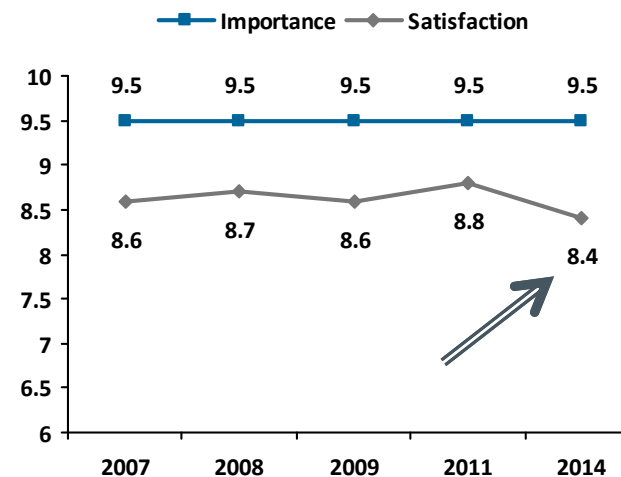
Gap Analysis (cont'd)

The way Hydro maintains the electric system



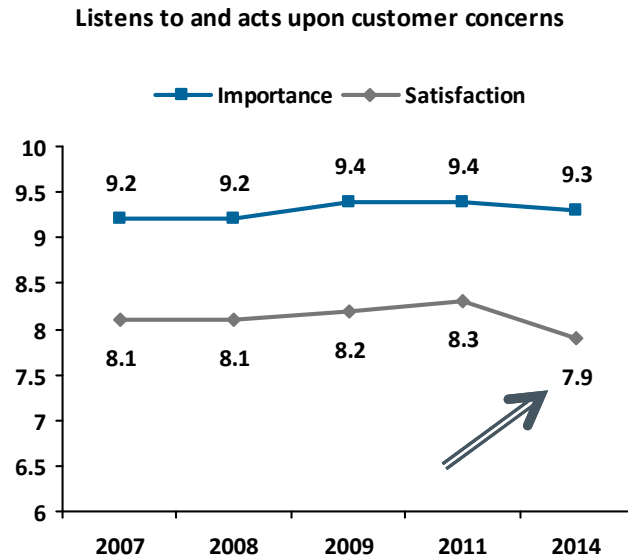
The gap for *the way Hydro maintains the electric system* increased from -1.0 in 2011 to -1.5 in 2014 due to a decrease in satisfaction (from 8.5 to 7.9).

Accuracy of billing



The gap for *accuracy of billing* increased from -0.7 in 2011 to -1.1 in 2014 due to a decrease in satisfaction (from 8.8 to 8.4).

Gap Analysis (cont'd)



The gap for *listens to and acts upon customer concerns* increased from -1.1 in 2011 to -1.4 in 2014. Importance decreased slightly (from 9.4 to 9.3) while satisfaction decreased from 8.3 to 7.9.

Drivers of Customer Satisfaction

To identify the drivers of satisfaction for Hydro, specialized statistical techniques were employed including a factor analysis and regression analysis.

In order to provide meaningful analysis based on the large list of statements asked in the survey, MQO conducted a factor analysis. This is a statistical technique where all of the statements are compared and then the ones that are most similar (in that people have answered them in a similar manner) are grouped together.

Even though the factors 'replace' all the individual questions for analysis and reporting, it is always possible to move back to the root questions.

The factors and individual statements that emerged from the factor analysis are shown next.

Drivers of Customer Satisfaction (cont'd)

Customer Concern

- Hydro listens to and acts upon customer concerns
- Hydro cares about its customers

Price

- Price you pay for electricity

Supply of Electricity

- Hydro ensures a sufficient supply of electricity for the foreseeable future
- The way Hydro maintains the electric system

Power Restoration

- Speed in restoring power when a problem occurs

Drivers of Customer Satisfaction (cont'd)

Customer Service

- Quality of customer service you receive from Hydro
- Friendly and courteous employees

Reliability

- Number of power outages
- Good power quality that is free from voltage fluctuations

Billing

- Hydro providing bills that are easy to read and understand
- Accuracy of Hydro's billing

Environmentally Responsible

- Hydro operates in an environmentally responsible manner

Drivers of Customer Satisfaction (cont'd)

Concern for Public Safety

- Hydro's concern for public safety

Efficient Use of Electricity

- Hydro encourages consumers to make more efficient use of electricity

Community Investment/Involvement

- Hydro contributes back to the community through initiatives such as community sponsorship programs

Drivers of Customer Satisfaction (cont'd)

Using a regression analysis, the data was analyzed to determine which of the factors have the most influence on perceptions of overall satisfaction with Hydro.

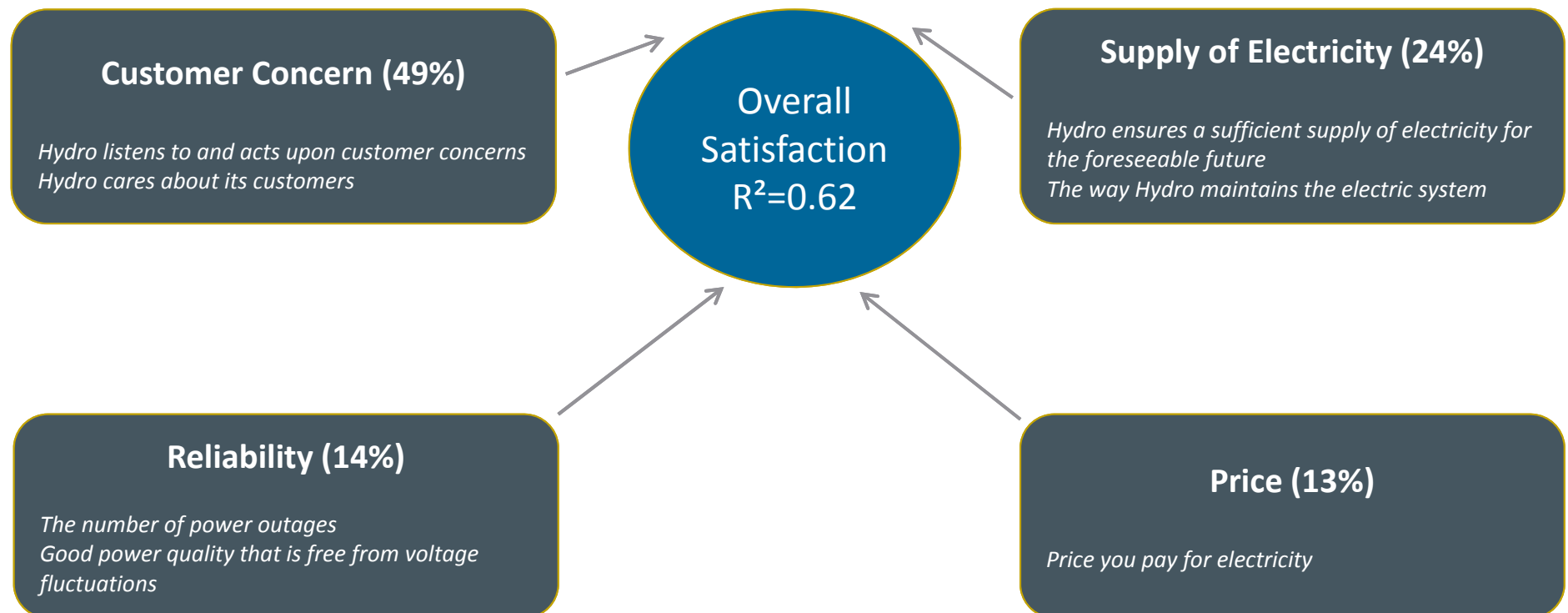
When the analysis is run, a calculation is made of how much of the overall variable is explained by the model (R-squared value). To be clear, the analysis shows which factors/statements have the most influence in terms of changing the overall satisfaction score, however it does not mean that the other factors are not important to customers.

The graphic on the following slide shows the key drivers of overall satisfaction. This analysis has an R-squared value of 0.62. This means that the model includes variables that explain 62% of the variance in the overall measure of satisfaction.

The percentages show the relative contribution of each factor with higher numbers meaning there is more influence on the overall measure of satisfaction.

Although there are eleven factors measured, the regression analysis indicates that there are only four that significantly contribute to overall satisfaction with Hydro.

Key Drivers of Customer Satisfaction



Performance on Key Drivers

One area of weak performance: price.

Performance on Key Drivers

	Top 4 Scores
Customer Concern (High Importance 49%)	
Hydro listens to and acts upon customer concerns	84%
Hydro cares about its customers	83%
Supply of Electricity (Medium Importance 24%)	
Ensures a sufficient supply of electricity for the foreseeable future	82%
The way Hydro maintains the electric system	83%
Reliability (Medium Importance 14%)	
Number of power outages	70%
Good power quality that is free from voltage fluctuations	81%
Price (Medium Importance 13%)	
Price you pay for electricity	53%

Legend			
Excellent	Good	Fair	Poor

*NOTE: Don't knows and refusals have been removed from this analysis.

OTHER TOPICS

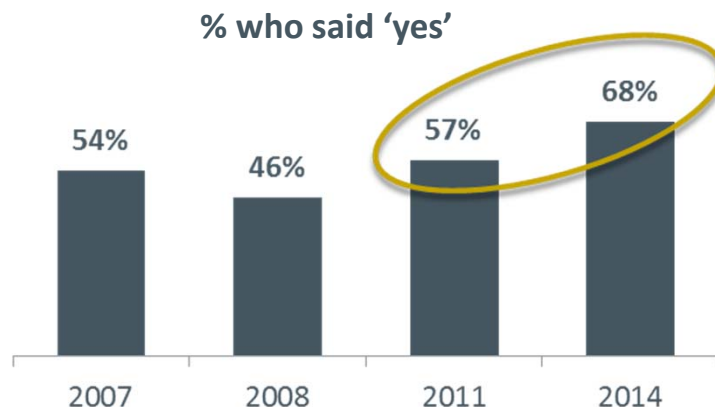
Other Topics

In addition to overall measures of satisfaction, other topics that matter to Hydro were also assessed through this research. Some of these topics include: unplanned power outages, Hydro's automated toll-free number, Hydro's website, Watts New and winter readiness.

Unplanned Power Outages

An unplanned power outage is an outage that a customer receives no notification about and lasts longer than 30 minutes. The proportion of commercial customers who recalled experiencing an unplanned power outage at their company/organization within the past year increased from 57% in 2011 to 68% in 2014.

From a regional perspective, compared to 2011, there is an increase in the proportion of customers in the Central and Northern region who recall experiencing an unplanned power outage.



***Q7. Within the past year, have you experienced an unplanned power outage at your company or organization that lasted more than 30 minutes?**

	% who said 'yes'	
	2011	2014
Region		
Central	47%	64%
Northern	55%	71%
Labrador	77%	71%

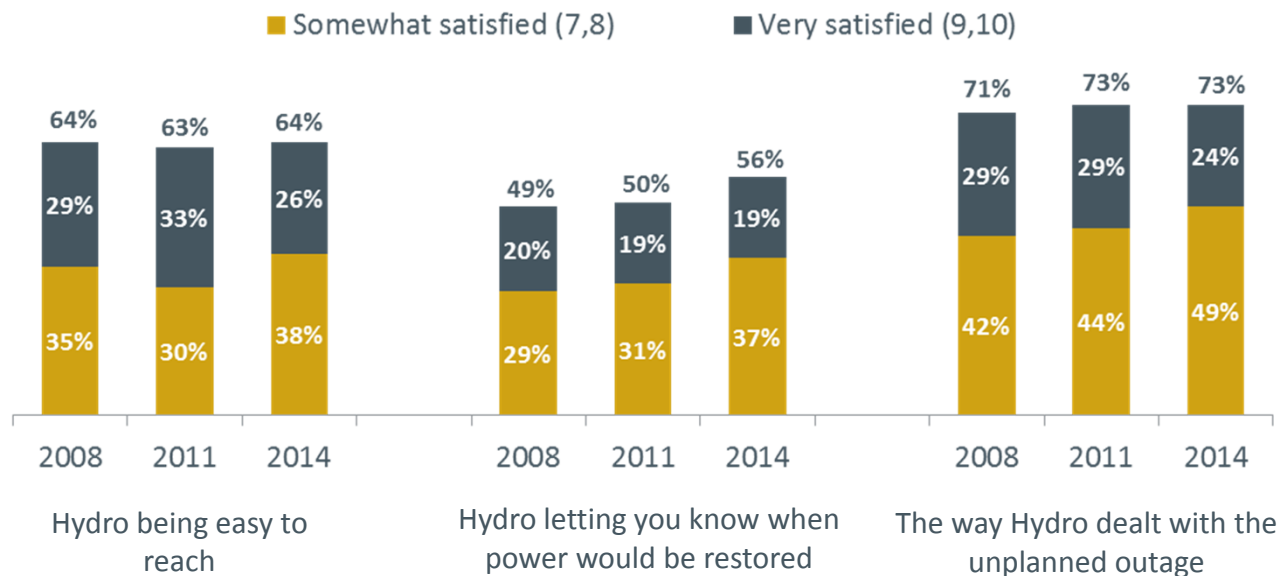
Q7. Within the past year, have you experienced an unplanned power outage at your company or organization that lasted more than 30 minutes?

Unplanned Power Outages (cont'd)

Customers who recalled experiencing an unplanned power outage in the past year were asked to rate their satisfaction with aspects of Hydro's service during their **most recent** unplanned outage.

Commercial customers are moderately satisfied with the service received from Hydro during their most recent power outage. It is important to note that for the attribute *letting you know when the power would be restored*, the top four score increased to 56%.

Similar to previous years, customers provided the highest rating for *the way Hydro dealt with the unplanned power outage* (73% very or somewhat satisfied).

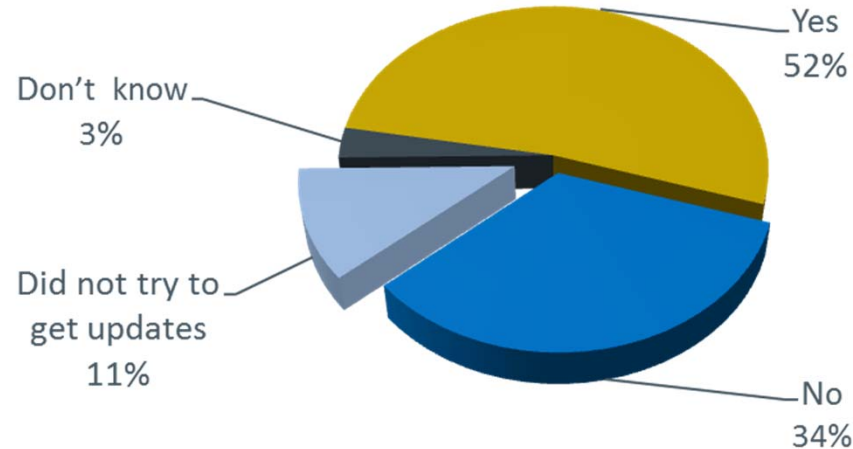


Even though the overall scores have remained fairly consistent, for the following two attributes: *Hydro being easy to reach* and *the way Hydro dealt with the unplanned outage*, the proportion of customers who are **very satisfied** decreased slightly from 2011 to 2014.

Unplanned Power Outages (cont'd)

Fifty-two percent (52%) of those who reported experiencing an unplanned power outage were able to get regular updates from Hydro during their most recent outage.

Some customers (11%) did not try to get regular updates from Hydro.



Q8D. Still thinking about the most recent unplanned power outage at your company or organization, were you able to get regular updates from Hydro during the outage? SUBSET: Those who experienced an unplanned power outage.

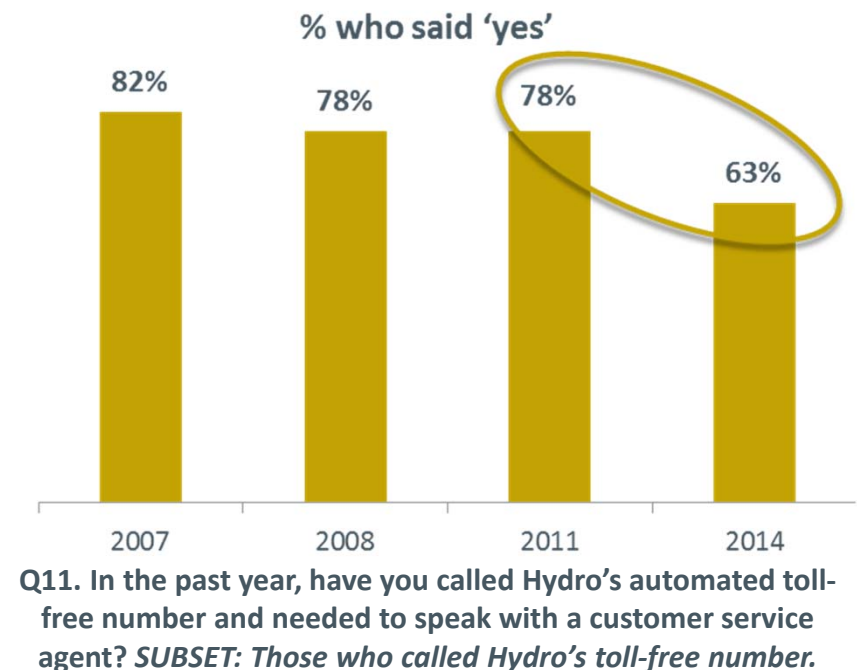
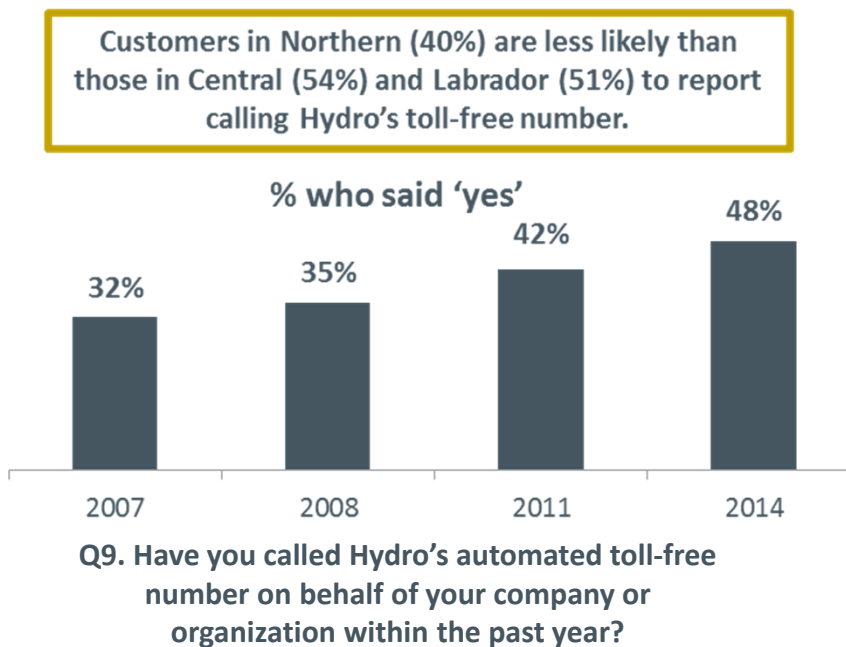


Automated Toll-Free Number

Hydro makes available to its customers an automated toll-free number which provides power outage information and billing/account information 24 hours a day.

Forty-eight percent (48%, n=148) of commercial customers reported calling Hydro's automated toll-free number within the past year (up from 42% in 2011). The vast majority of those who called (80%) were able to get the information needed.

Even though more customers reported calling the toll-free line in 2014, fewer needed to speak with a customer service agent (63%, down from 78% in 2011).





Automated Toll-Free Number (cont'd)

Of those customers who reported calling Hydro's automated toll-free number and needed to speak with a customer service agent, 22% (n=20) had difficulty reaching an agent.

Many customers experiencing difficulty were calling to obtain power outage information (n=14).

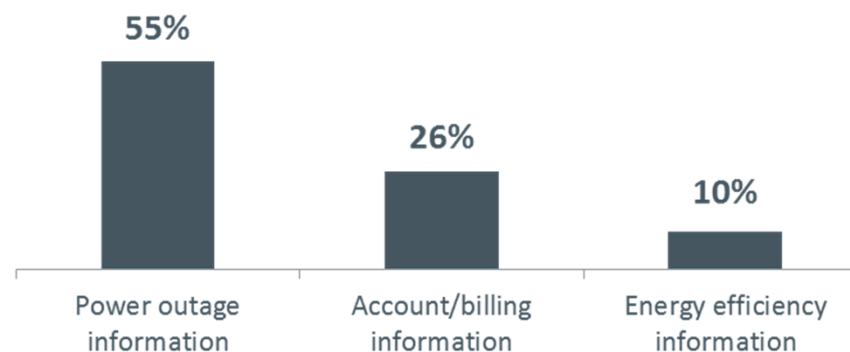


Hydro's Website

Hydro has a website that offers power outage information, account/billing information, safety information etc.

Thirty-five percent (35%) of commercial customers reported that they have visited Hydro's website at least once in the past year (up from 19% in 2011). Customers who visited Hydro's website were most commonly seeking *power outage information* (55%) and *account/billing information* (26%). The vast majority (85%) of those who visited Hydro's website were able to find the information they were looking for.

Top Mentions



Q18. In the past year, what information have you looked for on Hydro's website?

SUBSET: Those who visited Hydro's website.

Hydro's Website (cont'd)

Those who reported visiting Hydro's website over the past year were asked to rate the site on a variety of attributes.

Ratings are favorable as the vast majority of commercial customers provided a rating of 7 or higher on each of the three attributes. It is important to note that the proportion of customers who provided a rating of 9 or 10 decreased from 2011 to 2014 for each of the three attributes.

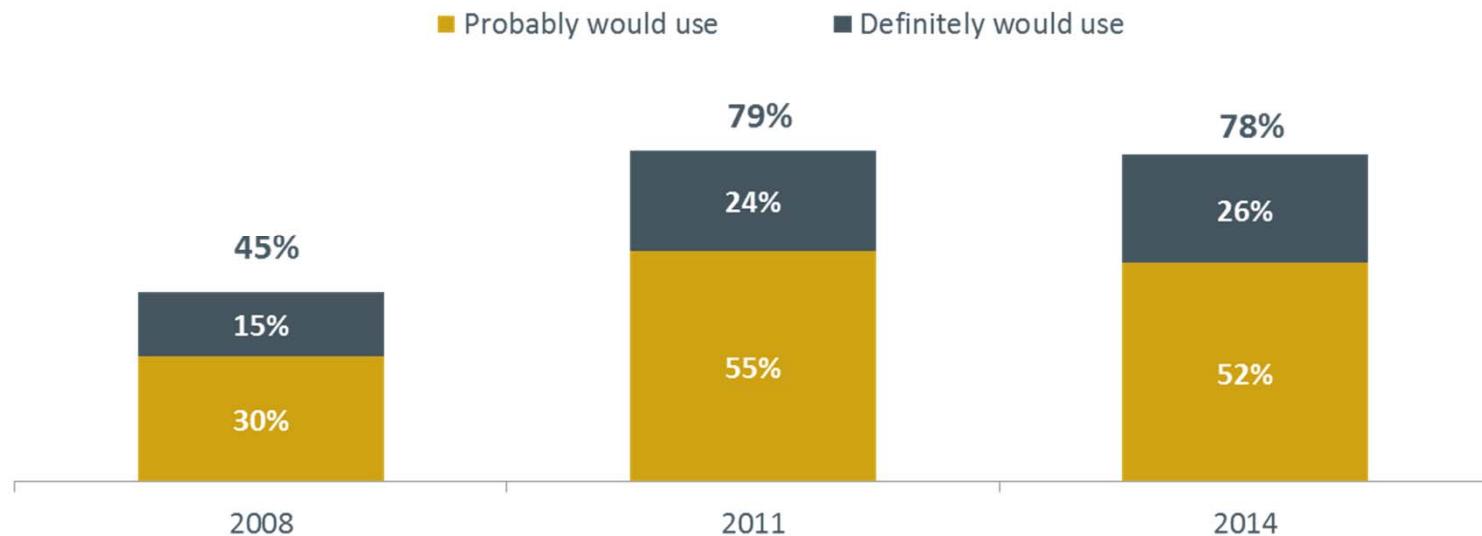


Q21. On a scale of 1 to 10, with 1 being 'very poor' and 10 being 'excellent', please rate Hydro's website on the following...?

Online Services

Hydro is considering expanding their online customer service capabilities by allowing customers to request a service or information online through their website. Customers were asked about the likelihood of using such online services.

In 2014, 26% of those commercial customers with internet access *definitely would use* online services and 52% *probably would use* online services.

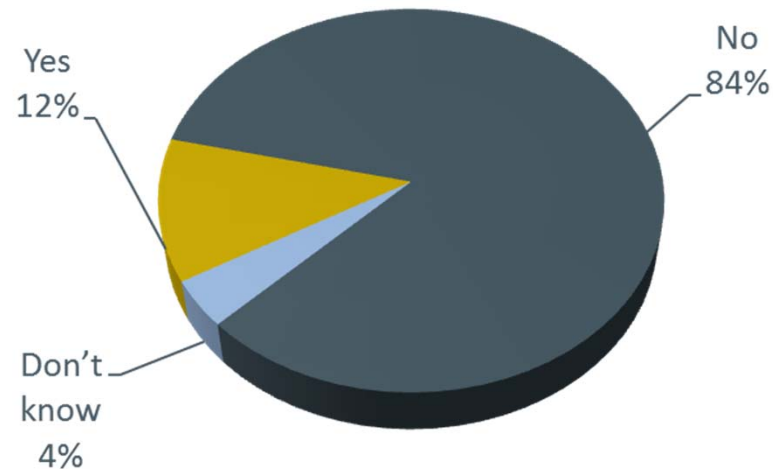


Q22. Hydro is considering expanding access to services by allowing customers to make a request for service or a request for information online through their website. If such online services were available, how likely are you to use them? *SUBSET: Those with access to the internet.*

Electronic Billing

Electronic billing is a type of billing offered by Hydro through which customers receive and view their monthly bill online through their email.

Ninety-six percent (96%) of commercial customers have access to the internet. Of those customers, 12% reported that they currently use electronic billing from Hydro (up from 6% in 2011).

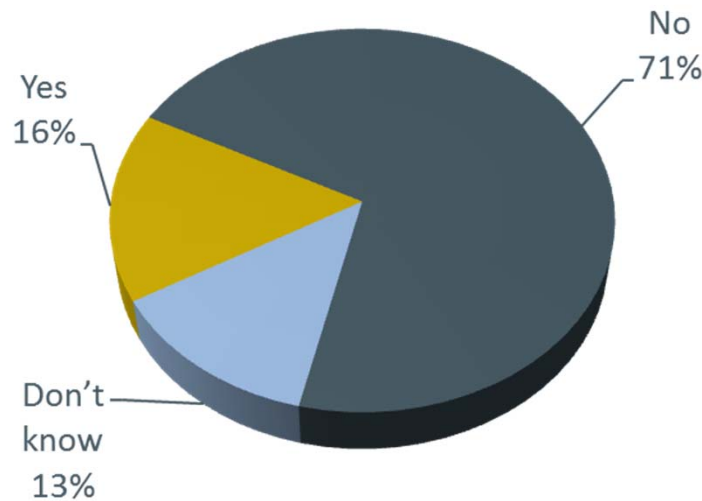


Q23. Do you currently use electronic billing from Hydro?
SUBSET: Those with access to the internet.

Electronic Billing (cont'd)

Those who are not currently using (or have never used) electronic billing from Hydro were asked to identify if, over the next six months, they plan to sign up for this service.

Sixteen percent (16%) said 'yes' while an additional 13% said 'do not know'.



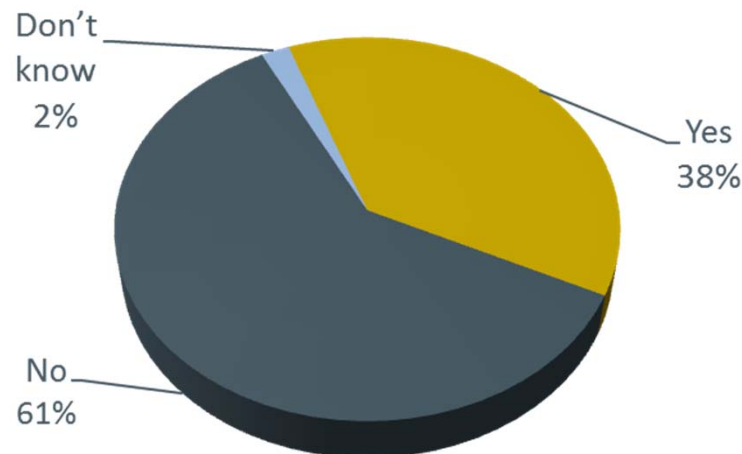
Customers in Central (8%) are less likely than those in Labrador (25%) and Northern (16%) to report that they plan to sign up for electronic billing from Hydro.

Q25. Thinking ahead, over the next six months, do you plan to sign up for electronic billing from Hydro? SUBSET: Those with access to the internet and have never used electronic billing from Hydro.

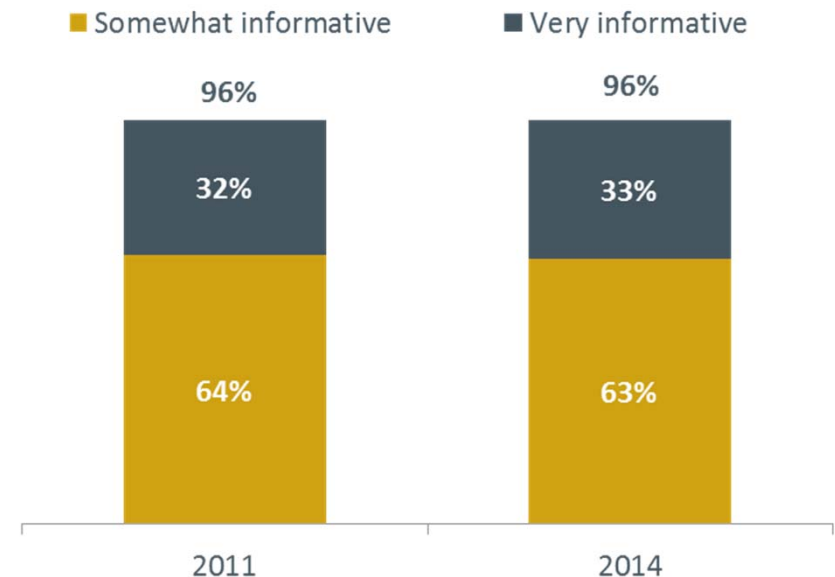
Watts New

In 2005, Hydro introduced a customer newsletter called '*Watts New*', which is distributed to all customers on a quarterly basis as an insert with their Hydro bill. Thirty-eight percent (38%) of commercial customers have read an issue of '*Watts New*' over the past year (down from 49% in 2011).

Almost all customers (96%) who read the newsletter rated its content as informative (33% *very informative* and 63% *somewhat informative*).



Q27. Over the past year have you read an issue of Hydro's customer newsletter '*Watts New*'?



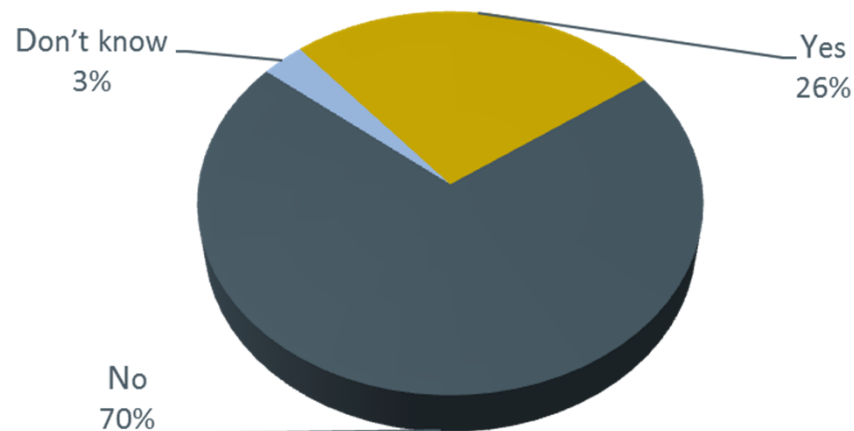
Q28. And overall, would you rate the content of '*Watts New*' as very informative, somewhat informative, not very informative or not at all informative to you as a Hydro customer? *SUBSET: Those who have read an issue of 'Watts New' over the past year.* 40

Safety Advertising Programs

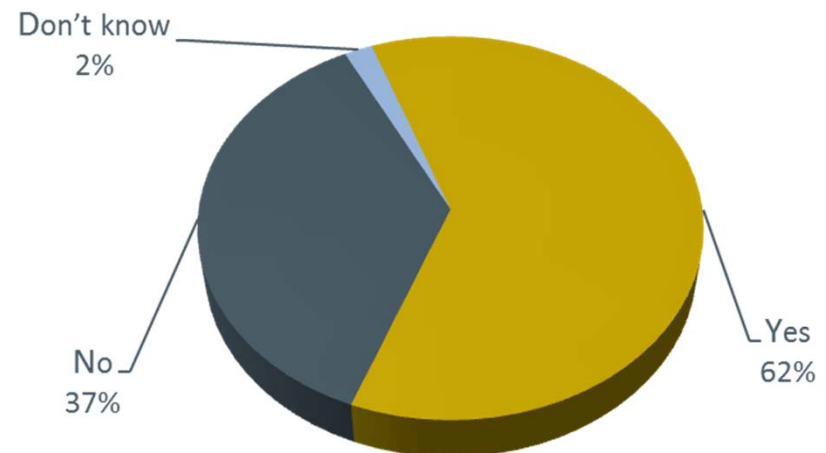
Twenty-six percent (26%) reported that they have heard of Hydro's public safety advertising program '*Back it Up*'. Sixty-two percent (62%) reported that they have heard of '*Power Line Safety*'.

The website HydroSafety.ca delivers both of these safety programs and is where the public can get information about electrical safety, emergency preparedness and safety for children.

Very few commercial customers (4%) reported that they have visited the HydroSafety.ca website over the past year.



Q31A. 'Back it Up' is one of Hydro's public safety advertising programs. Have you heard of this program?



Q31B. 'Power Line Safety' is one of Hydro's public safety advertising programs. Have you heard of this program?

Social Media

A very small proportion of commercial customers reported that they have visited Hydro's social media sites.

Four percent (4%, n=14) reported visiting Hydro's social media site on Facebook and 2% (n=6) reported visiting Hydro's social media site on Twitter.

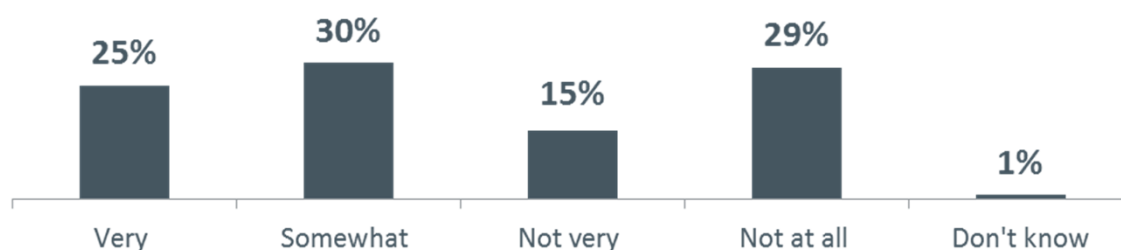
Of those who did not visit Hydro's social media sites, two-thirds indicated that they did not visit any social media sites over the past twelve months (in an effort to acquire information).

Text Message Service

Hydro is considering offering to its customers a text message service that provides information about power outages and energy efficiency.

Fifty-five percent (55%) of commercial customers are interested in subscribing to a text message service from Hydro (25% *very interested* and 30% *somewhat interested*).

Even more commercial customers in Labrador (67%) are interested in subscribing to a text message service from Hydro.



Q37A. How interested would you be in subscribing to a text message service from Hydro that provides information about power outages and energy efficiency?

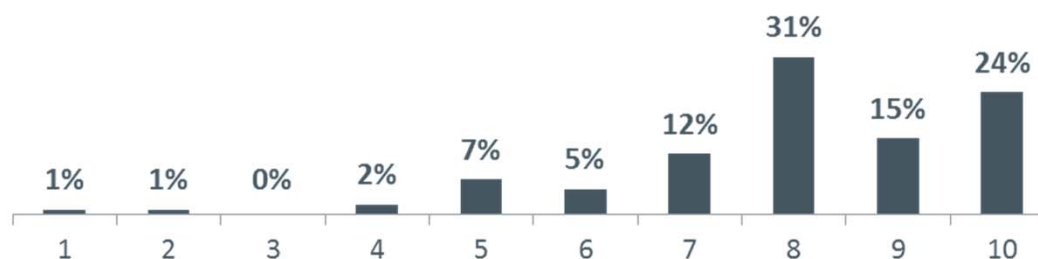
	% very or somewhat interested
Overall	55%
Region	
Central	51%
Northern	50%
Labrador	67%

Winter Readiness

The vast majority of commercial customers (82%) are confident in Hydro's ability to deliver power this winter (that is, provided a rating of 7 or higher).

Highest level of confidence occurs in Labrador (89%).

39% provided a rating of 9 or 10 and 43% provided a rating of 7 or 8.



Q37B. Overall, how confident are you in Hydro's ability to deliver power this winter? Please use a scale of 1 to 10 where 1 is 'not at all confident' and 10 is 'very confident'.

	2014 % Indicating 7+
Overall	82%
Region	
Central	83%
Northern	78%
Labrador	89%

SUMMARY

Summary

Overall Satisfaction

The vast majority of commercial customers are satisfied with Hydro. Eighty-four percent (84%) provided a rating of 7 or higher when asked to rate their overall satisfaction with Hydro using a 10-point scale with 1 being '*not at all satisfied*' and 10 being '*very satisfied*'. It is important to note that the proportion of customers who are *very satisfied* (provided a rating of 9 or 10) slipped from 41% in 2011 to 36% in 2014.

Overall Reputation

Compared to historic results, Hydro's overall reputation score has declined. In 2014, 76% of customers provided a rating of 7 or higher when asked to rate Hydro's overall reputation using a 10-point scale with 1 being a '*very bad reputation*' and 10 being a '*very good reputation*'. In 2011, 82% provided a rating of 7 or higher and in 2008, 86% provided a rating of 7 or higher.

Summary (cont'd)

Service Reliability

Commercial customers are satisfied with Hydro's service reliability. Ninety-four percent (94%) provided a rating of 7 or higher when asked to rate their satisfaction with the supply of electricity they receive from Hydro using a scale of 1 to 10, with 1 being '*not at all satisfied*' and 10 being '*very satisfied*'. The proportion of customers who are *very satisfied* (provided a rating of 9 or 10) has decreased over time (from 64% in 2008 to 54% in 2014).

Overall Customer Service

Commercial customers are satisfied with the customer service received from Hydro. Ninety-two percent (92%) provided a rating of 7 or higher when asked to rate their satisfaction with the customer service received from Hydro using a 10-point scale with 1 being '*not at all satisfied*' and 10 being '*very satisfied*'.

Summary (cont'd)

Other Topics

Compared to 2011, customer satisfaction with Hydro's service delivery has declined in certain areas. Commercial customers were asked to rate their satisfaction with the performance of Hydro on 16 attributes using a scale of 1 to 10, with 1 being '*not at all satisfied*' and 10 being '*very satisfied*'. Analysis revealed statistically significant decreases for 8 of the 16 attributes.

More commercial customers report visiting Hydro's website. Thirty-five percent (35%) of commercial customers reported that they have visited Hydro's website at least once in the past year (up from 19% in 2011). This is positive because increasing traffic to Hydro's website may entice customers to use online customer service capabilities and may also increase awareness of Hydro's social media sites.

Fewer customers are reading Hydro's customer newsletter '*Watts New*'. In 2014, 38% of commercial customers read an issue of '*Watts New*' compared to 49% in 2011.

Summary (cont'd)

Approximately one-quarter of commercial customers reported that they have heard of Hydro's public safety advertising program called 'Back It Up' (26%). Awareness of Hydro's public safety advertising program called '*Power Line Safety*' is stronger (62%).

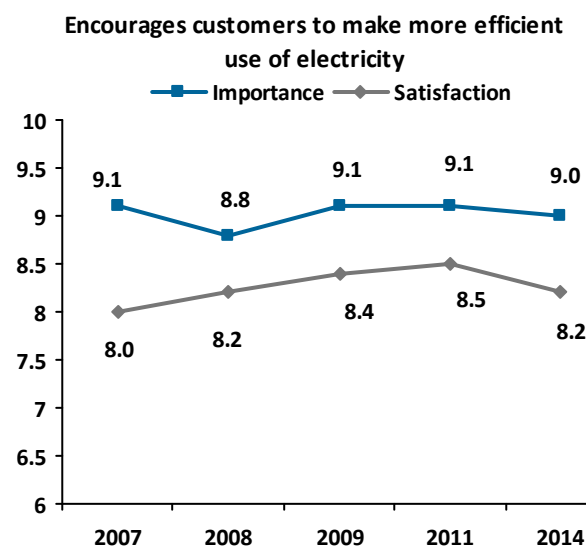
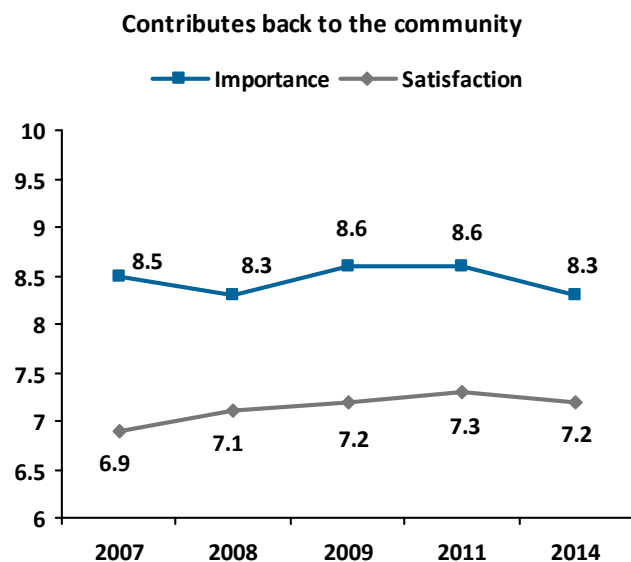
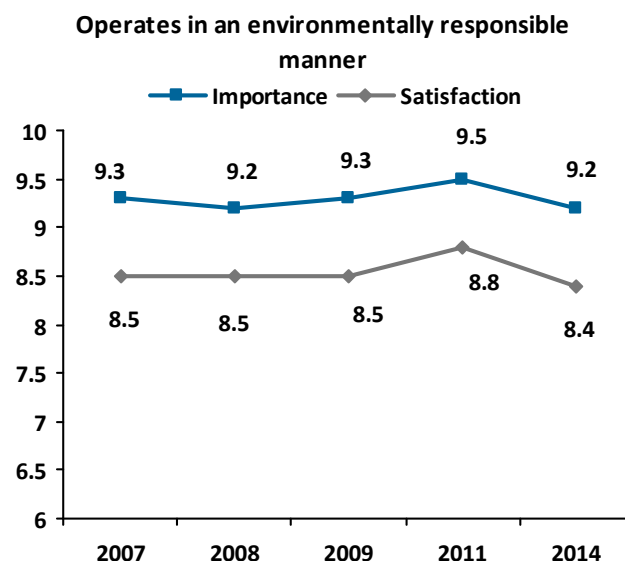
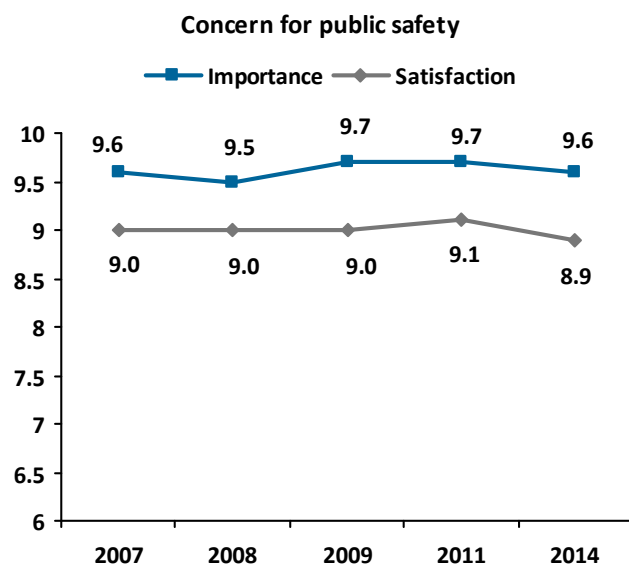
A very small proportion of commercial customers reported that they have visited Hydro's social media sites. Four percent (4%) reported that they have visited Hydro's social media site on Facebook and 2% reported that they have visited Hydro's social media site on Twitter.

The vast majority of customers are confident in Hydro's ability to deliver power this winter. Eighty-two percent (82%) provided a rating of 7 or higher when asked to rate their overall confidence in Hydro's ability to deliver power this winter using a 10-point scale with 1 being '*not at all confident*' and 10 being '*very confident*'. Thirty-nine percent (39%) provided a rating of 9 or 10 and 43% provided a rating of 7 or 8.

APPENDIX

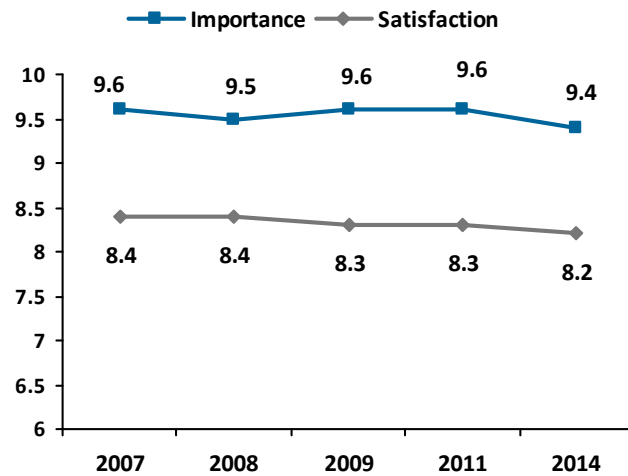
GAP ANALYSIS

Gap Analysis – Corporate Citizenship

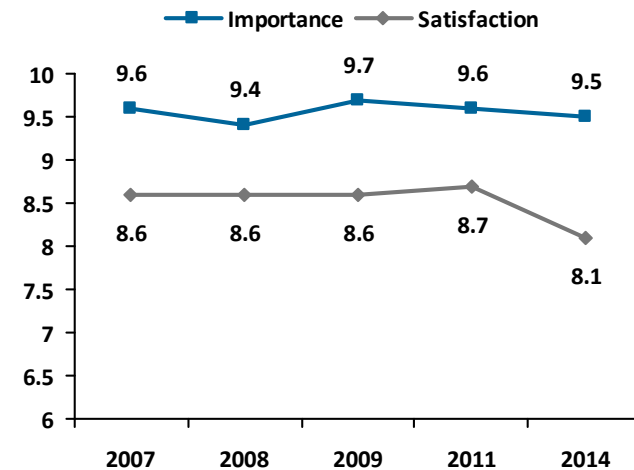


Gap Analysis – Reliability

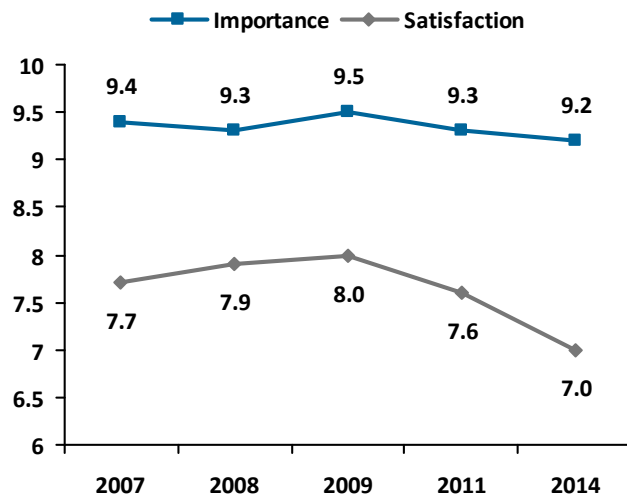
Speed in restoring power when a problem occurs



Ensures a sufficient supply of electricity for the foreseeable future

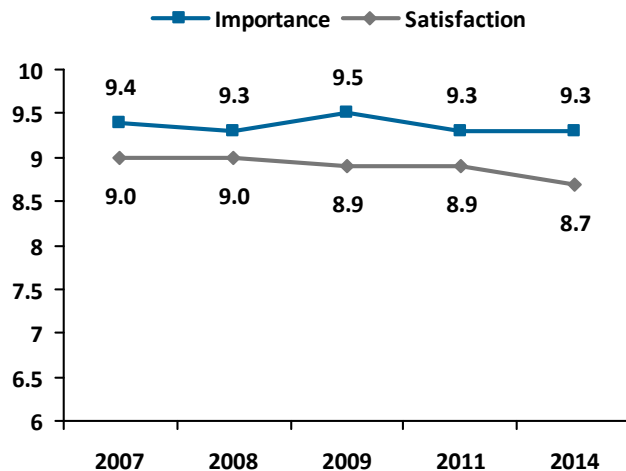


The number of power outages

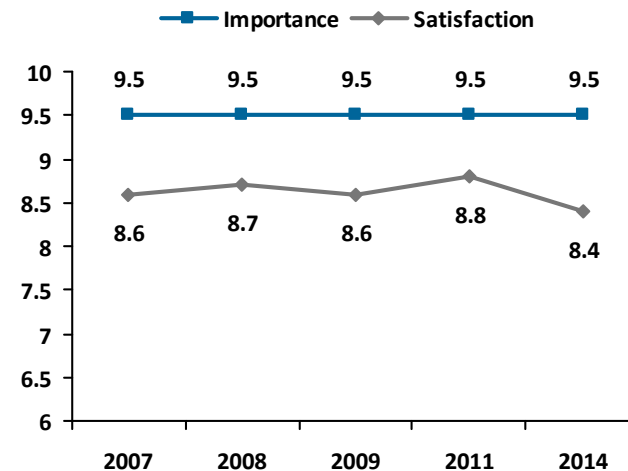


Gap Analysis – Service

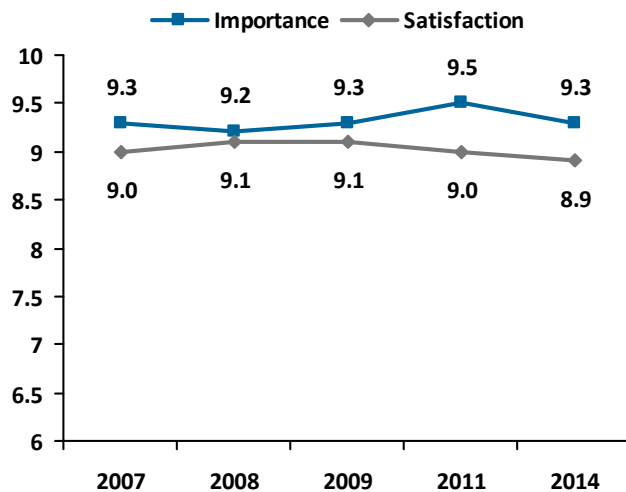
Bills that are easy to read and understand



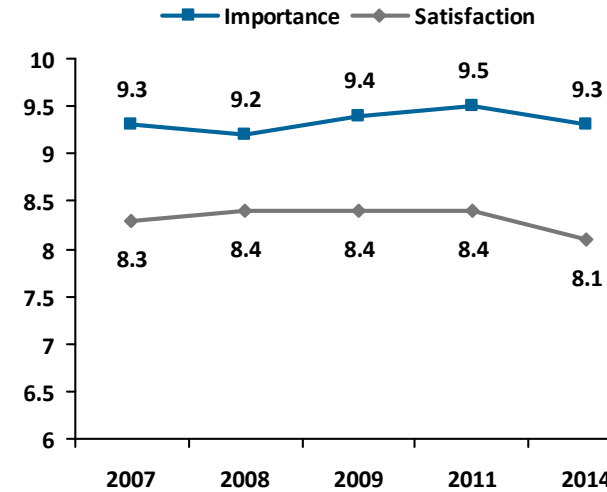
Accuracy of billing



Friendly and courteous employees

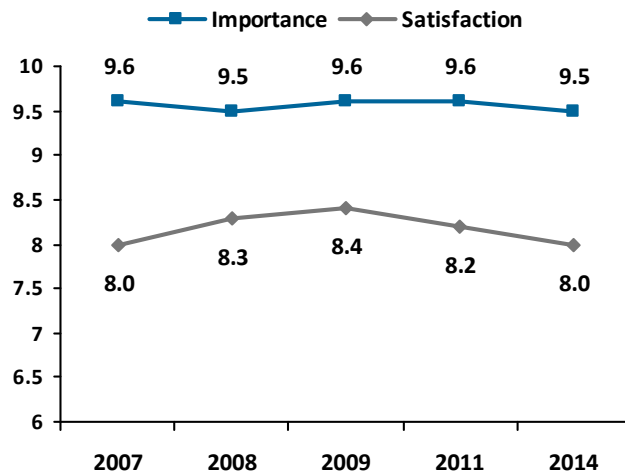


Cares about its customers

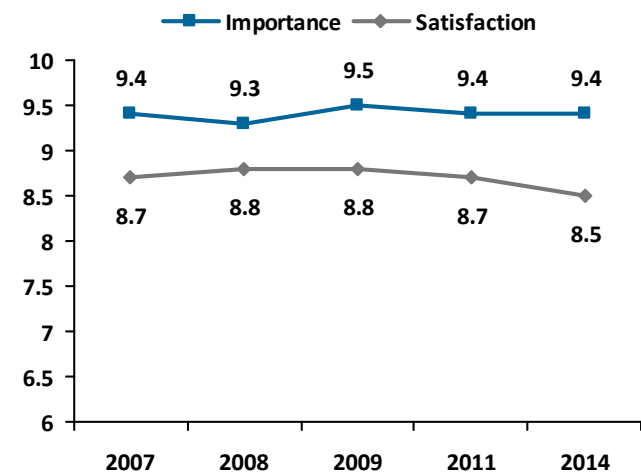


Gap Analysis – Service (cont'd)

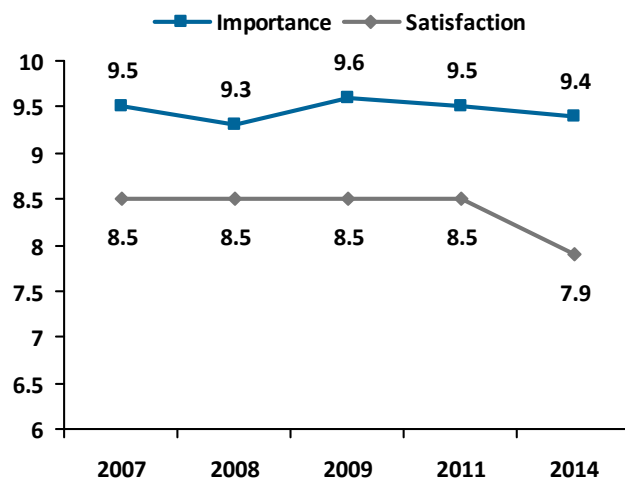
Good power quality free from voltage fluctuations



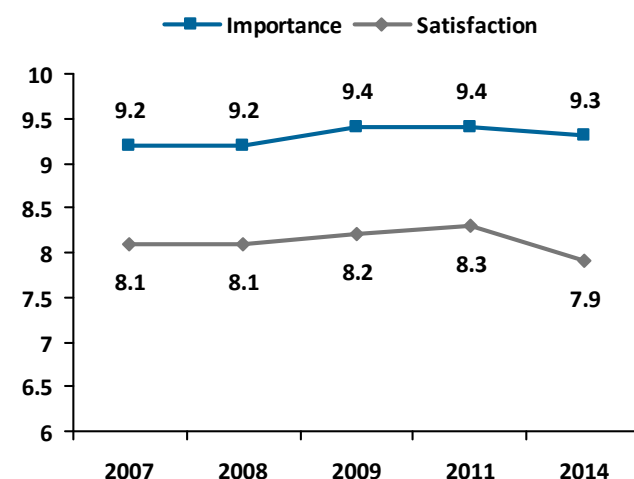
Quality of customer service received



The way Hydro maintains the electric system



Listens to and acts upon customer concerns



Gap Analysis – Service (cont'd)

The price you pay for electricity

