

1 **Q. The response to PUB-NP-157 states “*The consistent application of Newfoundland***  
 2 ***Power’s distribution planning activities and processes help to ensure its customers***  
 3 ***receive a cost-effective, uniform and high standard of electrical service throughout the***  
 4 ***Company’s territory”.* What does NP consider to be a “high standard of service” in**  
 5 ***its territory?***

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 7 A. Newfoundland Power has no specific definition of a “high standard of service”.

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 9 Newfoundland Power’s overall system reliability is a significant component of the  
 10 standard of service which Newfoundland Power provides to its customers. This is  
 11 typically an issue in every utility general rate application in Newfoundland and  
 12 Labrador.<sup>1</sup> This issue is considered in each of Newfoundland Power’s general rate  
 13 applications. Since 1999, Newfoundland Power’s electrical system reliability has been  
 14 generally improving.<sup>2</sup> In addition, it appears that Newfoundland Power’s electrical  
 15 system reliability has been improving relative to its Canadian peers.<sup>3</sup>

16  
 17 Newfoundland Power’s customers’ satisfaction with the service the Company provides is  
 18 also an indicator of the standard service. Newfoundland Power performs quarterly  
 19 customer satisfaction surveys which are reported to the Board. These surveys generally  
 20 indicate a relatively high degree of customer satisfaction with the service they receive.  
 21 Independent surveys of customer satisfaction with residential electrical service in Canada  
 22 have indicated that Newfoundland Power’s customers rank the service they receive  
 23 highly relative to the Company’s Canadian peers.<sup>4</sup>

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<sup>1</sup> Please see the power policy of the province as set out in Section 3 of the *Electrical Power Control Act, 1994*. Amongst other things, the power policy requires, in effect, that utility facilities be managed and operated in a manner that results in power delivery to customers at the lowest possible cost *consistent with reliable service*.

<sup>2</sup> See, for example, Newfoundland Power’s *2008 General Rate Application*, Company Evidence, Section 2: Customer Operations, page 23, line 9 *et seq.* where reliability performance of Newfoundland Power’s electrical system from 2002 through 2006 was described. See also Newfoundland Power’s *2010 General Rate Application*, Company Evidence, Section 2: Customer Operations, page 2-7, line 5 *et seq.* where reliability performance of Newfoundland Power’s electrical system from 1999 through 2008 was described. Finally, see Newfoundland Power’s *2013/2014 General Rate Application*, Company Evidence, Section 2: Customer Operations, page 2-3, line 8 *et seq.* where Newfoundland Power’s evidence outlined the reliability performance of Newfoundland Power’s electrical system from 2007 through 2011.

<sup>3</sup> See the response to Request for Information PUB-NP-068, page 1, line 22 *et. seq.*

<sup>4</sup> JD Power and Associates has performed 2 surveys of customer satisfaction with residential electrical service in Canada. In the 2007 survey, Newfoundland Power ranked highest in its segment (200,000 to 400,000 customers). In the 2010 survey, Newfoundland Power ranked highest in its segment (125,000 to 499,999 customers) and had the highest overall score of all utilities surveyed.