

1 **Q. Please explain why Newfoundland Power believes that a policy which allows refusal**  
2 **of service in all circumstances where a co-occupant has a balance owing is fair.**

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4 A. Newfoundland Power does not refuse service in all circumstances where a co-occupant  
5 has a balance owing. When a co-occupant has a balance owing, the Company will only  
6 refuse to provide service when: (i) the co-occupant was listed as being financially  
7 responsible on a current or previous account with arrears; (ii) the arrears have been  
8 outstanding for longer than 90 days and the Collections Policy has been followed; (iii) all  
9 efforts to arrange for payment have been exhausted; and (iv) the co-occupant continues to  
10 reside at the property for which service is requested.<sup>1</sup>

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12 Newfoundland Power has a statutory obligation to manage its service delivery in a  
13 manner that is fair to *all* customers, including when processing applications for service.

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15 In Newfoundland Power's view, this policy is fair because it provides a reasonable  
16 balance between the interests of *individual* customers with outstanding electricity bills  
17 and *all* other ratepayers. Before service is refused, individual co-occupants are given  
18 every reasonable opportunity to arrange for payment in accordance with the Collections  
19 Policy applicable to all customers. This policy limits the ability of individual customers  
20 to continue receiving electrical service while avoiding the obligation to pay their bill, and  
21 minimizes the amount of uncollectible bills expense borne by all customers through  
22 customer rates.

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<sup>1</sup> For a copy of the related guidelines, please see the response to Request for Information PUB-NP-050.