

1 **Q. (Reference NL Hydro’s 2025 CBA, 2025 Capital Budget Overview, pages 1 and**  
 2 **2) It is stated “Hydro conducted a digital engagement process where it asked**  
 3 **customers to share their thoughts on the costs and reliability of the**  
 4 **province’s electrical grid. As part of that process, four out of five customers**  
 5 **told Hydro they believed the system was reliable and 87% said they did not**  
 6 **want to pay more for reliability improvements that led to fewer or shorter**  
 7 **outages. Customers largely prioritize the lowest impact on electricity rates**  
 8 **rather than other factors, and Hydro is mindful of this concern as it continues**  
 9 **asset management planning.”**

10 **a) What role did Newfoundland Power play in NL Hydro’s digital engagement**  
 11 **process?**

12 **b) Does NP believe that the results of NL Hydro’s digital engagement process**  
 13 **properly reflect the “thoughts” of Newfoundland Power’s customers**  
 14 **relating to reliability and cost? Why or why not?**

15 **c) Did NP engage stakeholders and customers to inform its 2025 CBA? If so,**  
 16 **please provide all such documentation.**

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 18 A. a) Newfoundland and Labrador Hydro’s (“Hydro”) *What Was Said Report: 2024 Public*  
 19 *Engagement* report notes all intervenors in the *Reliability and Resource Adequacy*  
 20 *Study* were part of targeted engagement for the 2024 digital engagement.<sup>1</sup> This  
 21 includes the Consumer Advocate, Newfoundland Power, Island Industrial Customer  
 22 Group, and the Labrador Interconnected Group. Newfoundland Power therefore  
 23 observes that its role in Hydro’s 2024 digital engagement process was similar to that  
 24 of other intervenors.

25  
 26 In 2018, Hydro engaged Newfoundland Power for input on questions in the 2018  
 27 digital engagement process.

28  
 29 b) The Company views the results of its own quarterly customer satisfaction surveys as  
 30 most reflective of the thoughts of Newfoundland Power customers. For further  
 31 information on the Company’s customer satisfaction surveys, see part c) below.

32  
 33 Newfoundland Power notes the results from Hydro’s 2024 digital engagement  
 34 process are consistent with the Company’s quarterly customer satisfaction surveys.  
 35 For example, the results of Hydro’s 2024 digital engagement had “lowest impact on  
 36 rates” and “most reliable” as the two most important issues to customers.<sup>2</sup> This  
 37 aligns with Newfoundland Power’s quarterly surveys, which show that the two most  
 38 important issues to customers are reliability and price.

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 40 Newfoundland Power also notes that while there are similarities in customer  
 41 concerns between Hydro’s 2024 digital engagement process and Newfoundland  
 42 Power’s quarterly surveys, the process for each is different. This reflects the

1 See Hydro’s *What Was Said Report: 2024 Public Engagement*, filed with the Board in relation to  
 Hydro’s *Reliability and Resource Adequacy Study* review, pages 4 and 6.

2 Ibid., page 19.

1 different engagement strategies, methodologies and questions used by Hydro versus  
2 Newfoundland Power.<sup>3</sup> As such, Newfoundland Power is of the view that the results  
3 of each process are unique and not reflective of the results of the other process.  
4

- 5 c) Newfoundland Power provides electrical service in a manner consistent with  
6 customers' expectations, or preferences.  
7

8 The Company surveys its customers to determine their overall satisfaction with its  
9 service delivery. Each quarter, approximately 1,800 customers are surveyed. Both  
10 commercial and residential customers are included in the survey. This consistent  
11 method of collecting and monitoring customer feedback helps Newfoundland Power  
12 understand trends in customer satisfaction, and identify areas of concern to  
13 customers.  
14

15 Newfoundland Power's capital planning process used in developing its *2025 Capital*  
16 *Budget Application* is a deliberate effort to balance the cost and reliability of the  
17 service provided to its customers. This is consistent with customers' service  
18 expectations, as quarterly surveys show that the two most important issues to  
19 customers are reliability and price.  
20

21 The Company routinely works with its customers in the execution of capital  
22 programs and projects to ensure their service expectations are met. For example,  
23 when a new subdivision is planned, Newfoundland Power works with the developer  
24 and municipality to determine the appropriate distribution plant layout. The plans are  
25 ultimately approved by the municipality. The *LED Street Lighting Replacement*  
26 project included engagements with street lighting customers on the costs and  
27 benefits of LED street lighting and that project ultimately received a letter of support  
28 from the largest municipal organization in the province, Municipalities Newfoundland  
29 and Labrador. In addition, when new customers are connected to the electrical  
30 system, Newfoundland Power technologists routinely meet with customers to ensure  
31 their service preferences are understood. This would include, for example, where to  
32 install a service on a customer's premises.

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<sup>3</sup> For example, Hydro's 2024 digital engagement process was open to all residents of Newfoundland and Labrador and yielded 1,667 responses. By comparison, Newfoundland Power's quarterly customer satisfaction surveys are issued to a random sample of approximately 1,800 customers.