

1 **Q. (Reference Application, Customer Experience Report, page 5) On what basis are the**  
 2 **targets established for customer calls answered within 60 seconds, new service**  
 3 **connections within 10 days, CAIDI, customer satisfaction, and customer service**  
 4 **costs per customer?**

5  
 6 **a) How does NP performance compare to its peer group in these areas?**

7  
 8 **b) Will the proposed new CSS enable NP to improve on these standards?**

9  
 10 **c) If NP is meeting its targets for customer service is there a need for the proposed**  
 11 **new CSS?**

12  
 13 **d) Does NP have a customer service standard that it submits to the Board each**  
 14 **year?**

15  
 16 **e) Does the proposed new CSS put NP in a better position to move to a**  
 17 **performance-, or incentive-based, regulatory mechanism?**

18  
 19 **f) What percentage of NP's customers receive online billings and pay online? Has**  
 20 **this increased during the pandemic?**

21  
 22 **A.** Newfoundland Power establishes its operational performance targets on the basis of  
 23 being responsive to customers' service expectations. The operational performance  
 24 targets for calls answered and new service connections have remained consistent over the  
 25 last 5 years. The operational performance target for customer satisfaction is determined  
 26 annually based on the most recent 3-year average. Newfoundland Power does not  
 27 establish targets for CAIDI or customer service costs per customer.

28  
 29 a) Newfoundland Power files an annual report to the Board entitled *Peer Group*  
 30 *Performance Measures for Newfoundland Power* (the "Peer Group Report"). The  
 31 Peer Group Report provides a comparison of specific Newfoundland Power  
 32 performance measures against peer groups of Canadian and U.S. utilities.

33  
 34 The most recent Peer Group Report was filed with the Board on February 7, 2020.  
 35 The report shows: (i) Newfoundland Power's customer service costs per customer  
 36 have remained relatively stable over the 10-year period from 2009 to 2018; and (ii)  
 37 customer service costs per customer increased for the U.S. peer group between 2009  
 38 and 2015, with a decline since then.<sup>1</sup>

39  
 40 The Peer Group Report does not include an assessment of operational performance  
 41 targets for customer satisfaction, calls answered, or new service connections. These  
 42 targets vary by utility. A consistent dataset is not currently available to provide such  
 43 an assessment.

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<sup>1</sup> Customer service costs are not available for the Canadian peer group. See the *Peer Group Performance Measures for Newfoundland Power* report, February 7, 2020, pages B-5 to B-6.

1 While Newfoundland Power does not maintain a target for CAIDI, data is available  
 2 through the Canadian Electricity Association (“CEA”) to compare the Company’s  
 3 CAIDI to other Canadian utilities. Attachment B to Newfoundland Power’s  
 4 *Customer Service Continuity Plan* shows the Company’s CAIDI has been  
 5 approximately 40% less than the Canadian average over the most recent 5-year  
 6 period.<sup>2</sup>

- 7
- 8 b) No, a modern Customer Information System (“CIS”) would enable Newfoundland  
 9 Power to *maintain* the quality and efficiency of the service provided to customers.  
 10
- 11 c) Yes, replacement of Newfoundland Power’s Customer Service System is necessary to  
 12 provide continuity in customer service delivery. Critical failure of this system would  
 13 effectively eliminate Newfoundland Power’s ability to maintain these service  
 14 standards for customers.<sup>3</sup>  
 15
- 16 d) Yes, Newfoundland Power provides a Quarterly Regulatory Report to the Board  
 17 outlining its performance targets and progress towards achieving those targets.  
 18
- 19 e) A modern CIS would provide the reporting capabilities necessary to track  
 20 Newfoundland Power’s performance in serving customers.  
 21

22 Newfoundland Power has not assessed whether a modern CIS would “*put NP in a*  
 23 *better position to move to a performance-, or incentive-based, regulatory*  
 24 *mechanism.*” However, the Company notes that several Canadian utilities subject to  
 25 performance- or incentive-based regulation have implemented a modern CIS,  
 26 including Toronto Hydro, Hydro One, London Hydro, Alectra, and ENMAX, among  
 27 others.<sup>4</sup>  
 28

- 29 f) As of August 2020, approximately 51% of Newfoundland Power’s customers receive  
 30 paperless bills (“ebills”). The number of customers receiving ebills increased by  
 31 approximately 3,300 from March 2020 to August 2020.<sup>5</sup> This compares to an  
 32 increase of approximately 2,600 customers receiving ebills over the same period last  
 33 year.  
 34

35 Approximately 93% of customers’ payments were made online in March 2020. This  
 36 compares to approximately 91% in March 2019.<sup>6</sup>

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<sup>2</sup> See the *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment B*, page 6.

<sup>3</sup> See the *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan*, page 8, lines 1-4.

<sup>4</sup> See the *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment A*, page 6, Table 3.1.

<sup>5</sup> The COVID-19 pandemic was declared a public health emergency by the Provincial Government in March 2020.

<sup>6</sup> Includes payments processed for customers enrolled in the Automatic Payment Plan and payments received electronically from banks on behalf of their customers.