

1 **Q. (Reference Application, 2024 Capital Budget Overview, page 8) It is stated**
 2 **"Newfoundland Power is focused on maintaining current levels of overall**
 3 **service reliability for its customers under normal operating conditions. The**
 4 **Company's annual targets for service reliability are based on the most recent**
 5 **five-year average." Does Hydro have information on customer trade-offs**
 6 **between cost and reliability, and does the information include NP customers?**
 7 **If so, was it incorporated in NP's 2024 Capital Budget process?**
 8

9 A. Yes, Newfoundland and Labrador Hydro ("Hydro") has information on customer trade-
 10 offs between cost and reliability through their digital engagement process in 2018 as
 11 part of its *Reliability and Resource Adequacy Study*.¹ The information was collected
 12 from a group that included Newfoundland Power customers.²
 13

14 The results presented by Hydro are consistent with Newfoundland Power's quarterly
 15 customer survey results. Hydro's results showed that 82% of customers believe they
 16 receive highly reliable electricity.³ Results from Newfoundland Power's quarterly
 17 customer satisfaction survey indicates that customer satisfaction with Newfoundland
 18 Power's service delivery averaged 86% from 2013 to 2022.⁴
 19

20 Newfoundland Power provides electrical service in a manner consistent with customers'
 21 expectations, or preferences. Approximately 1,800 Newfoundland Power customers are
 22 surveyed each quarter. The results of these surveys consistently indicate the two most
 23 important issues to customers are reliability and price.⁵
 24

25 Newfoundland Power's capital planning process is a deliberate effort to balance the cost
 26 and reliability of the service provided to customers. For information on how
 27 Newfoundland Power balances cost and service, see the Company's *2024 Capital Budget*
 28 *Application, 2024 Capital Budget Overview, Section 2.2 Capital Planning at*
 29 *Newfoundland Power and Section 2.3 Balancing Cost and Service.*

¹ See the response to Request for Information CA-NLH-031 from Hydro's *2022 Capital Budget Application*.

² Approximately 89% of customers surveyed as part of the digital engagement process were Newfoundland Power customers.

³ See the response to Request for Information CA-NLH-031, Attachment 2, from Hydro's *2022 Capital Budget Application*.

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

⁵ See the response to Request for Information CA-NP-016 for further information.