

1 **Q. (Reference Application) How has NP ensured that its 2024 Capital Budget**
2 **provides an appropriate balance between reliability, environment, rate**
3 **impacts, and the value customers place on service? Has NP conducted a**
4 **customer engagement process and incorporated the results in its 2024 Capital**
5 **Budget Application, or any other Capital Budget Application in recent years? If**
6 **so, please provide customer surveys and documentation relating to customer**
7 **feedback that NP has relied upon to determine the appropriate balance**
8 **between reliability, environment, rate impacts, and the value customers place**
9 **on service, and please provide specific references to customer input and**
10 **feedback used in the development of the 2024 Capital Budget Application.**

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12 A. Newfoundland Power provides electrical service in a manner consistent with customers'
13 expectations, or preferences.

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15 The Company's capital planning process used in developing its *2024 Capital Budget*
16 *Application* is a deliberate effort to balance the cost and reliability of the service
17 provided to its customers. This is consistent with customers' service expectations, as
18 quarterly surveys show that the two most important issues to customers are reliability
19 and price. Approximately 1,800 Newfoundland Power customers are surveyed each
20 quarter.

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22 The results of quarterly surveys indicate a reasonable level of customer satisfaction with
23 the Company's service delivery. Overall customer satisfaction with Newfoundland
24 Power's service averaged 86% over the last decade.¹

25
26 The Company is focused on maintaining current levels of overall service reliability for its
27 customers at the lowest possible cost. For example, the frequency and duration of
28 customer outages in the Newfoundland Power's service territory have remained
29 reasonably stable under normal operating conditions over the last decade.² Similarly,
30 Newfoundland Power's investment in transmission and distribution assets has increased
31 at a rate consistent with the average of other Atlantic Canadian utilities over
32 substantially the same time frame.³ For more information on how Newfoundland Power
33 balances cost and service, see the Company's *2024 Capital Budget Application, 2024*
34 *Capital Budget Overview, Section 2.2 Capital Planning at Newfoundland Power* and
35 *Section 2.3 Balancing Cost and Service*.

36
37 Newfoundland Power routinely works with its customers in the execution of capital
38 programs and projects to ensure their service expectations are met. For example, when
39 a new subdivision is planned, Newfoundland Power works with the developer and
40 municipality to determine the appropriate distribution plant layout. The plans are
41 ultimately approved by the municipality. The *LED Street Lighting Replacement* project
42 included engagement with street lighting customers on the costs and benefits of LED
43 street lighting and that project ultimately received a letter of support from the largest
44 municipal organization in the province, Municipalities Newfoundland and Labrador. In

¹ See Newfoundland Power's *2024 Capital Budget Application, 2024-2028 Capital Plan*, page 4.

² See Newfoundland Power's *2024 Capital Budget Application, Capital Budget Overview*, page 6.

³ See Newfoundland Power's *2024 Capital Budget Application, Capital Budget Overview*, pages 12 and 13.

1 addition, when new customers are connected to the electrical system, Newfoundland
2 Power Technologists routinely meet with customers to ensure their service preferences
3 are understood. This would include, as an example, where to install a service on a
4 customer's premise.

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6 Other capital programs and projects reflect broader customer preferences. For example,
7 the *Application Enhancements* project for 2024 includes implementation of an
8 automated webchat solution, which will keep pace with customers' increasing
9 expectations for digital communication.⁴

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11 See the response to Request for Information CA-NP-014 parts d) and e) for information
12 regarding the Company's approach to delivering electrical service in an environmentally
13 responsible manner.

⁴ See Newfoundland Power's *2024 Capital Budget Application*, report 5.1 *Application Enhancements*, page 6.