Customer Satisfaction Survey
March 1999

Customer Research

1999 First Quarter Results

Customer Satisfaction Index

	Index Proportion	Residential Satisfaction Level	Commercial Satisfaction Level	Index Subtotal	Percentage of customers who use the service
Call Centre Service	40%	8.6	8.5	3.5	30.7%
Field Service	20%	8.4	8.9	1.7	5.9%
Cashier Service	20%	9.3	8.5	1.8	30.1%
General Satisfaction	20%	8.2	8.4	1.6	
Customer Satisfaction Index:				8.6	
In-Office Service		7.2	8.2		4.3%

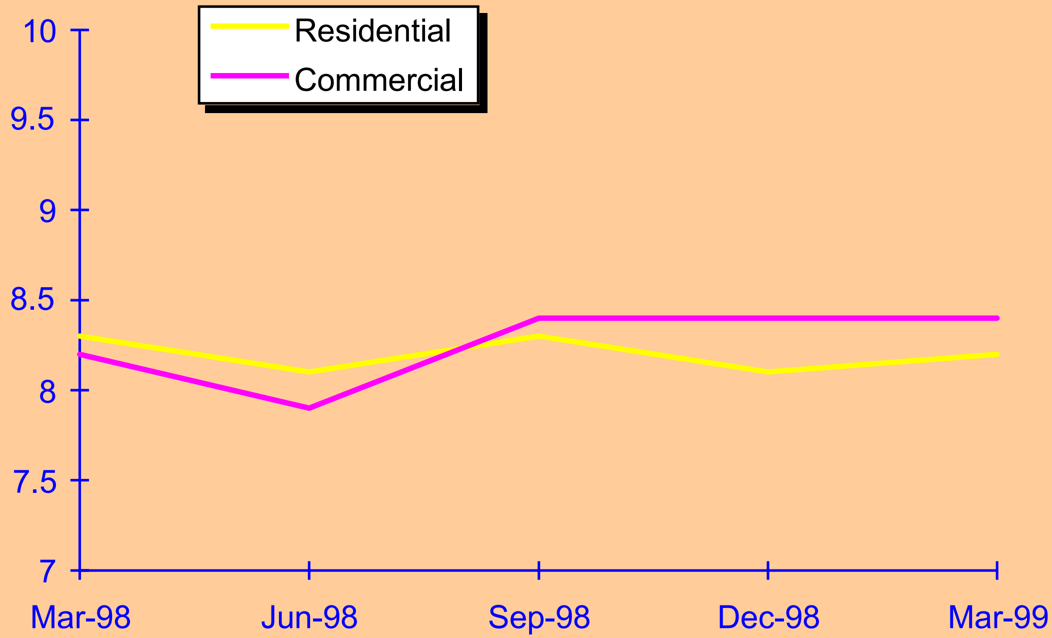
Notes:

1. Residential customers account for 90% of total customers
2. The index has been calculated using results taken from the Customer Satisfaction research collected and analyzed in March 1999.
3. Satisfaction levels for the Call Centre, Field, and Cashier Services are for customers who availed of these services within the last year.
4. The satisfaction levels are based on a scale of 1 to 10 were 1 is 'Not at all satisfied' and 10 is 'Extremely Satisfied'.

Overall Rating of Service

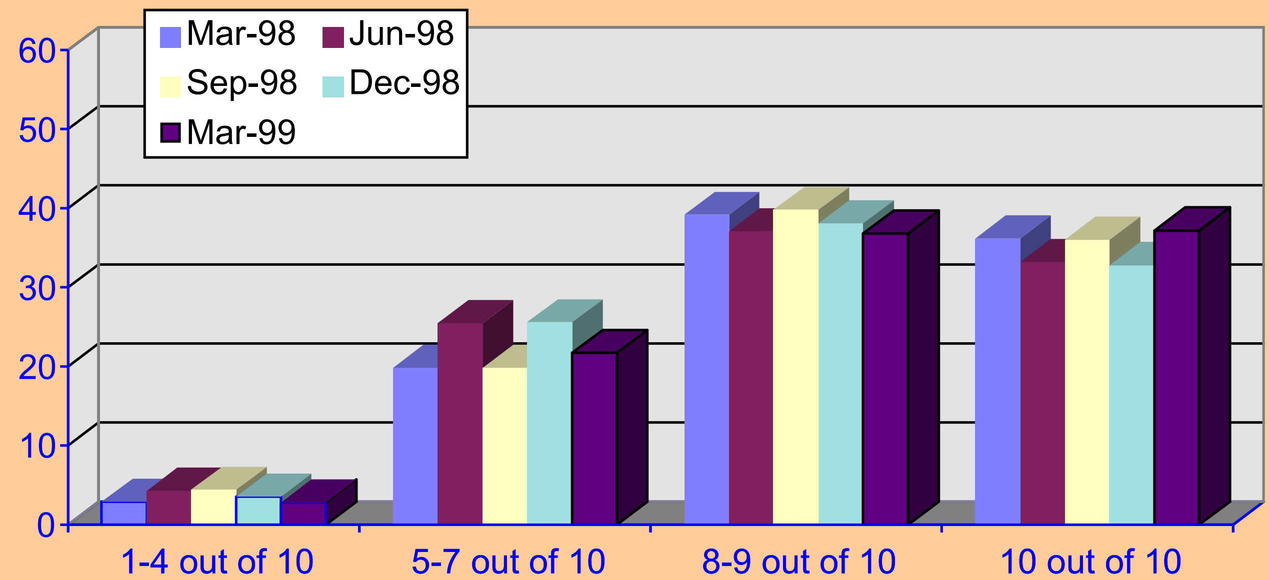
Satisfaction with Overall Service

- General customer satisfaction has remained very stable over the past year. Two small dips are noticed in the residential rating which are consistent with the timings of the two public hearings.
- Women rank our service higher than men.
- A higher percentage of customers over 65 years of age rank our service as ten out of ten than do customers of other age groups.
- St. John’s customers were less satisfied with our overall service (x=7.9) than customers from other regions.
- The percentage of customers who rank your service as ten out of ten is recognized as a “Best Practices” measure of customer satisfaction.
- Best Practices companies use a benchmark of 85% of customers ranking their service as 10 out of 10.



Average response out of 10

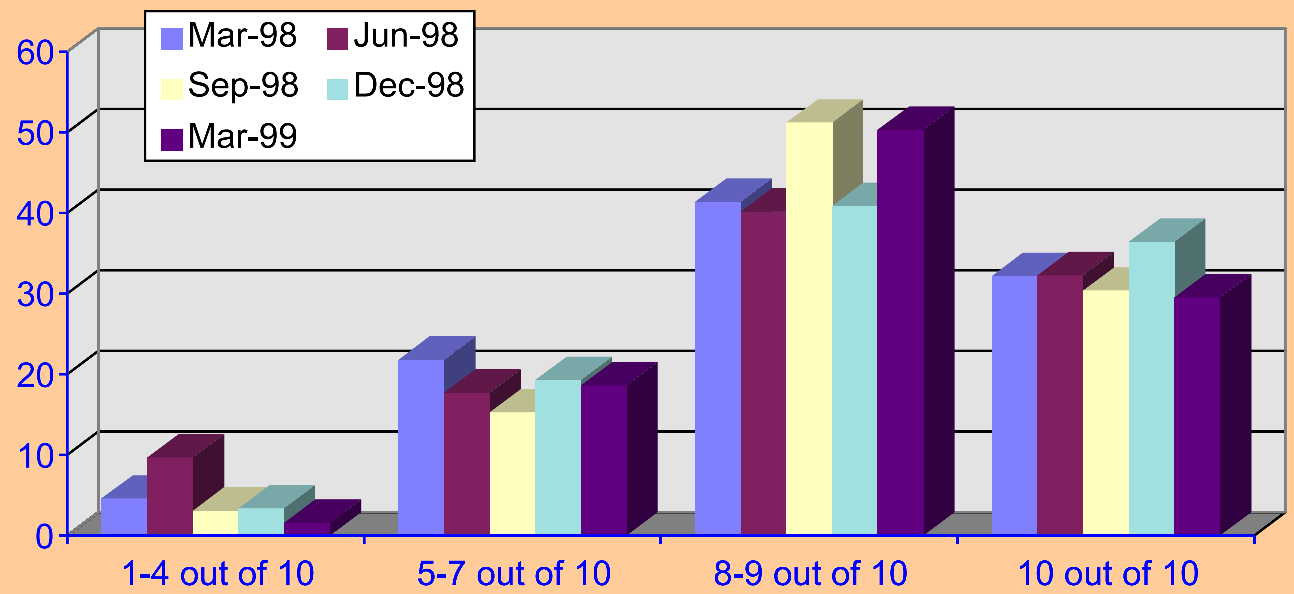
Satisfaction with Overall Service
Residential Customers



- The percentage of residential customers who ranked our service ten out of ten increased since December 1998, but is similar to that recorded in March 1998.
- The percentage of residential customers who ranked our service between one and four has decreased in the past year.

Satisfaction with Overall Service

Commercial Customers



- 29% percent of commercial customers ranked our service as ten out of ten.
- The percentage who ranked us ten out of ten last March was 32% and in December it was 36%.
- The percentage of commercial customers that ranked our service as one to four has decreased over the past year.

Telephone Service

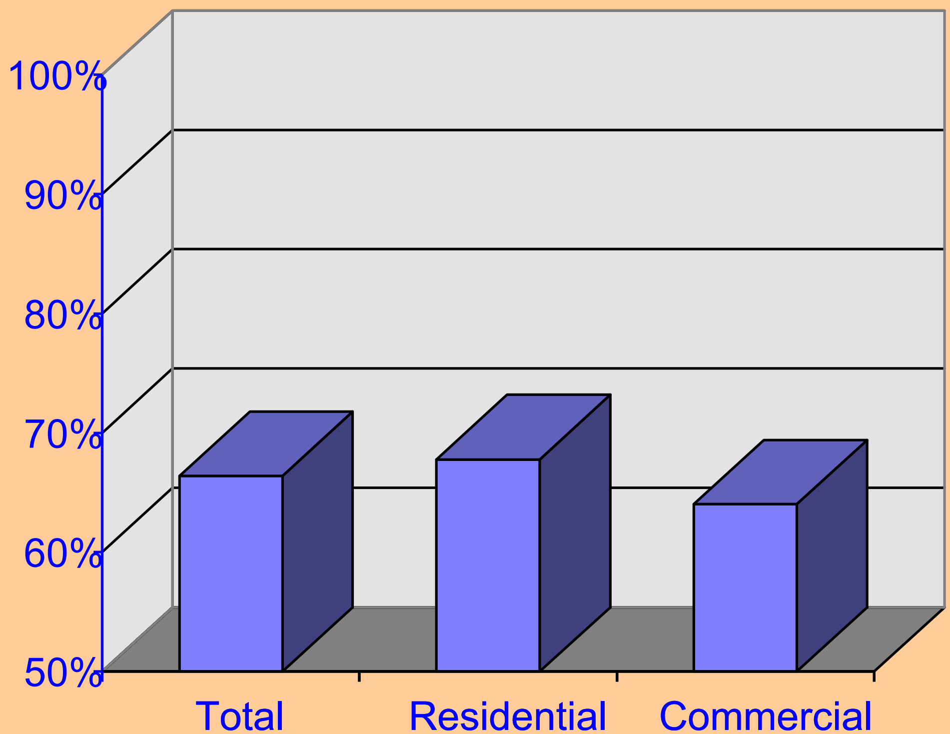
Main Reason for Calling

	Residential	Commercial	Total
Power Interruption	22.6%	31.5%	25.9%
Service Connection	10.8%	26.1%	15.6%
Balance on Account	17.2%	9.8%	14.5%
Moving Locations	12.9%	14.1%	13.5%
Payment Information	15.1%	4.3%	11.3%

- 30% of our residential and commercial customers indicated they had called us in the past six months. In December 1998, 35% of residential and 40% of commercial customers indicated they had called us.
- Please note that customers are asked whether or not they have called Newfoundland Power. Therefore the results are not exclusively for the Call Centre but include all calls included those to the Trouble line, TVD, Control Centre and technical departments.

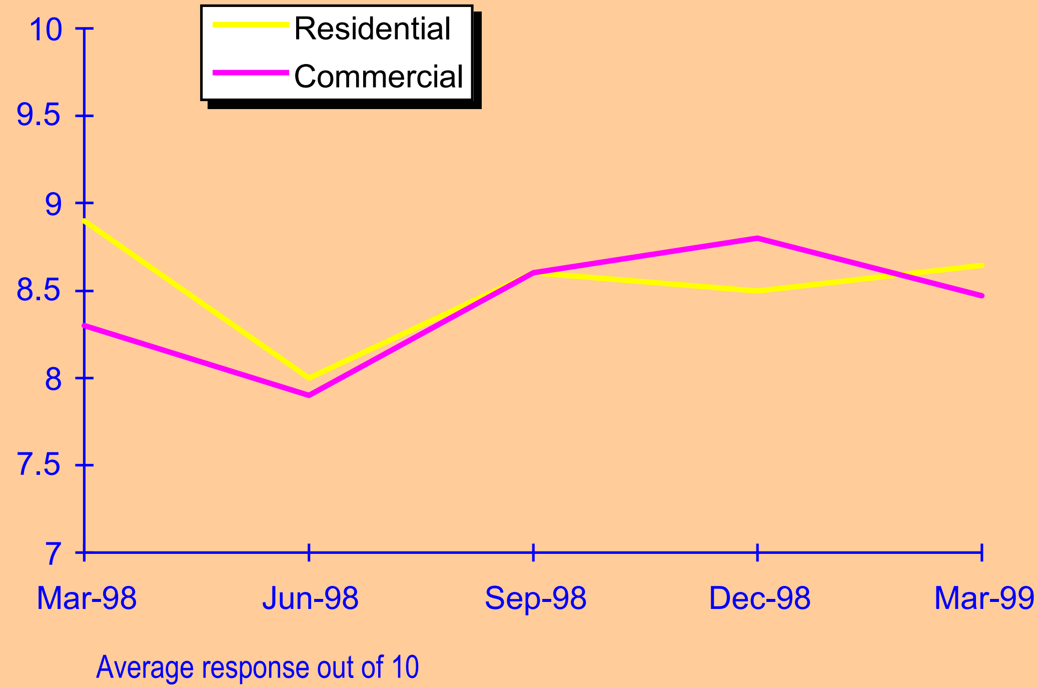
Percentage of Inquiries Resolved on the First Call

- 65% of customers indicated their inquiry was handled on the first call.
- The Customer Service Dept.'s 1999 goal for first resolution is 75% and the "Best Practices" benchmark for this measure is 85%.
- 44% of customers who called more than once, called about the same issue twice.
- 26% of callers had to call three times and 25% called more than three times to have their issue resolved.



Percentage of customers who called only once.

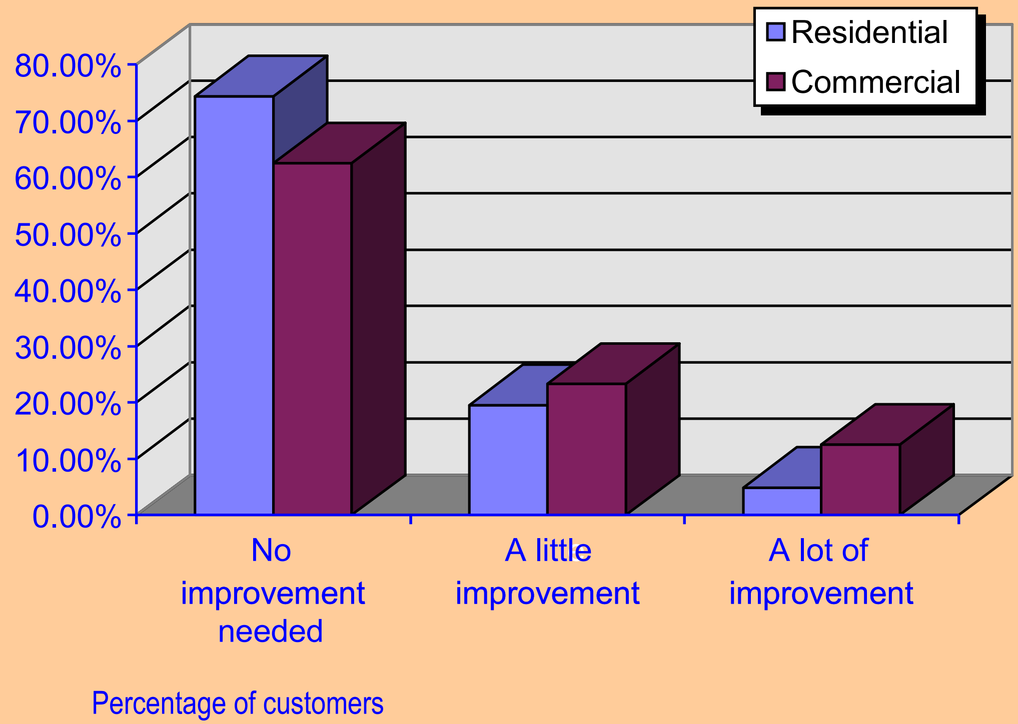
Satisfaction with Telephone Service



- Customers who have phoned us more than once for a particular issue rate our telephone service lower than customers whose inquiry is resolved on the first call.
- As the number of calls the customer has made increases, their rating of our telephone service decreases.
- St. John's customers are the least satisfied with our phone service (x=8.0) and Eastern customers are the most satisfied (x=9.2).
- Customers who contacted us about EPP, PAP and Power Smart services rated our telephone service higher than customers who called about other issues.
- Customers who contacted us about their energy consumption (high bill) rated our telephone service lower than customers who called about other issues.
- Ratings from customers who contacted us about credit issues, i.e. balance owing or credit arrangements were not any lower than other types of calls. Considering the nature of these calls, this is a very positive result and is indicative of the quality of service provided by our credit representatives.

Improvements in Telephone Service

- 20% of customers think we can improve our telephone service a little and 7% think we can improve it a lot.
- 23% of Commercial customers believe we can improve our telephone service a little and 12% believe we can improve our telephone service a lot. This compares to 19% and 5% respectively for residential customers.
- The percentage of commercial customers who believe our telephone service can be improved a little or a lot is 36% in March, 1999 compared to 17% in March of 1998.
- The percentage of residential customers who believe we can improve remained consistent at 24% in March 1998 and in 1999.

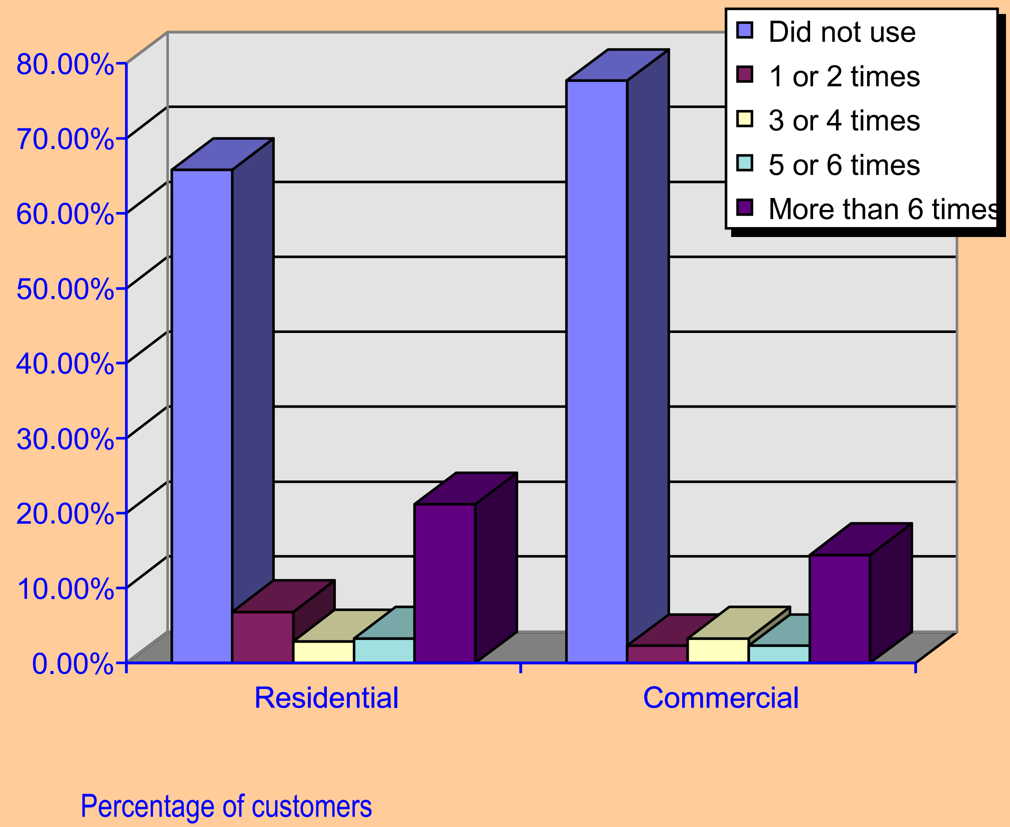


- Customers who called more than once to have their inquiry resolved are more likely to believe our telephone service can be improved.

Cashier Services

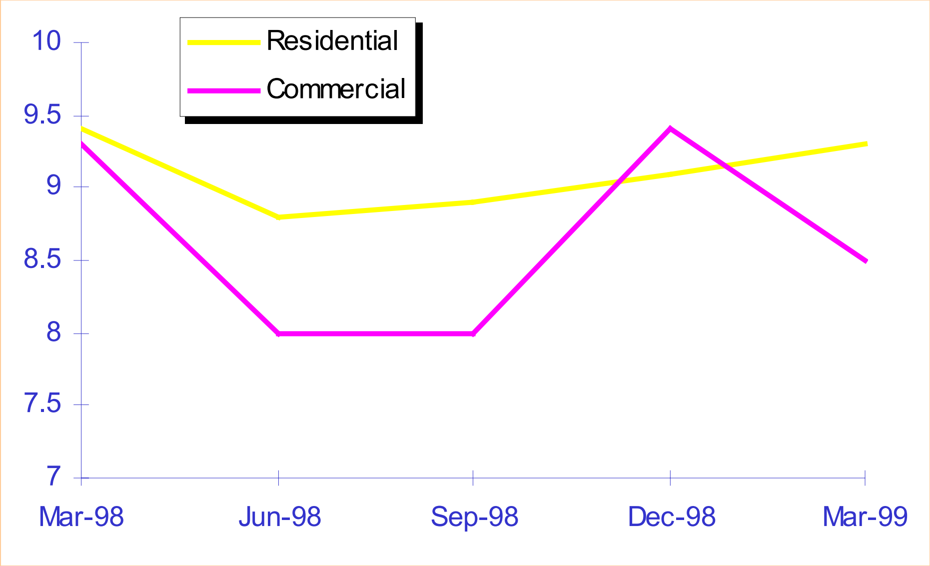
Frequency of Use

- Most customers who use our cashier services do so every month of the year.
- A larger percentage of customers in St. John's, 73.8%, have never used our cash service.
- The largest percentage of customers who use our cash service every month live in the Western region. (x=26.6%)



Satisfaction with Cashier Services

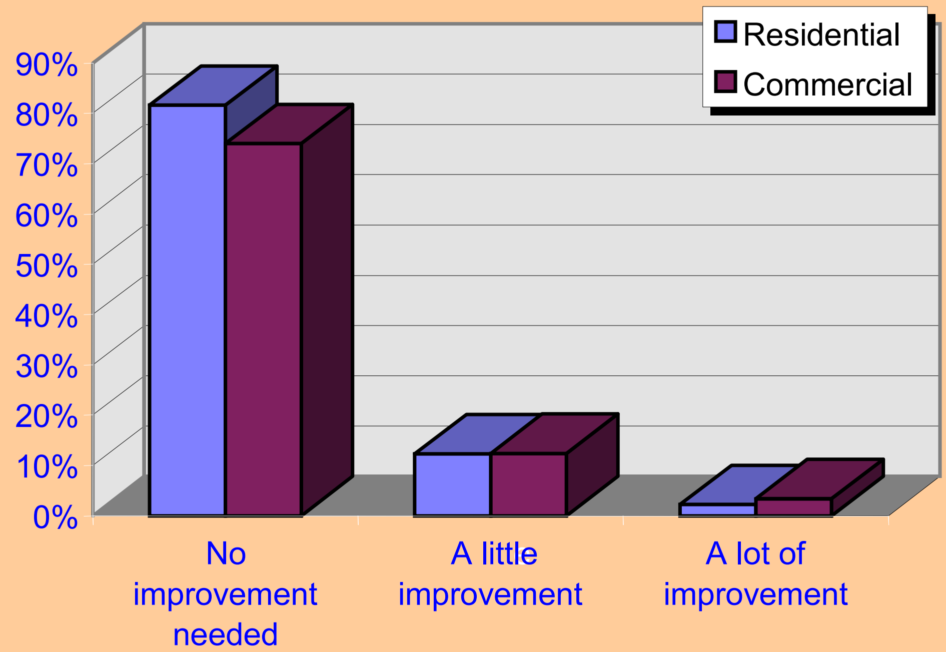
- Cashier service is our highest rated customer service.
- Residential customers are more satisfied with our cashier service than commercial customers.
- Western region customers rate our cash service lower (x=8.8) than other customers. Recall that 26% of Western region customers use this service every month; more than any other region.
- The highest rating of cashier service came from Avalon region (x=9.3).



Average response out of 10

Improvement of Cashier Service

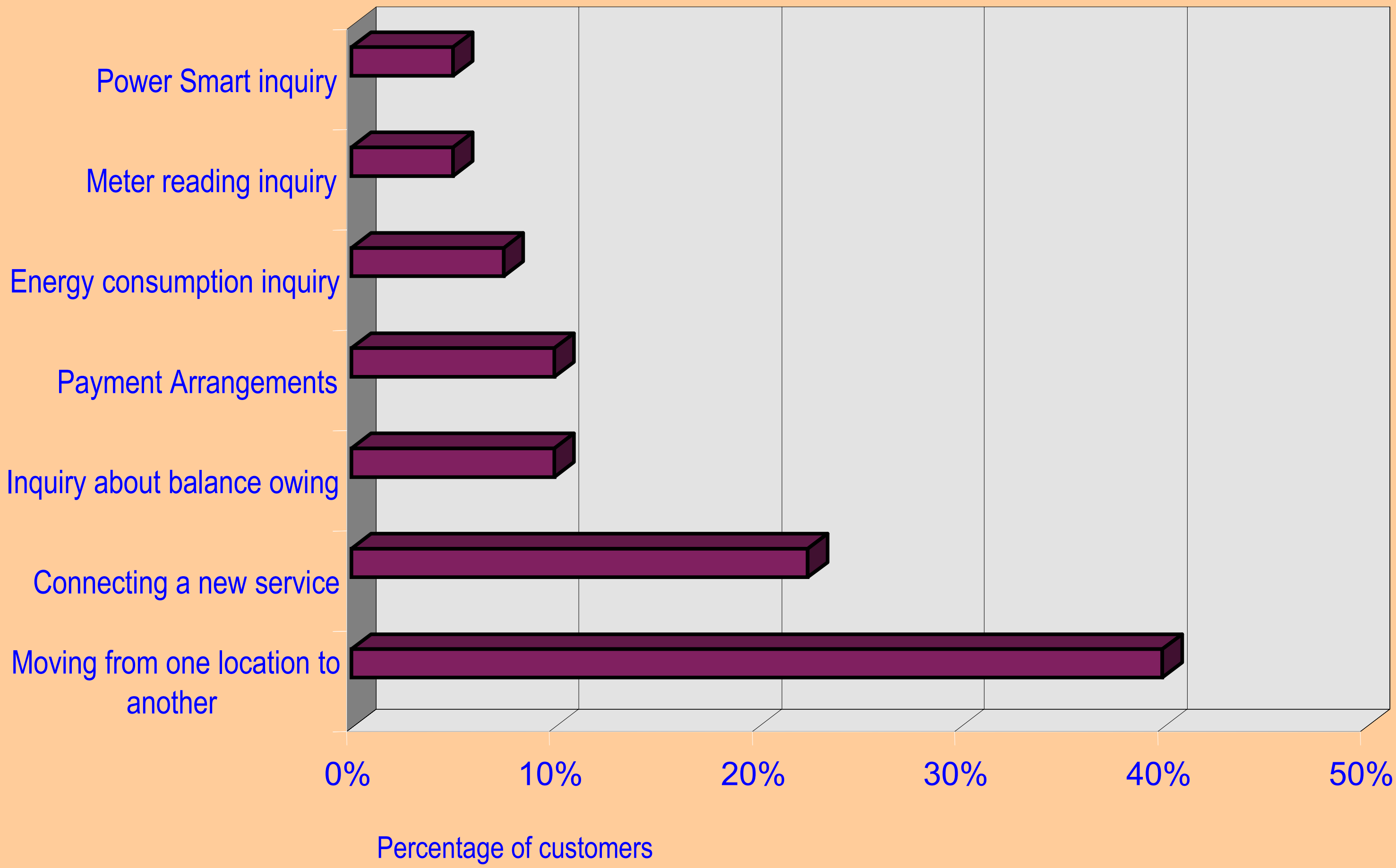
- The most common suggestion for improvement is to have more cashiers available during peak times.
- About 1/2 the requests for more cashiers were from St. John’s region and 26% were from Western region.



Percentage of customers

In-Office Service

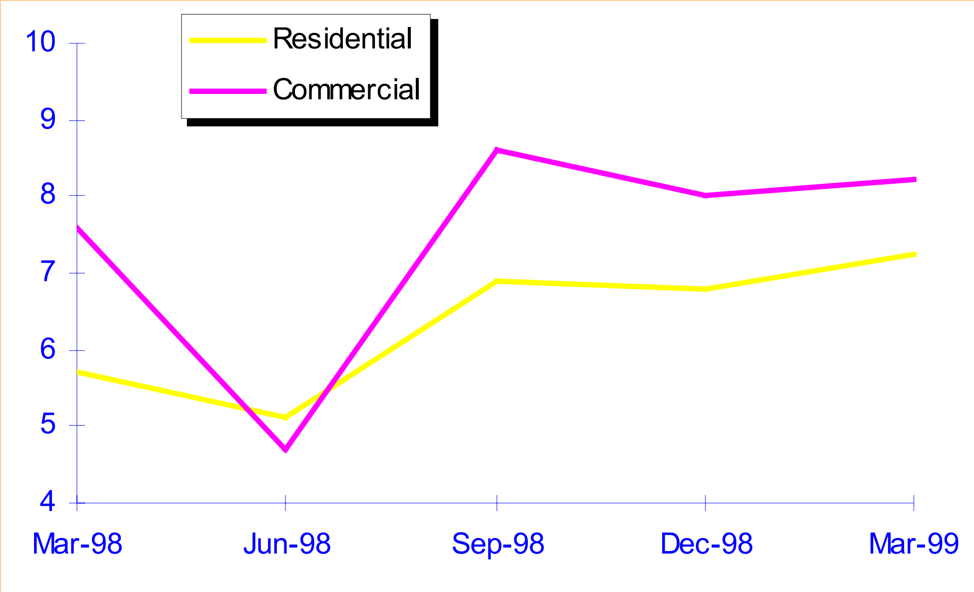
Reason for Visit



- 3.6% of our residential customers and 5.1% of our commercial customers indicated they have visited one of our offices in the past few months.

Satisfaction with In-Office Service

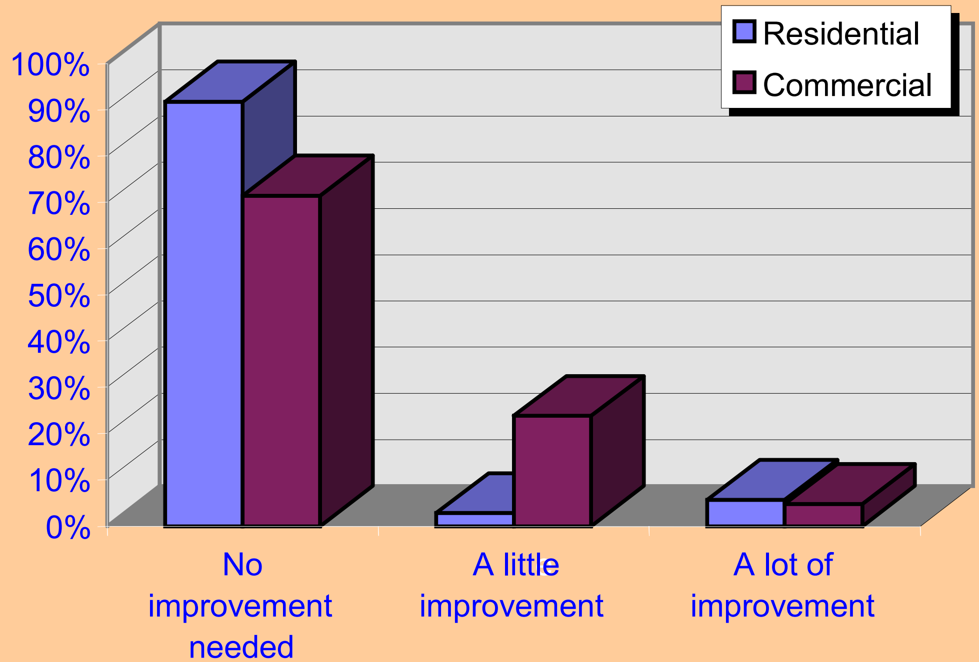
- In-office service is our lowest rated customer service.
- Customers who visited our office for account balance information rated our service better than customers who visited for other reasons.
- Customers who visited our office because they were moving from one location to another (which accounts for almost 1/2 the visits) rated our service lower than other customers.
- In-office service was rated higher than the average in St. John's and Avalon and lowest in Eastern region. (this information was taken from an entire year's data since the numbers for each quarter are small).



Average response out of 10

Improvement in In-Office Service

- 24% of commercial customers thought we could improve our in-office service a little and 5% thought we could improve it a lot. This compares to 3% and 5% respectively for residential customers.
- The suggestions offered for improving our service in this area centred around having personnel dedicated to this task. These include: staff should be friendlier, staff should show more of an interest in helping, have more staff available, and be able to provide answers quickly. (this data was taken from the entire year's data since the numbers for each quarter are small).

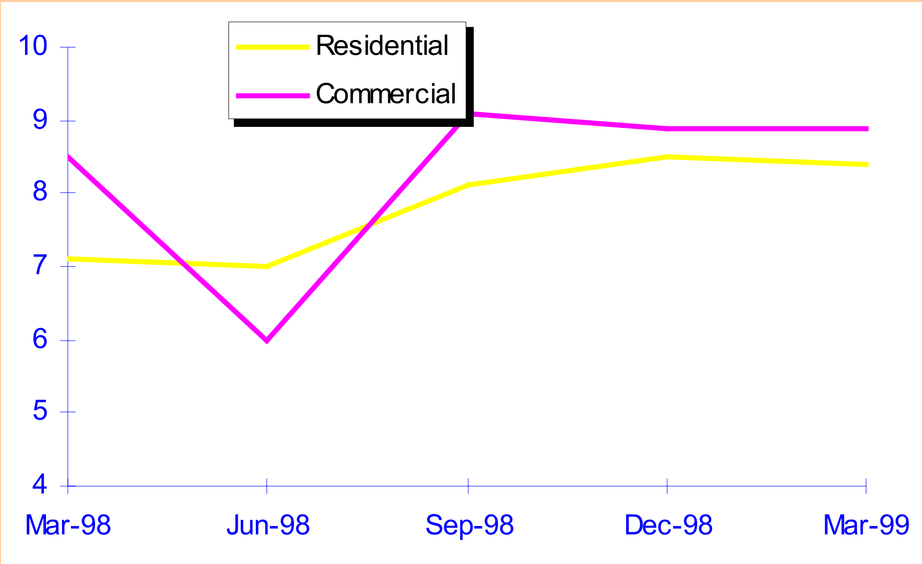


Percentage of customers

Field Services

Satisfaction with Field Service

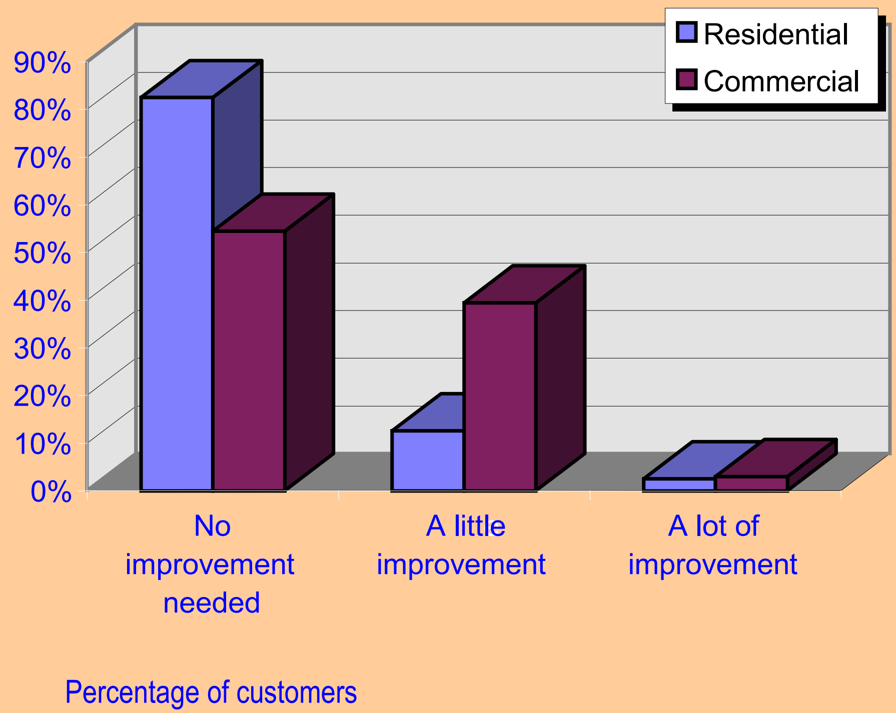
- 5.9% of the customers indicated they had some form of field service in the past six months.
- There has been a steady improvement in the rating residential customers have given our field services over the past year.
- Linemen received the highest rating for service (x=8.9).
- St. John's residents gave our field services the lowest rating (x=7.8) and Eastern region customers gave the highest rating (x=8.5). (this data was taken from the entire year's data because the numbers for each quarter are low).



Average response out of 10

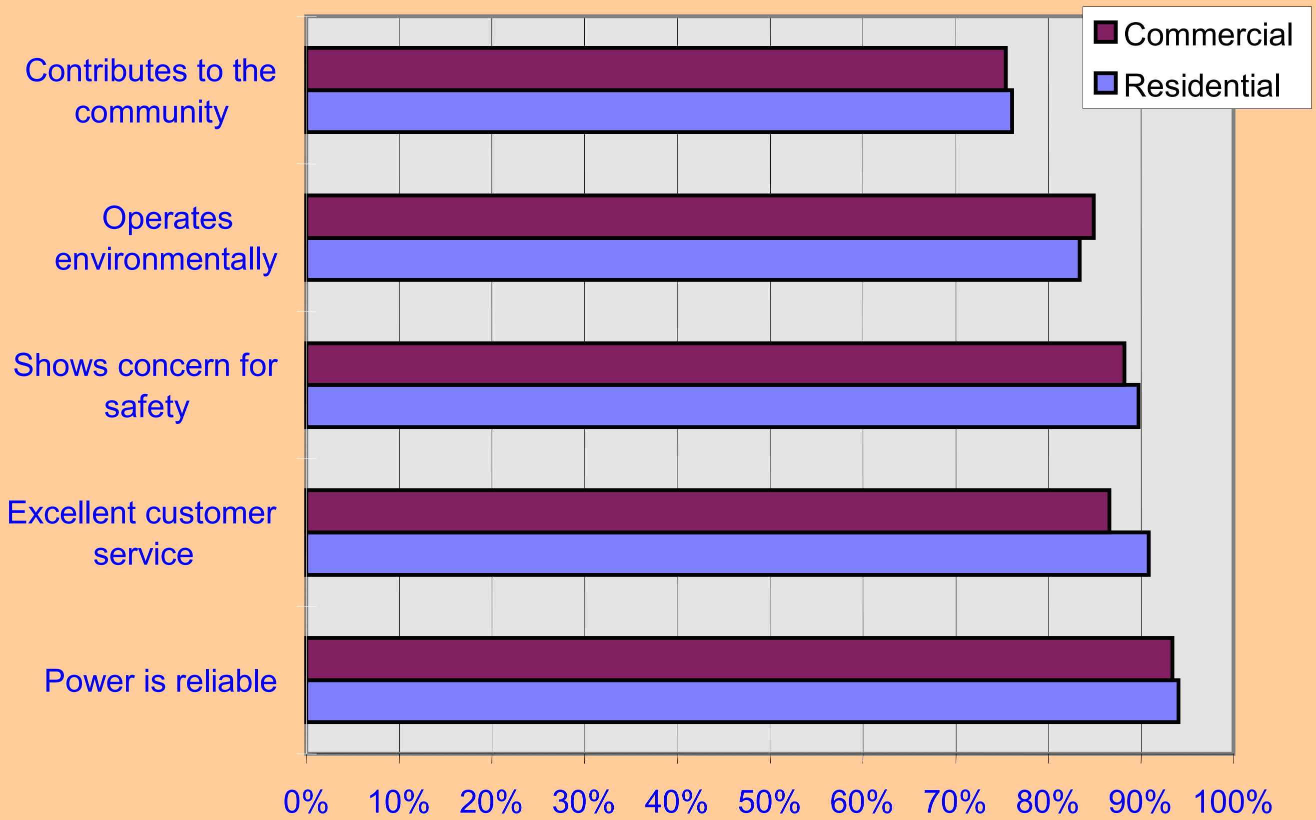
Improvement in Field Service

- Only 14.9% of customers have spoken to a meter reader in the past few months but for those who have it was a very positive experience. The average rating given for this service was 9.0.
- 40% of commercial customers believe we can improve our field service a little and 3% thought we could improve it a lot. This compares with 12% and 2% respectively for residential customers.
- Commercial customers were also more likely to think our meter reading services needed to be improved. (21% of commercial customers thought we could improve a little vs. 12% of residential customers).
- The most common suggestions for improvement were: more friendly staff, get answers to questions quicker, be more prompt, and be more knowledgeable about programs and services.



Ranking of Service Attributes

How Well we are Doing

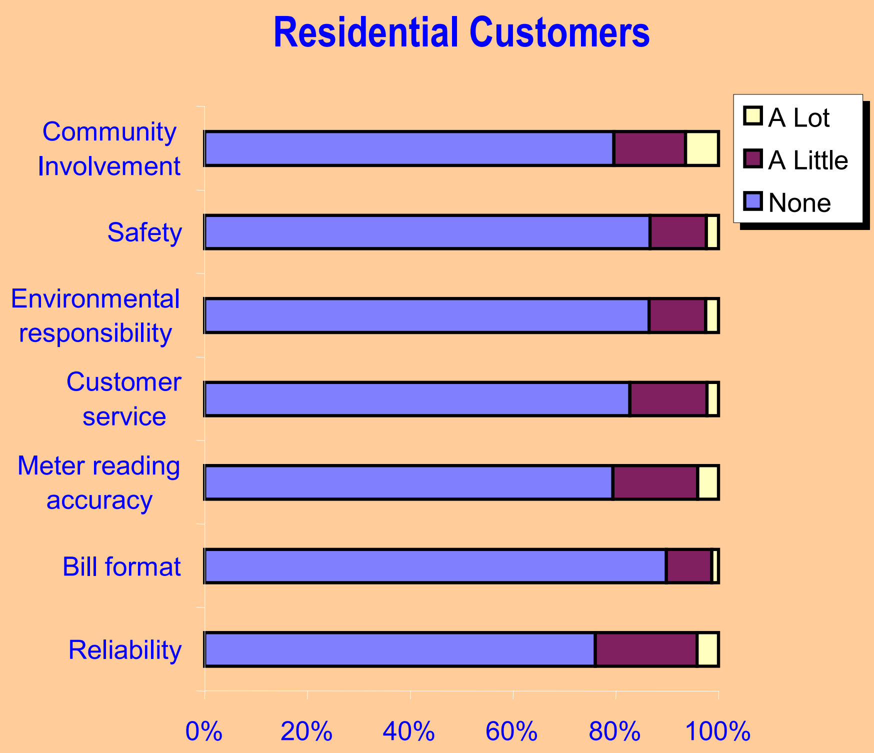


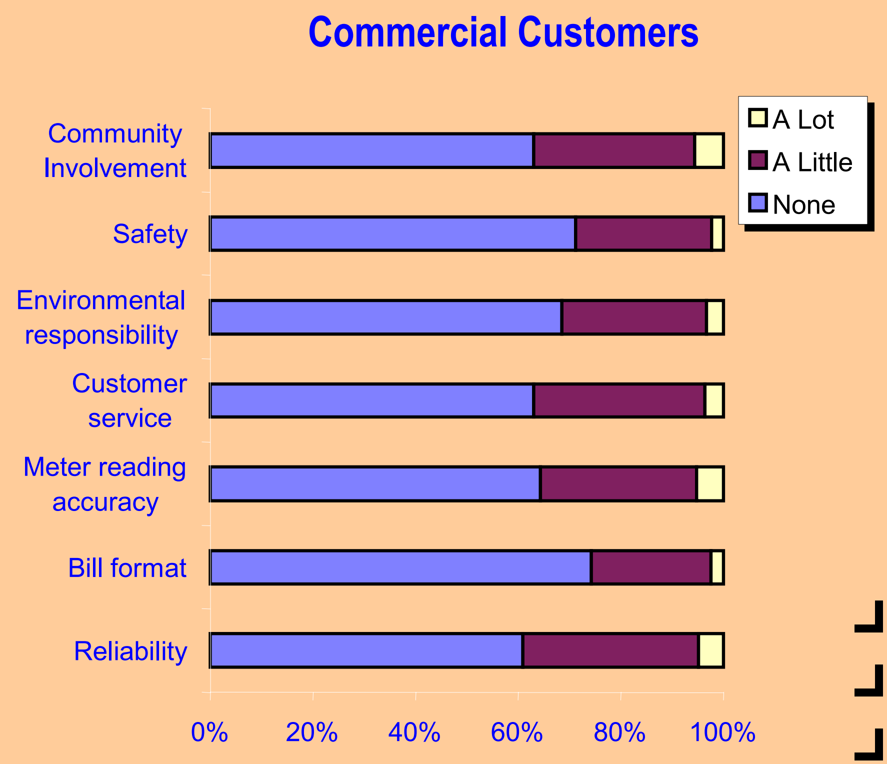
- The graph represents the percentage of customers who either strongly agree or somewhat agree with the statement.

How well we are doing

- St. John’s customers are less likely to agree that our power supply is reliable.
- Customers with electric heat are less likely to agree that our power supply is reliable.
- Commercial customers are less likely to agree that our meters are read accurately. (44% of commercial customers “strongly agree” vs. 56% of residential customers.)
- Commercial customers are less likely to agree that we provide excellent customer service. (63% of commercial customers “strongly agree” vs. 75% of residential customers.)
- The more educated and affluent the customer, the higher are their expectations and the less likely they are to agree that we provide excellent customer service.
- Residential customers are more likely to agree that our bills are easier to understand than commercial customers. (85% of residential customers “strongly agree” vs. 78% of commercial customers).

How we can Improve

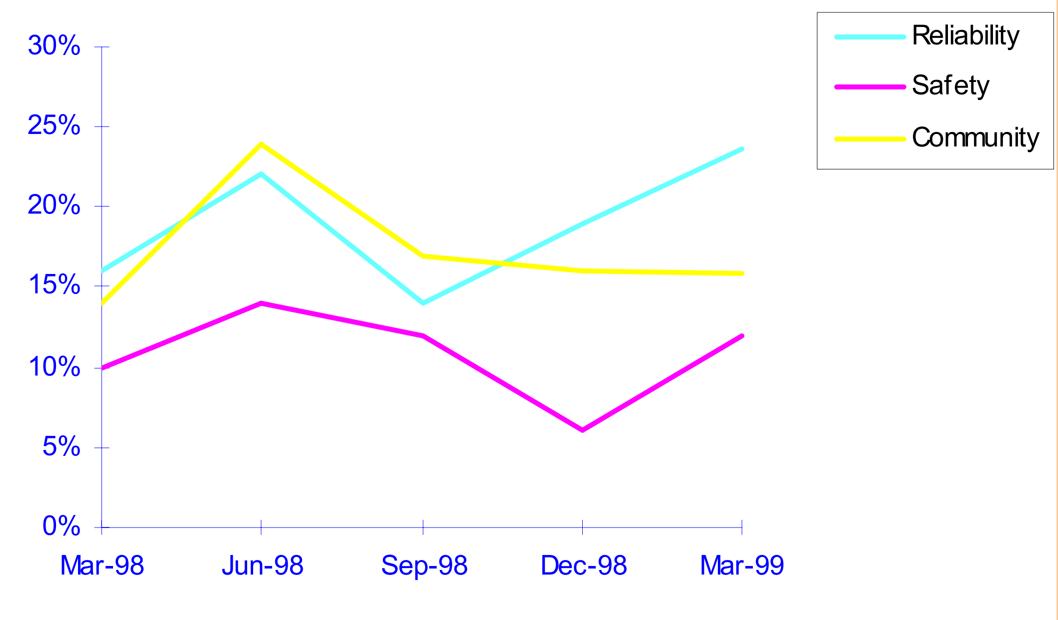




- The percentage of commercial customers who think we can improve in these areas is greater than the percentage of residential customers.
- The more educated and affluent the customer, the more likely they are to believe we can improve our customer service.

Change in Residential Customers' Perceptions

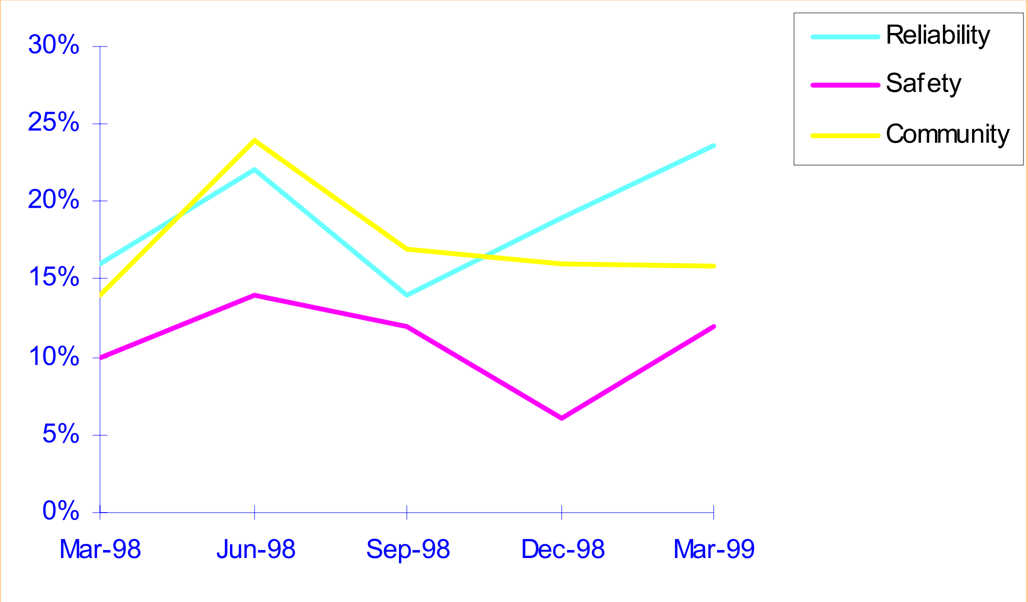
- The percentage of customers who believe we can improve reliability a little or a lot is 24% in March 1999 as compared to 16% in March of 1998.
- The percentage of customers who feel we can improve on our concern for public safety a little or a lot is 12% as compared to 10% in March 1998.



Percentage of customers who believe we can improve the service either a little or a lot.

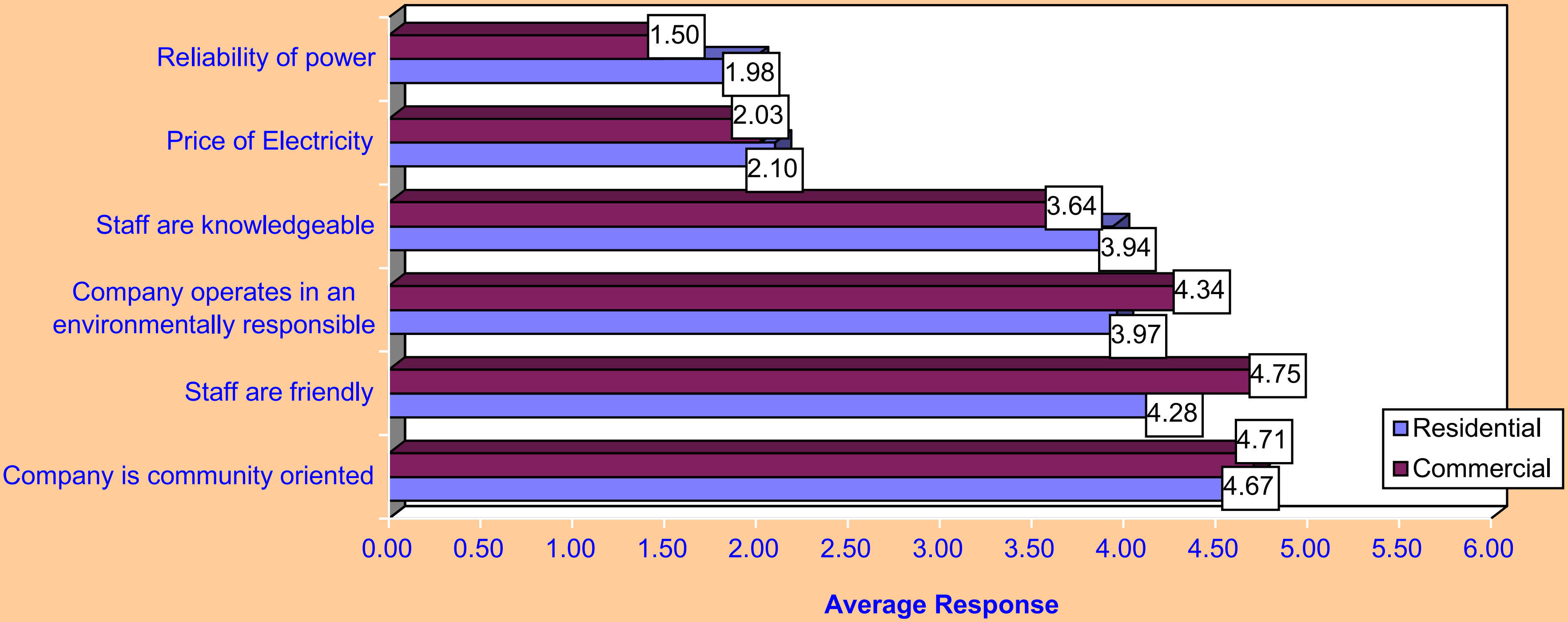
Change in Commercial Customers' Perceptions

- The percentage of commercial customers who believe we can improve our reliability of supply is 37% this quarter compared to 36% in March 1998.
- The percentage of commercial customers who feel we need to improve in these areas is greater than the percentage of residential customers who wish to see improvements.



Percentage of customers who believe we can improve the service either a little or a lot.

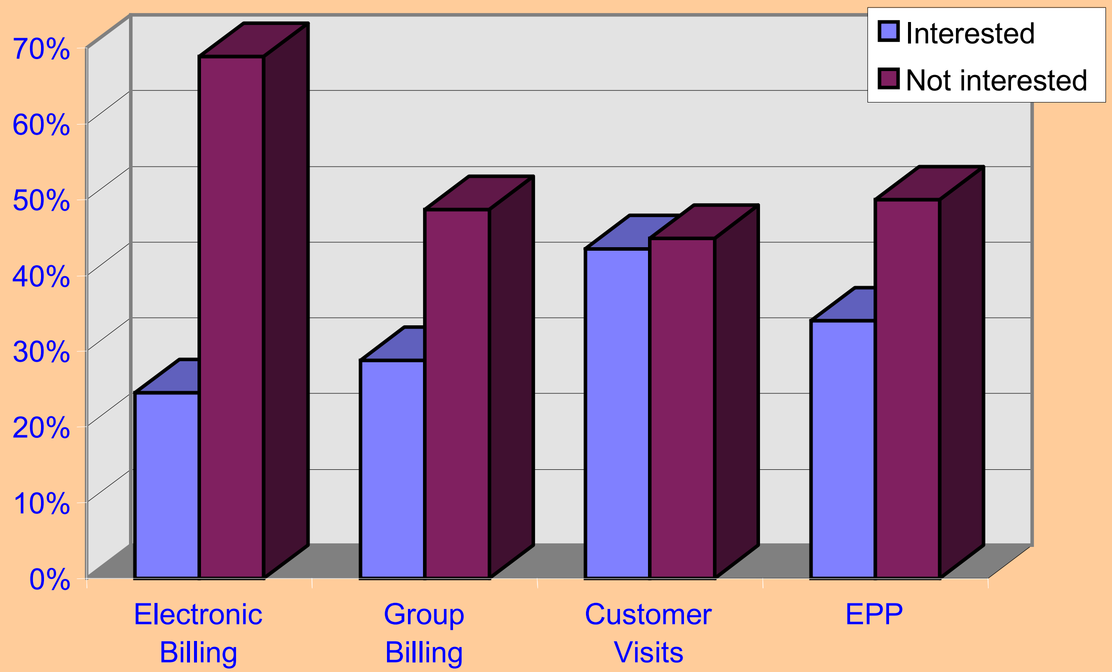
Ranking of Importance



Average response out of 6. Ranking is from 1 to 6 with 1 being the most important attribute.

- Consistently over the past year reliability and price are ranked, by both commercial and residential customers, as the most important aspects of our service.
- Reliability has out-ranked price as the most important aspect in four of the past five quarters.

Interest in Commercial Programs



- Nearly one-half of the commercial customers were interested in having a representative of Newfoundland Power visit their business.
- Electronic and group billing, and EPP are viable alternatives for a portion of our commercial customer base.

Actionable Items

One of the strongest messages is that we need to concentrate our efforts on improving our relationships with our commercial customers. Further indications are seen in the qualitative results of our large commercial survey which are consistent with the results present here. the following are our actionable items. For those items already contained in the Customer Service Plan, a time frame for completion is included.

Initiative	Time Frame
Initiate a Key Customer Program to provide personal service to commercial customers.	Q2
Place further emphasis on the importance of personal visits by expanding Managers visits.	Q1
Place emphasis on customer education during these visits especially in the areas of meter reading, demand, energy conservation, reliability initiatives, power quality, and electrical safety.	Q1
Establish a commercial customer newsletter to improve communications on energy and billing related issues.	Q2

Actionable Items

Initiative	Time Frame
Regional managers and technicians to follow-up on reliability or power quality issues for commercial customers.	Q2
Establish a commercial group of representatives at the call centre for more immediate and more personalized service.	Q2
Improve procedure for notifying commercial customers of planned or unplanned outages as well as their access to information via TVD.	Q2
Examine the feasibility of removing return envelopes from the bills of customers who use our cashier services on a regular basis.	Q3
Since the majority of customers who use our cashier services do so every month, we should ensure that our promotions, posters and other communications in our cash areas rotate at least on a bi-monthly basis.	Q2
Enhance in-office service with the introduction of Area Customer Representatives.	Q2

Actionable Items

Initiative	Time Frame
Examine the processes involved with in-office service and initiate improvements to optimize available resources with customer expectations and usage patterns.	Q2
Examine In-office and cashier services for commercial customers to establish whether or not a more personalized service is required.	
Establish an aggressive plan to meet or exceed the “First Resolution” goal at the call centre.	
Re-examine the “grade-of-service” at the control centre vs. the call centre.	
Examine the volume of customers utilizing our cashier services during the various times of the day and in each of our locations. Use this information to optimize our cashier resources and to maximize our service during peak times.	
Place a emphasis on scheduling our field visits to ensure we are prompt in our delivery of service.	