

- 1 **Q. (Application Volume 1, Exhibit 2, item 24) NP plans to spend more than \$0.5**
 2 **million per year in 2021, 2022 and 2023 on advertising. What does it advertise?**
 3 **With electronic communications and its CSS available to reach its customers, why**
 4 **does NP need to advertise at all?**
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 6 A. Newfoundland Power’s advertising costs primarily include advertising related to safety
 7 and customer conservation and electrification.
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 9 Table 1 provides a breakdown of forecast advertising costs for 2021 through 2023.

Table 1:
Breakdown of Advertising Costs
(\$000s)

	2021F	2022F	2023F
Safety Advertising	305	275	290
Conservation and Electrification	210	248	242
Other	2	2	2
Total	517	525	534

10 Newfoundland Power has a responsibility to educate and inform the general public on the
 11 dangers and hazards associated with the electricity system. The electronic
 12 communications provided by the Company’s CSS are an efficient means to communicate
 13 with customers. However, broader advertising is required to ensure all members of the
 14 general public are educated on the dangers and hazards associated with the electricity
 15 system.¹
 16

17 Additionally, advertising plays an integral role in addressing barriers to customers’
 18 adoption of energy-efficient and other technologies. Newfoundland Power uses
 19 multimedia campaigns to educate customers on options to reduce their energy usage.²
 20 The Company’s conservation programs have been effective in reducing costs to
 21 customers. Since 2009, participating customers have achieved bill savings of
 22 approximately \$118 million. All customers have benefitted from reduced system costs of
 23 approximately \$135 million over this period.³

¹ The Company uses television, newspaper, radio and online media advertising to ensure it reaches a greater portion of the general public.
² Multimedia advertising has been proven to be effective with 87% of households surveyed in 2020 having heard of the takeCHARGE program and 50% of those households indicating that they intended to make a change to reduce their electricity usage as a result.
³ See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 2: Customer Operations, page 2-15.