

1 Q. **Reference: Application**

2 How has Hydro ensured that its 2023 Capital Budget provides an appropriate balance between  
3 reliability, rate impacts, and the value customers place on service? Has Hydro conducted a  
4 customer engagement process and incorporated the results in its 2023 Capital Budget  
5 Application? If so, please provide customer surveys and documentation relating to customer  
6 feedback that Hydro has relied upon to determine the appropriate balance between reliability,  
7 rate impacts, and the value customers place on service, and please provide specific references  
8 to customer input and feedback used in the development of the 2023 Capital Budget  
9 Application.

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12 A. Newfoundland and Labrador Hydro's ("Hydro") capital investments reflect its obligations to  
13 provide reliable service at the lowest possible cost.

14 In recent years, Hydro has engaged in various forms of customer and stakeholder engagement,  
15 providing customers with an opportunity to register their opinions regarding electricity service  
16 reliability as well as share their perceptions about levels of capital investment and electricity  
17 rates in the province.

18 In late 2018, as part of the Reliability and Resource Adequacy Study, Hydro conducted a digital  
19 engagement process that resulted in more than 2,000 completed surveys—providing customers'  
20 views on the reliability of Hydro's power system, their current level of reliability, and their  
21 preference on the level of reliability they wished to have. Participation was open to all electricity  
22 customers in the province. Please refer to Hydro's response to CA-NLH-031 from its 2022 Capital  
23 Budget Application for further information.<sup>1</sup>

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<sup>1</sup> "2022 Capital Budget Application," Newfoundland and Labrador Hydro, rev. September 17, 2021 (originally filed August 2, 2021), CA-NLH-031.

1 Planning is underway for additional engagement activities that will include a digital engagement  
2 exercise open to all electricity customers in the province, as well as stakeholder outreach that  
3 will include industrial and commercial customers.

4 Hydro also engages with customers through its Electricity Feedback Panel, which was first  
5 established in 2019 and consists of approximately 1,000 electricity consumers in the province  
6 who have voluntarily registered. The purpose of the panel is to gather opinions and feedback on  
7 various electricity-related topics through online surveys, with the aim of helping Hydro better  
8 understand and meet the needs of customers. An example of this is Hydro's use of the panel to  
9 gather opinions on electric vehicles ("EV"). As noted in Hydro's response to TC-CA-NLH-019 from  
10 the joint proceeding in relation to the 2021 Electrification, Conservation and Demand  
11 Management Plan,<sup>2</sup> Hydro conducted a survey through the Electricity Feedback Panel in late  
12 2019 to help inform moving forward with developing the first EV fast-chargers in the province.  
13 The survey was intended to understand opinions and perceptions regarding EVs, including the  
14 likelihood of purchasing an EV and motivators/deterrents to purchasing an EV.

15 Hydro has also been increasing stakeholder consultations in recent years to provide advanced  
16 notice on capital projects and other initiatives that are unique or larger in magnitude, in order to  
17 obtain stakeholder feedback that may be useful in informing decision-making. An example of  
18 this is Hydro's proposed project for the long-term supply of southern Labrador for which Hydro  
19 held discussions with town council representatives for the affected communities, Newfoundland  
20 Power, and other stakeholder groups.

21 In addition, Hydro conducts residential customer surveys every two years to gauge and track  
22 satisfaction levels over time. While these surveys do not specifically query customers about the  
23 value they place on increased system reliability, they measure general satisfaction with service  
24 and reliability.

25 Hydro uses information gathered from its various engagement activities to inform its capital  
26 investment strategy.

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<sup>2</sup> The joint proceeding includes "Application for Approvals to Executive Programming Identified in the Electrification, Conservation and Demand Management Plan (2021–2025)," Newfoundland and Labrador Hydro, June 16, 2021 and "2021 Electrification, Conservation and Demand Management Application," Newfoundland Power Inc., December 16, 2020.