

1 Q. **Reference: CA-NLH-019.**

2 It is stated *"Themes from that engagement indicated that reliability is non-negotiable; however,*
3 *generally, customers do not want to pay more for fewer or shorter outages."*

4 a) Please define "non-negotiable" and identify the components of the customer engagement
5 that support this statement.

6 b) Have customers indicated a willingness to accept lower levels of reliability in order to avoid
7 substantial increases in rates?

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10 A. Non-negotiable is defined as "not open to discussion or reconsideration."¹ Generally, residents
11 surveyed favoured an approach that involves good reliability with a lower impact on cost and
12 were not open to compromising on reliability. For further information on feedback collected as
13 part of the customer engagement, please refer to Appendix D, Schedule 1 of the 2024 Resource
14 Adequacy Plan.² Newfoundland and Labrador Hydro is exploring research approaches to delve
15 deeper into the balance between cost and reliability and customer's priorities to inform its next
16 fulsome engagement.

¹ <https://www.merriam-webster.com/dictionary/nonnegotiable>

² "2024 Resource Adequacy Plan – An Update to the Reliability and Resource Adequacy Study," Newfoundland and Labrador Hydro, rev. August 26, 2024 (originally filed July 9, 2024).