Customer Satisfaction Survey
September 1999

Customer Research

1999 Second 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	8.8	3.5	23.6%
Field Service	20%	8.8	9.7	1.8	24.3%
Cashier Service	20%	9.6	9.5	1.9	25.1%
General Satisfaction	20%	8.4	8.4	1.7	
Customer Satisfaction Index:				**8.8**	
In-Office Service		7.2	8.2		2.4%

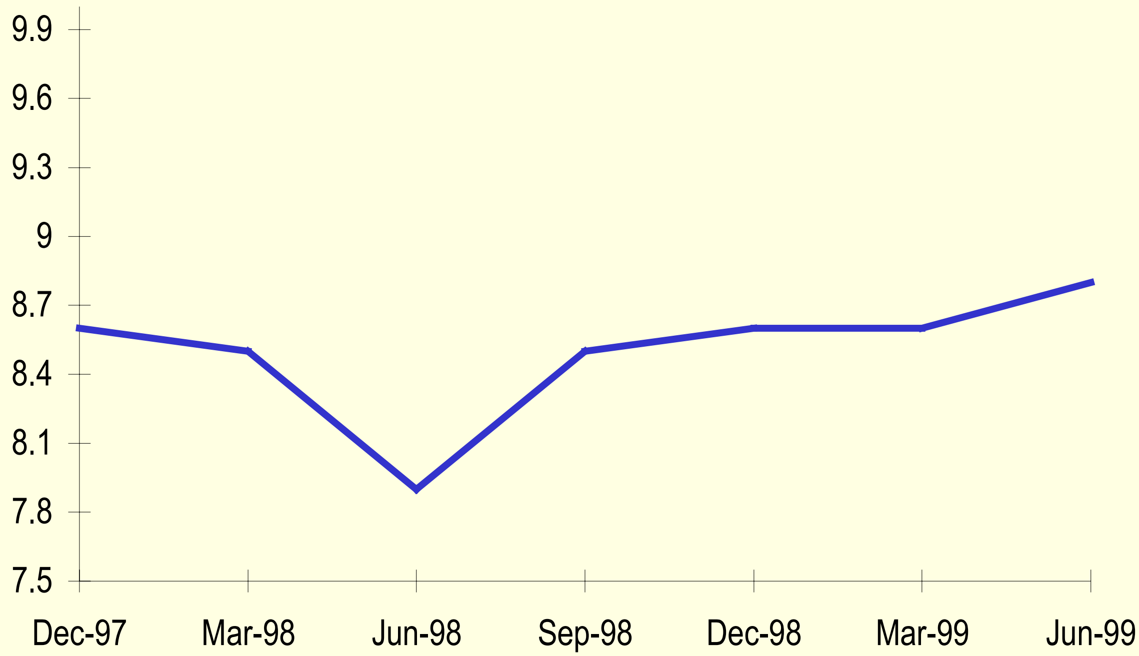
Notes:

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 June 1999.
3. Satisfaction levels for the Call Centre, Field, and Cashier Services are for customers who availed of these services within the last six months.
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'.
5. Field Service includes meter readers, technicians, linepersons and customer service representatives.
6. In-office Service results are shown but they are not included in the Customer Satisfaction Index calculation.

Customer Satisfaction Index

The index has increased from 8.5 to 8.8 since September 1998.

The index shows a continuous and steady improvement in customer satisfaction over the past year.

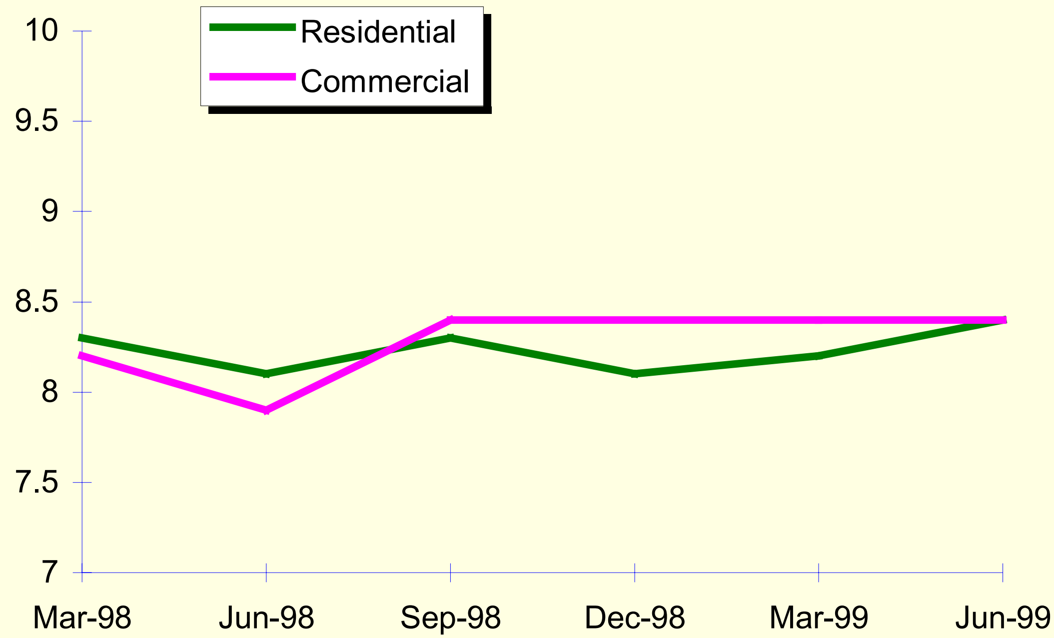


Average response out of 10

Overall Rating of Service

Satisfaction with Overall Service

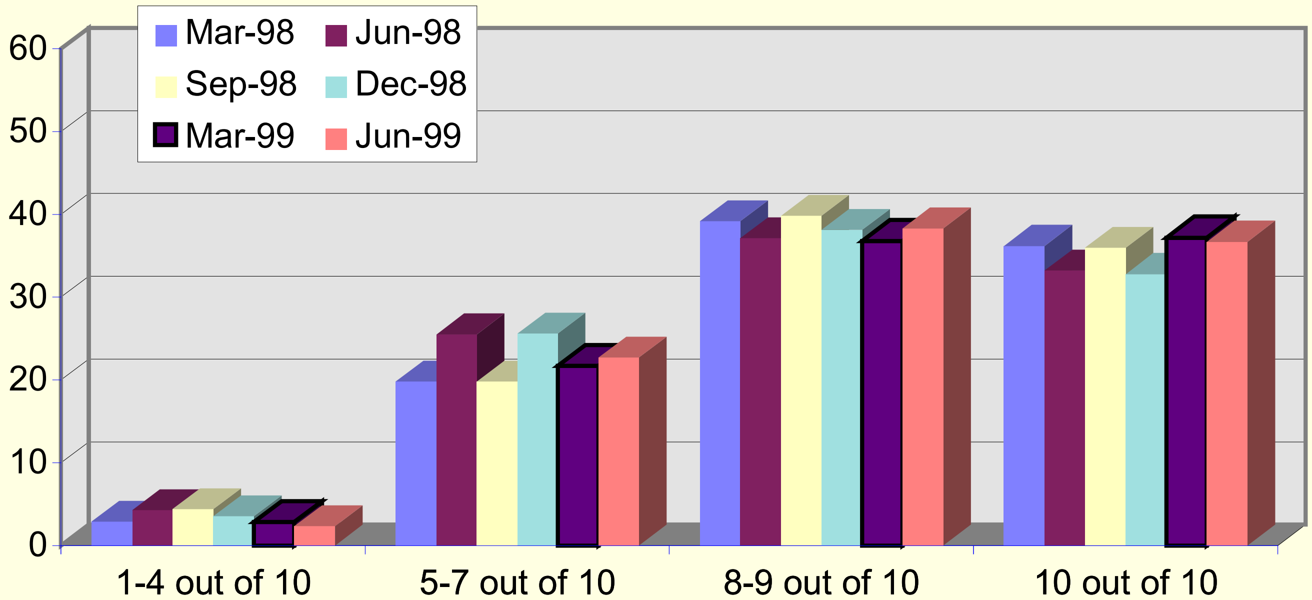
- Customers' satisfaction with our overall service has remained very stable over the past year. Two small dips are noticed in the residential rating which are consistent with the timings of the two public hearings.
- A higher percentage of customers over 65 years of age rank our service as ten out of ten than do customers of other age groups.
- St. John's customers continue to be the least satisfied with our overall service (8.1).



Average response out of 10

Satisfaction with Overall Service

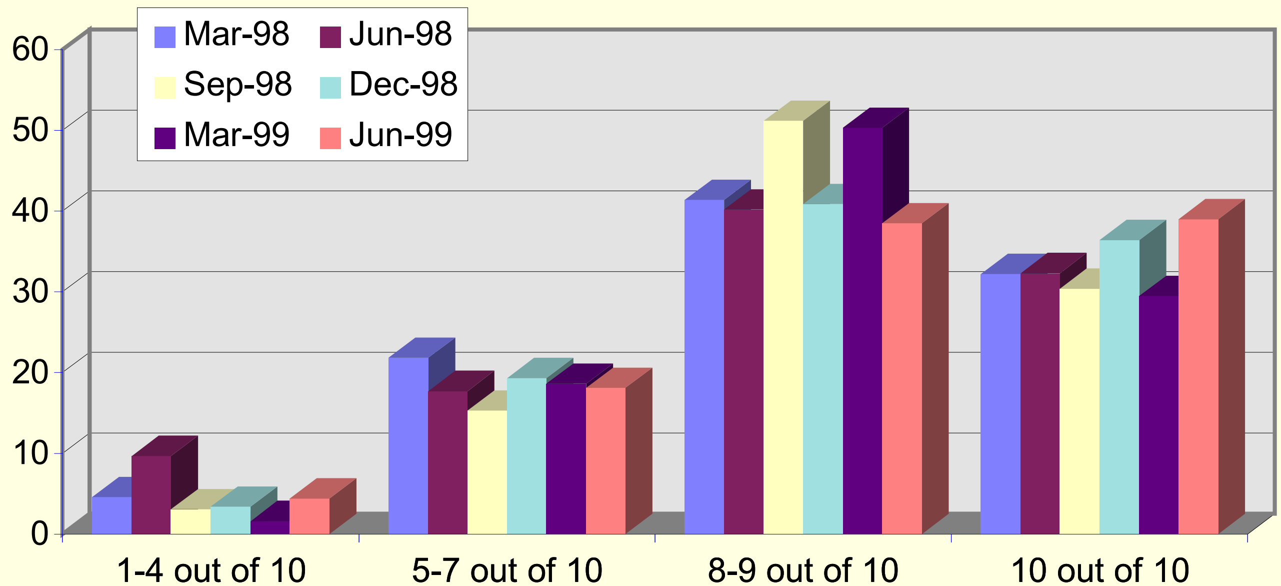
Residential Customers



- The percentage of residential customers who ranked our service ten out of ten is fairly stable at 37%.
- The percentage of residential customers who ranked our service between one and four continues to decrease.

Satisfaction with Overall Service

Commercial Customers



- 39% percent of commercial customers ranked our service as ten out of ten; up from 29% recorded in March 1999.
- The percentage of commercial customers that ranked our service as one to four out of 10 increased to 4%.

Telephone Service

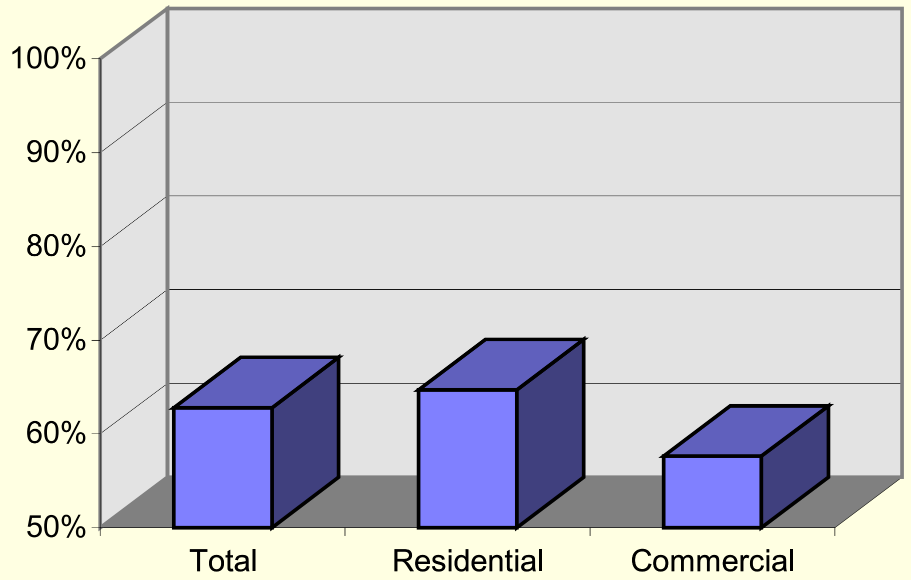
Main Reason for Calling

	Residential	Commercial	Total
Power Interruption	34.0%	59.0%	40.2%
Service Connection	10.2%	13.1%	11.7%
Balance on Account	19.0%	4.9%	15.0%
Moving Locations	7.5%	4.9%	7.0%
Payment Arrangement	9.5%	8.2%	8.9%

- 24% of our residential and 22% of our commercial customers indicated they had called us in the past six months.
- 42% of customers indicated they had called the customer service telephone number, 29% had called the trouble/emergency number and 28% had called one of the local offices.
- 85% of customers who reported a power interruption called the trouble/emergency number, 28% called one of the local offices and 10% called the customer service number.

Percentage of Inquiries Resolved on the First Call

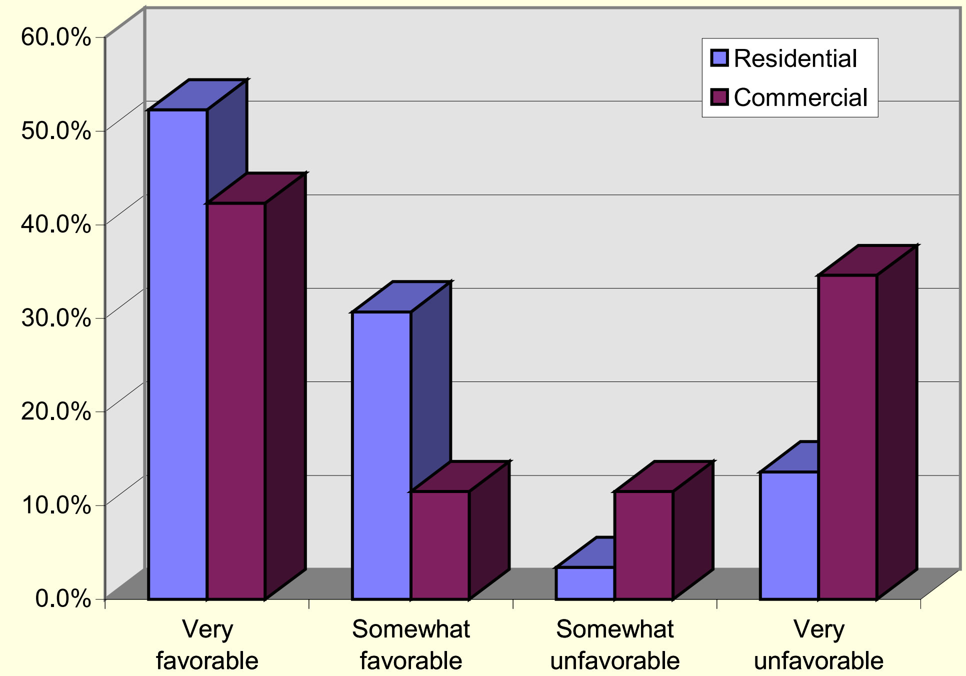
- 65% of customers indicated their inquiry was handled on the first call.
- One-third of the customers who called more than once, or 13% of all callers, indicated they had called about the same issue twice.
- 7% of all callers called three times about the same issue and 14% called more than three times to have their issue resolved.
- The type of inquiry had no significant affect on whether or not the inquiry was handled on the first call.



Percentage of customers who called only once.

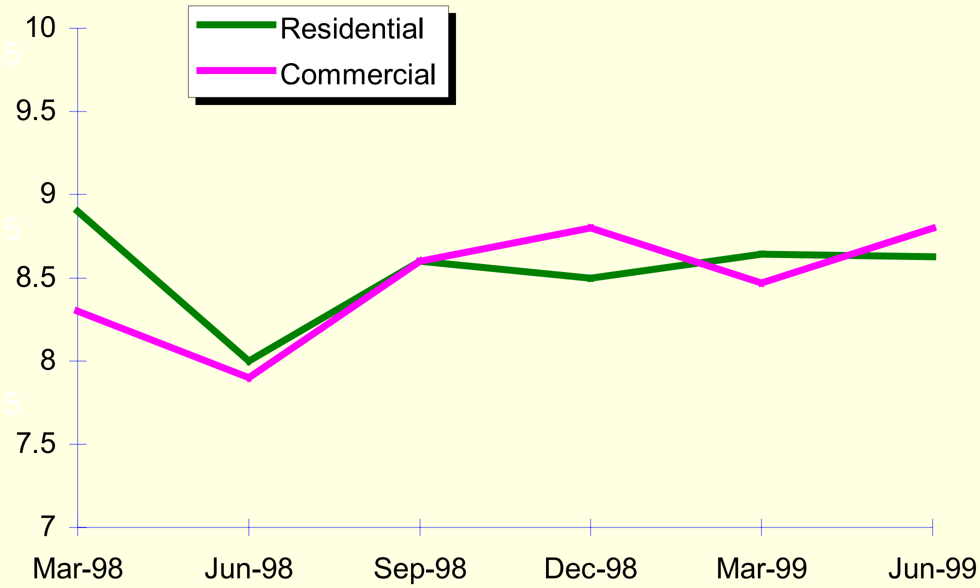
Opinion of Automated Phone System

- 83% of residential customers have either a very or somewhat favorable opinion of the automated telephone system.
- 54% of commercial customers have a favorable opinion of the automated telephone system. However, 35% of commercial customers indicate they have a very unfavorable opinion of the system.
- There are no significant demographic differences which account for the respondents' opinions of the system.
- The reason the customer has called also had no significant affect on their opinion of the automated system.
- The main reasons customers' had an unfavorable opinion of the system was: they preferred to have personal service or they found the system too long to go through.



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 regarding the same issue increases, their rating of our telephone service decreases. Customers who have called more than three times rate our phone service at 7.7 compared to 8.8 from customers who called only once.
- Customers who called the customer service line, those who called the trouble line and those who called the local offices gave similar ratings of quality of service.
- Customers who contacted us about their energy consumption (high bill) continue to rate our telephone service lower than customers who called about other issues.

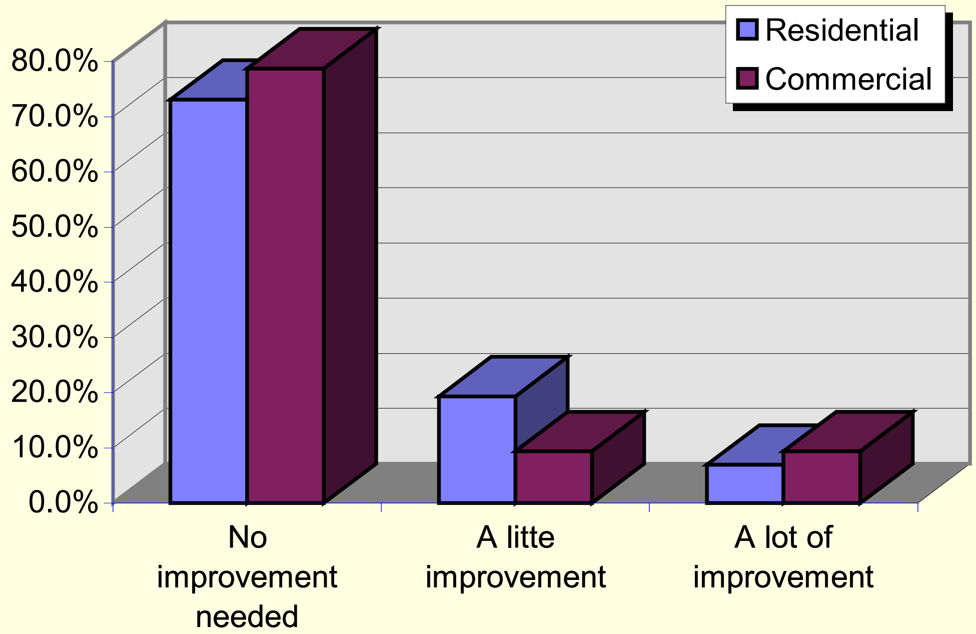


Average response out of 10

- Customers who have a very favorable opinion of the automated telephone system rate our phone service higher than customers who do not have a very favorable opinion of the system.
- There were no demographic or regional differences noted which significantly affected the rating of quality of phone service.

Improvements in Telephone Service

- In total, 16% of customers think we can improve our telephone service a little and 8% think we can improve it a lot.
- 9% of Commercial customers believe we can improve our telephone service a little and 9% believe we can improve our telephone service a lot. This compares to 19% and 7% respectively for residential customers.
- The percentage of customers this quarter who feel we can improve our phone service is similar to that recorded a year ago in June 1998.
- The particular telephone line the customer called and the type of inquiry had no significant affect on the percentage of customers who thought we could improve our telephone service.
- Customers who do not have a favorable opinion of the automated telephone system are more likely to believe our telephone service can be improved.

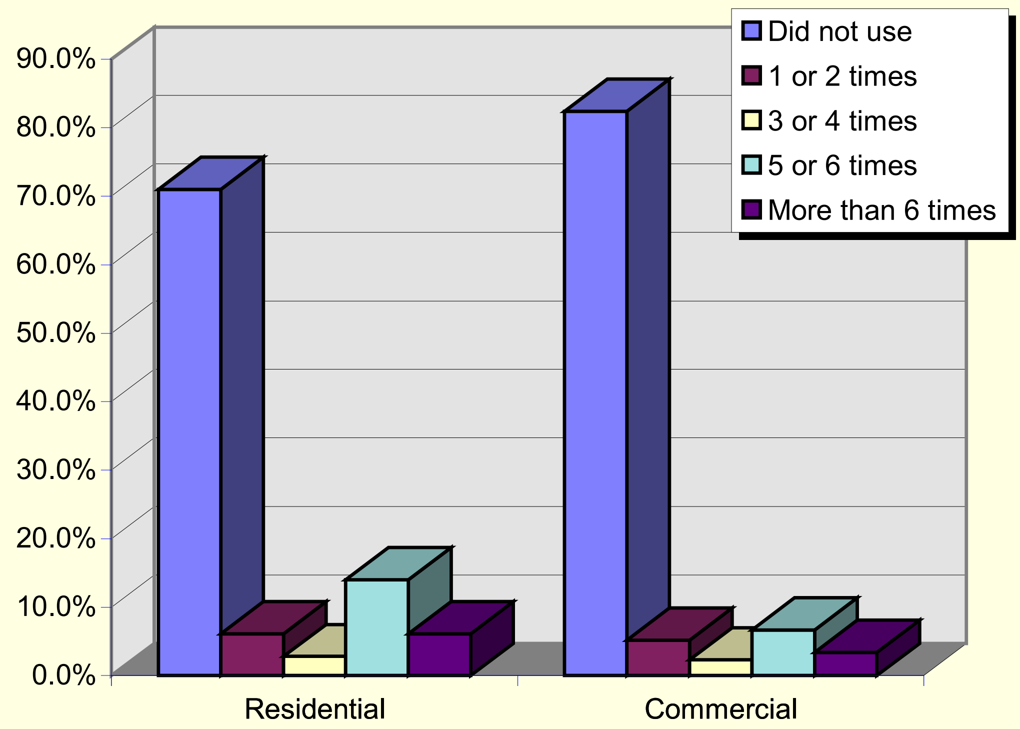


Percentage of customers

Cashier Services

Frequency of Use

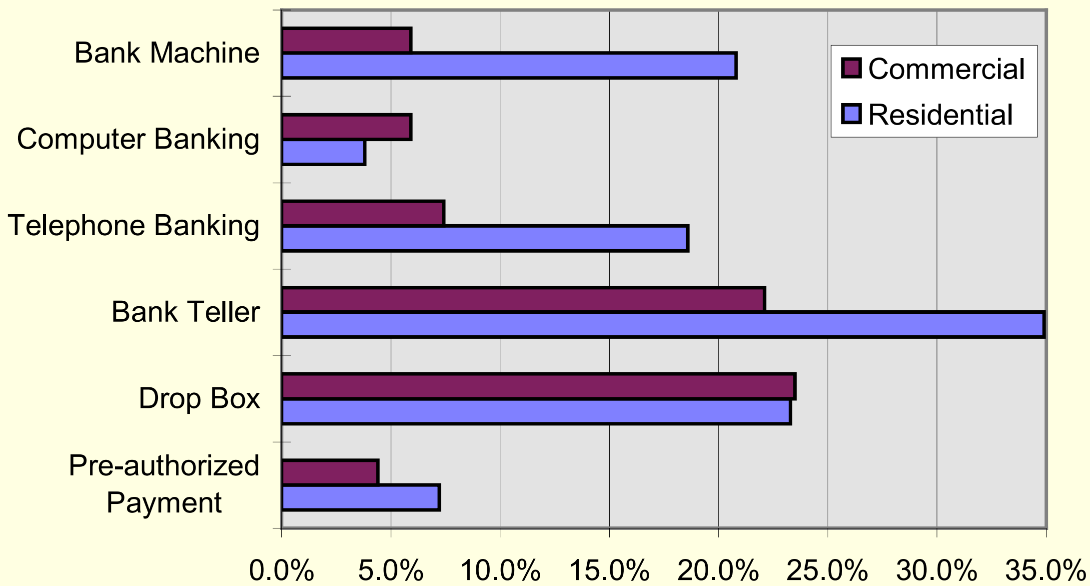
- 70% of residential customers and 57% of commercial customers who use our cashier services do so more than 5 months of the year.
- A larger percentage of customers from St. John's region have never used our cash services as compared to customers who live in other areas.
- A greater proportion of customers who are 65 years of age or over never use our cash services as compared to customers of other age groups.
- More than 75% of customers who used our cashier services cited convenient location as the main reason they choose to pay their bills at cash.
- The second most common reason was there were no delays in crediting their account.



Percentage of customers

Use of other Bill Payment Options

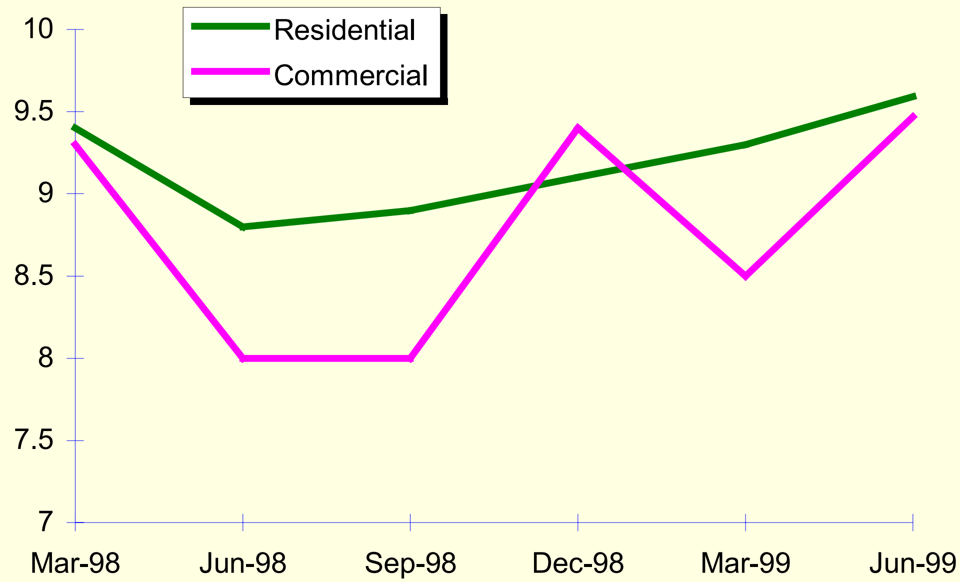
- As the frequency of cash services use increases, the customers' trial use of these other bill payment options tends to decrease. In other words, the most loyal cash users tend not to try other payment options.



Percentage of customers who use our cash services who have tried these alternative payment options.

Satisfaction with Cashier Services

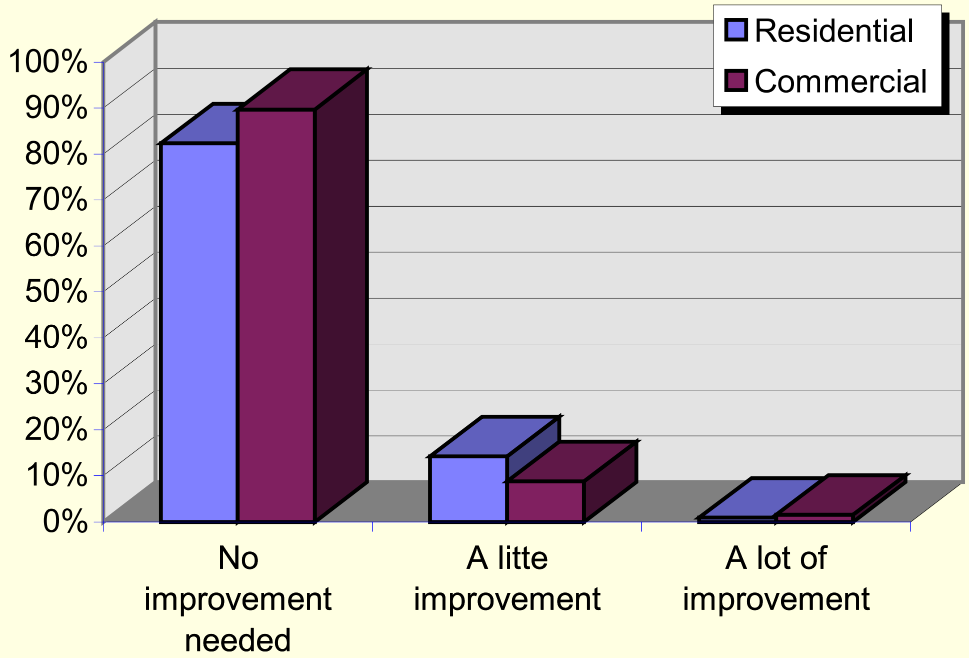
- Cashier service continues to be our highest rated customer service.
- As the age of the customer increases so do their rating of the quality of our cash services.



Average response out of 10

Improvement of Cashier Service

- 90% of commercial customers and more than 80% of residential customers believe our cashier service needs no improvement.
- For the 16% of residential customers and the 10% of commercial customers who do feel we can improve, the most common suggestion for improvement was to have more cashiers available during peak times.



Percentage of customers

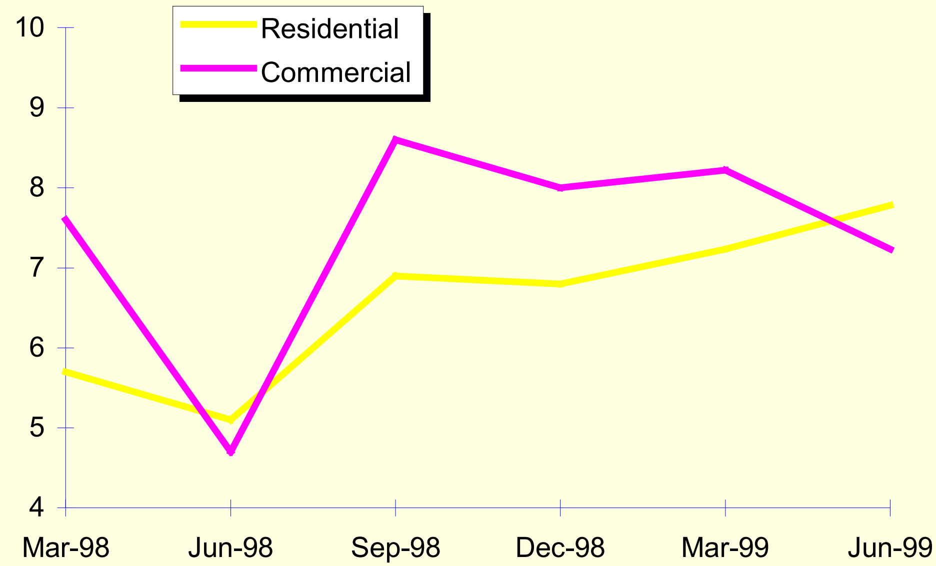
In-Office Service

Reason for Visit

- 2.0% of our residential customers and 2.8% of our commercial customers indicated they have visited one of our offices for service (other than cashier services) in the past few months.
- The main types of service customers request in-person at the local offices continue to be:
  - Moving from one location to another
  - Connecting a new service
  - Inquiring about a balance of account

Satisfaction with In-Office Service

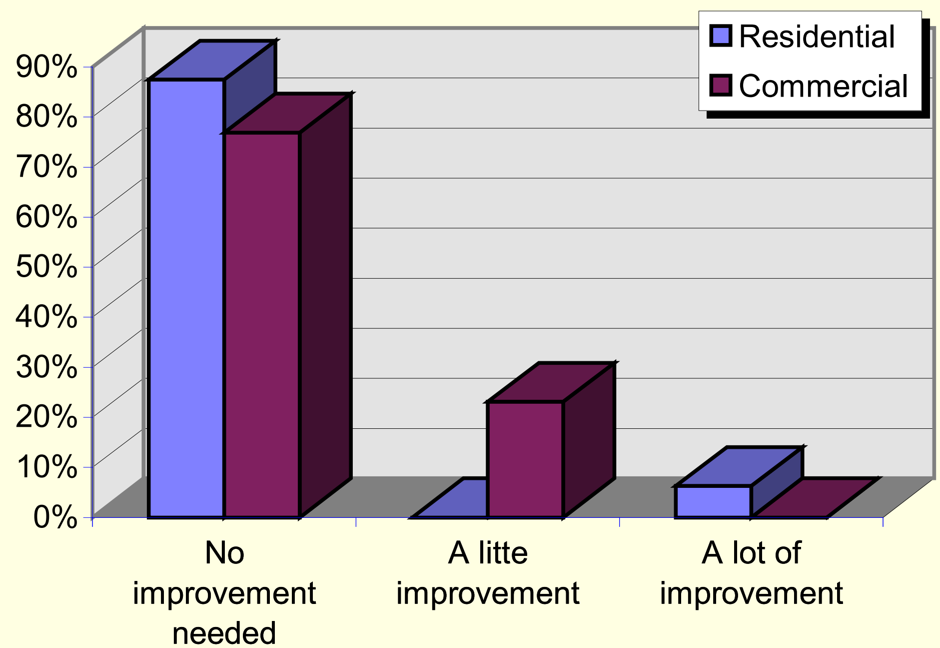
- Customers who have visited our office for service over the past few months rated the quality of service as 7.8 out of 10.
- When asked why they had rated the quality of service in the manner they did, many customers said they had "no problems with the service" and "the staff were helpful". Others stated they "had to wait" or "staff could not help them/inflexible".



Average response out of 10

Improvement in In-Office Service

- 23% of commercial customers thought we could improve our in-office service a little and 6% of residential customers though we could improve it a lot.
- These results are consistent with that recorded in the 1st quarter.
- The suggestions offered for improving our in-office service are consistent with previous quarters: staff should show more of an interest in helping, staff should be knowledgeable on policies, have more staff available, and be able to provide answers quickly.

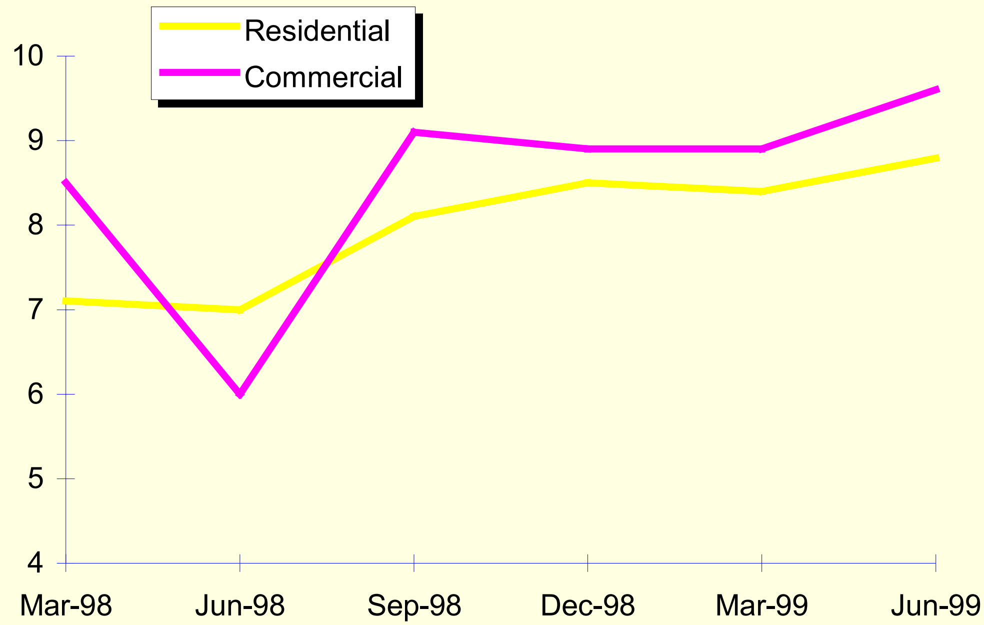


Percentage of customers

Field Services

Satisfaction with Field Service

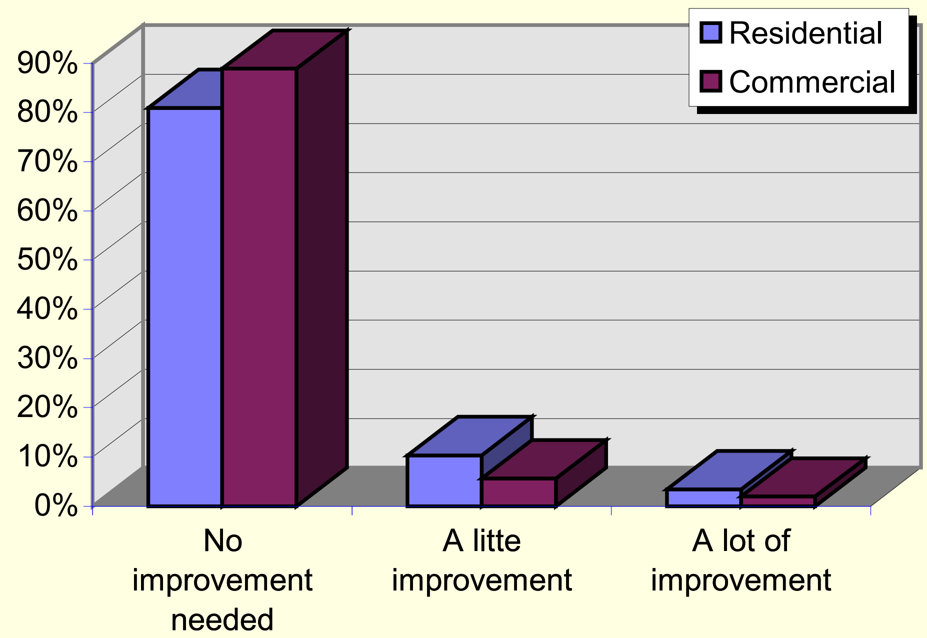
- 24.3% of the customers indicated they had received some form of field service in the past six months. (this percentage is higher than other quarters because meter readers were included in the list of field staff).
- No demographic or regional differences were noted that significantly affected the rating of quality of service.
- When asked why the had given this rating most customers commented on the staff being friendly, polite, and efficient.



Average response out of 10

Improvement in Field Service

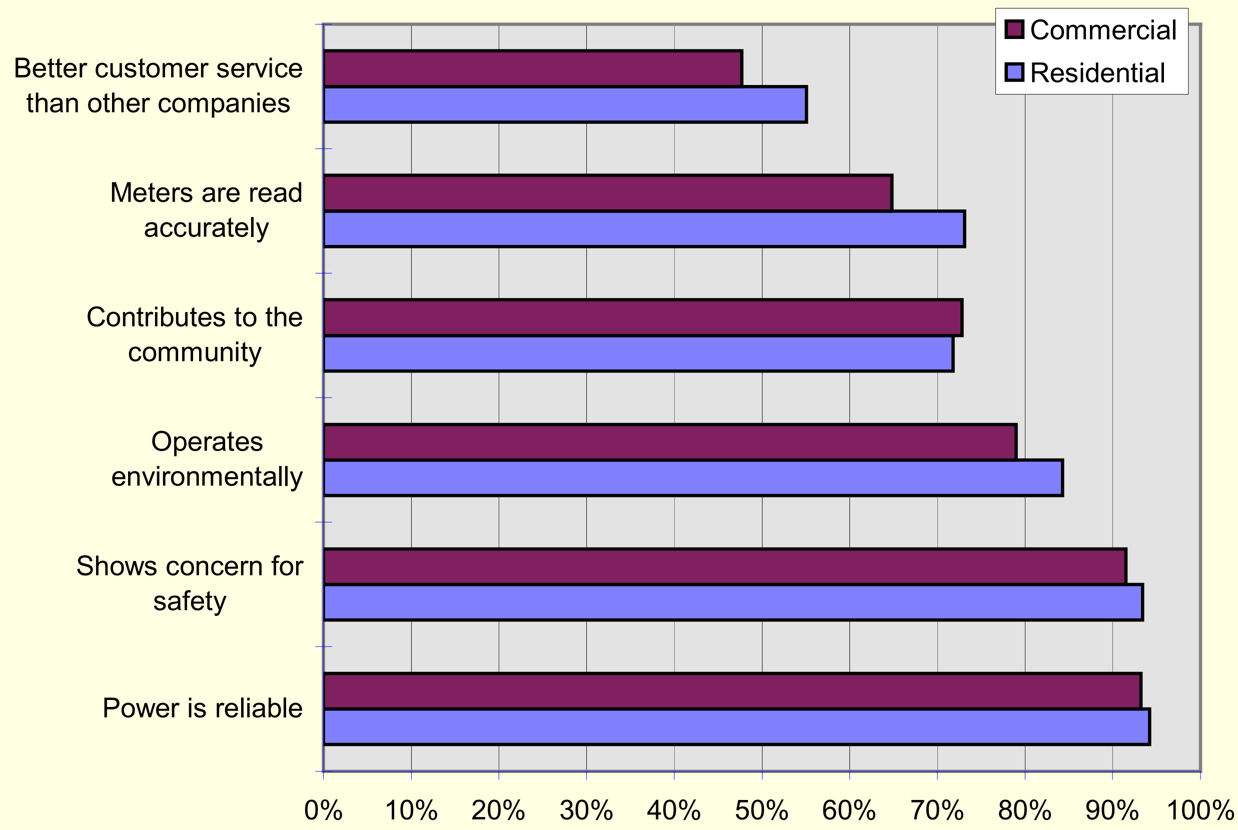
- Only 4.7% of customers stated that they have spoken to a meter reader in the past few months but for those who have it was a very positive experience. The average rating given for this service was 9.4.
- This quarter, less commercial customers indicated that they believe we could improve our field service. Only 6% thought we could improve service a little and 2% thought we could improve it a lot.
- The percentage of residential customers who believe we can improve our field service is consistent with that recorded in the 1st quarter.



Percentage of customers

Ranking of Service Attributes

How Well We are Doing

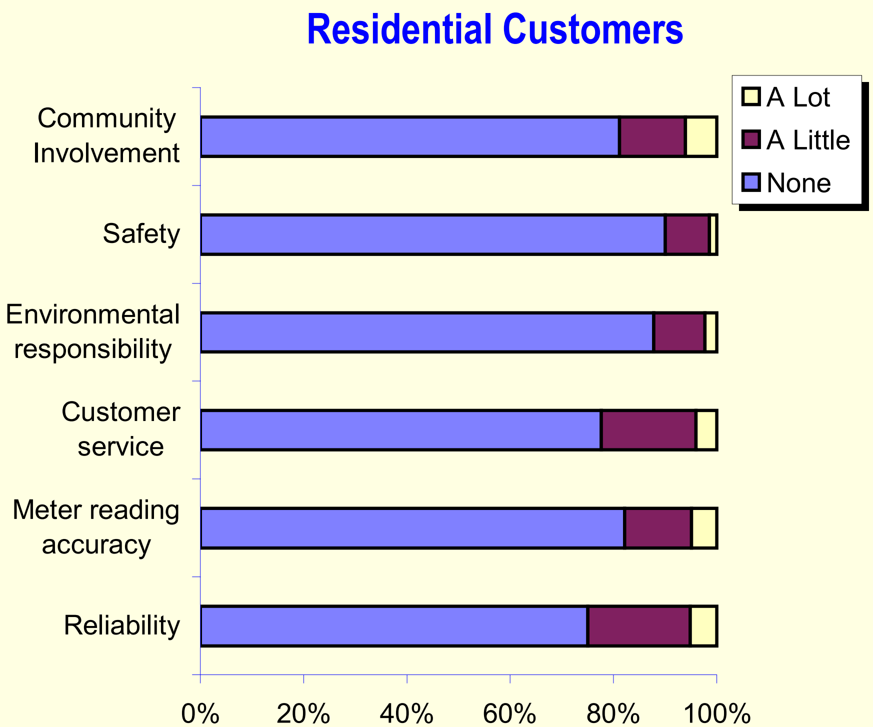


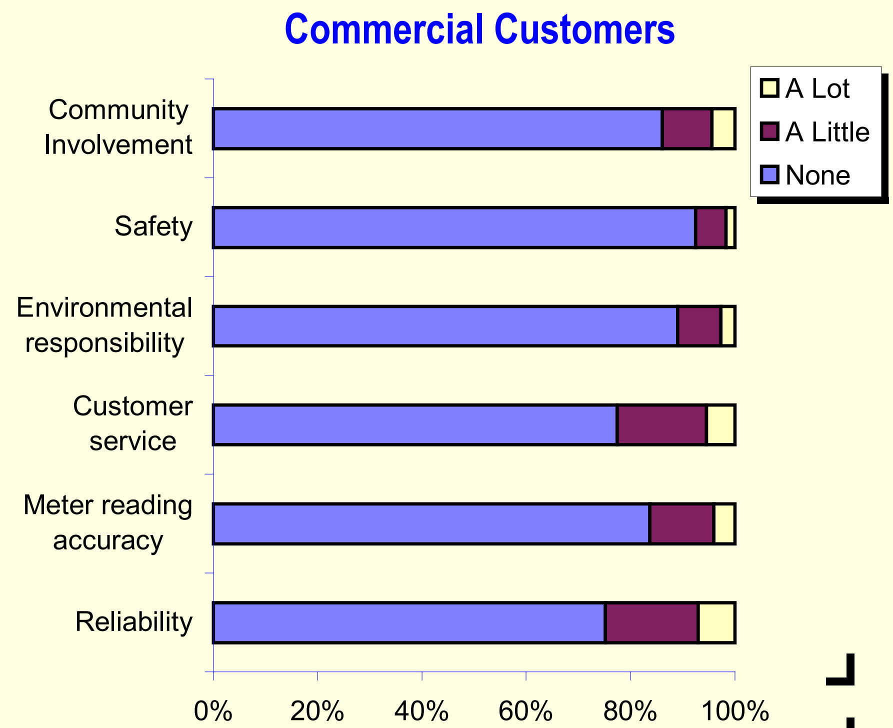
- The graph represents the percentage of customers who either strongly agree or somewhat agree with the statement.
- Note that the question pertaining to customer service was changed this quarter from “NP provides excellent customer service” to “NP’s customer service is better than that offered by other businesses in the community”.

How Well We are Doing

- St. John’s customers are less likely to agree that our power supply is reliable.
- Commercial customers are less likely to agree that our meters are read accurately. (53% of commercial customers “strongly agree” vs. 61% of residential customers.)
- St. John’s, Grand Falls and Corner Brook area customers are the least likely to agree that our meters are read accurately.
- Commercial customers are less likely to agree that our customer service is better than other businesses. (47% of commercial customers “agree” vs. 55% 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 better customer service and the less likely they are to agree that our power is reliable.
- Eastern area customers are more likely, and St. John’s customers are less likely, to agree that our customer service is better than other businesses in the community.
- Middle-income customers are less likely to agree that NP contributes to the community.
- Burin customers are more likely, and Gander customers less likely, to agree that we contribute to the community.
- Eastern area customers are more likely to agree that NP is concerned with public safety.
- Eastern customers are more likely, and St. John’s customers less likely, to agree that we operate in an environmentally responsible manner.

How we can Improve

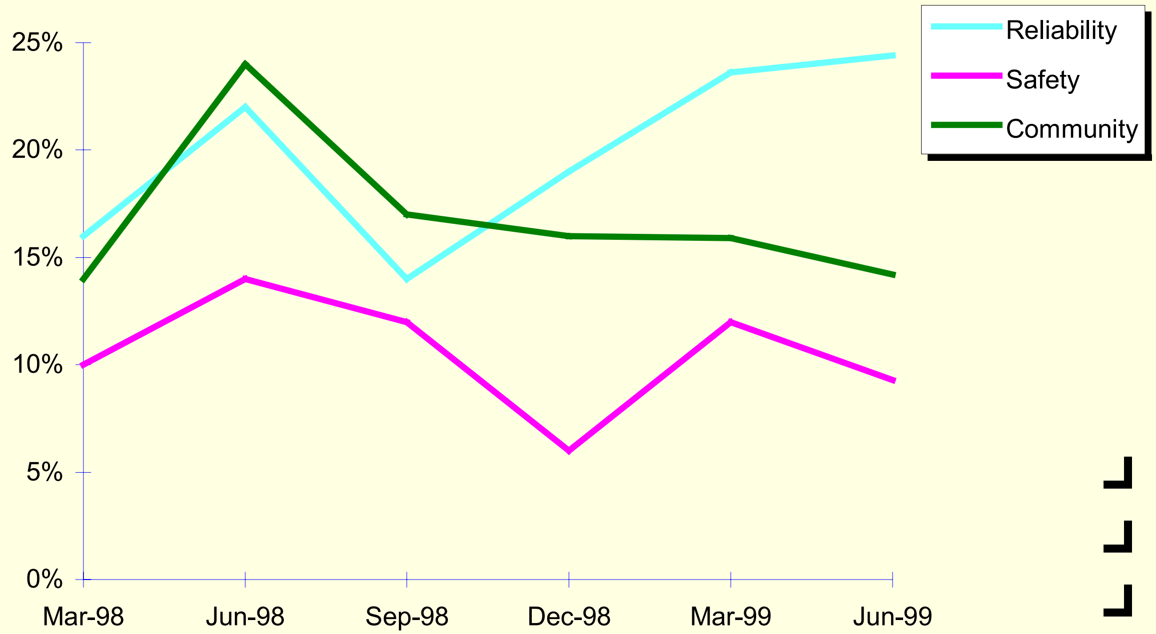




- St. John's area customers are more likely than other customers to believe we need to improve our environmental responsiveness, customer service, meter reading accuracy and power reliability.
- The main reason given by customers who believe we can improve reliability "a lot" was "too many outages".
- The main reason given by customers who believe we can improve our meter reading accuracy "a lot" was "never estimate bills".
- The main reason given by customers who believe we can improve our customer service "a lot" was "need more staff".
- The main reason given by customers who believe we can improve our environmental responsiveness "a lot" was "stop spraying around lines".
- The main reason given by customers who believe we can improve our community contribution "a lot" was "show more involvement/increase awareness".

Change in Residential Customers' Perceptions

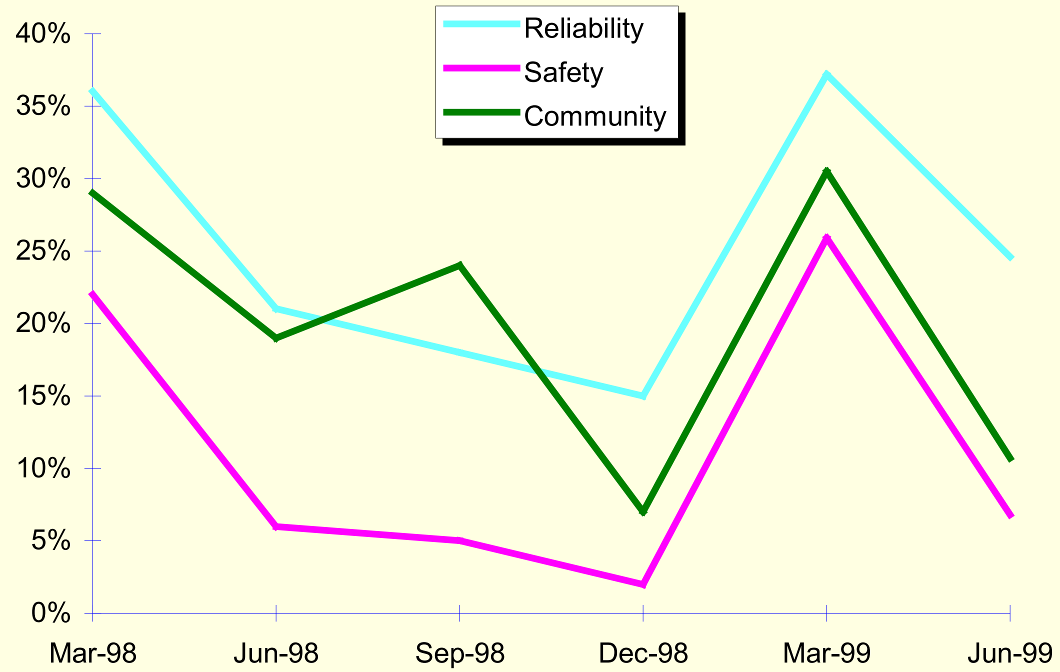
- The percentage of customers who believe we can improve reliability a little or a lot is 24% in June 1999 as compared to 22% in June of 1998.
- The percentage of customers who feel we can improve on our concern for public safety a little or a lot is 9% as compared to 12% in March 1999 and 14% in June 1998.
- The percentage of customers who believe we can improve our community contribution decreased from 24% in June 1998 to 14% in June of 1999.



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

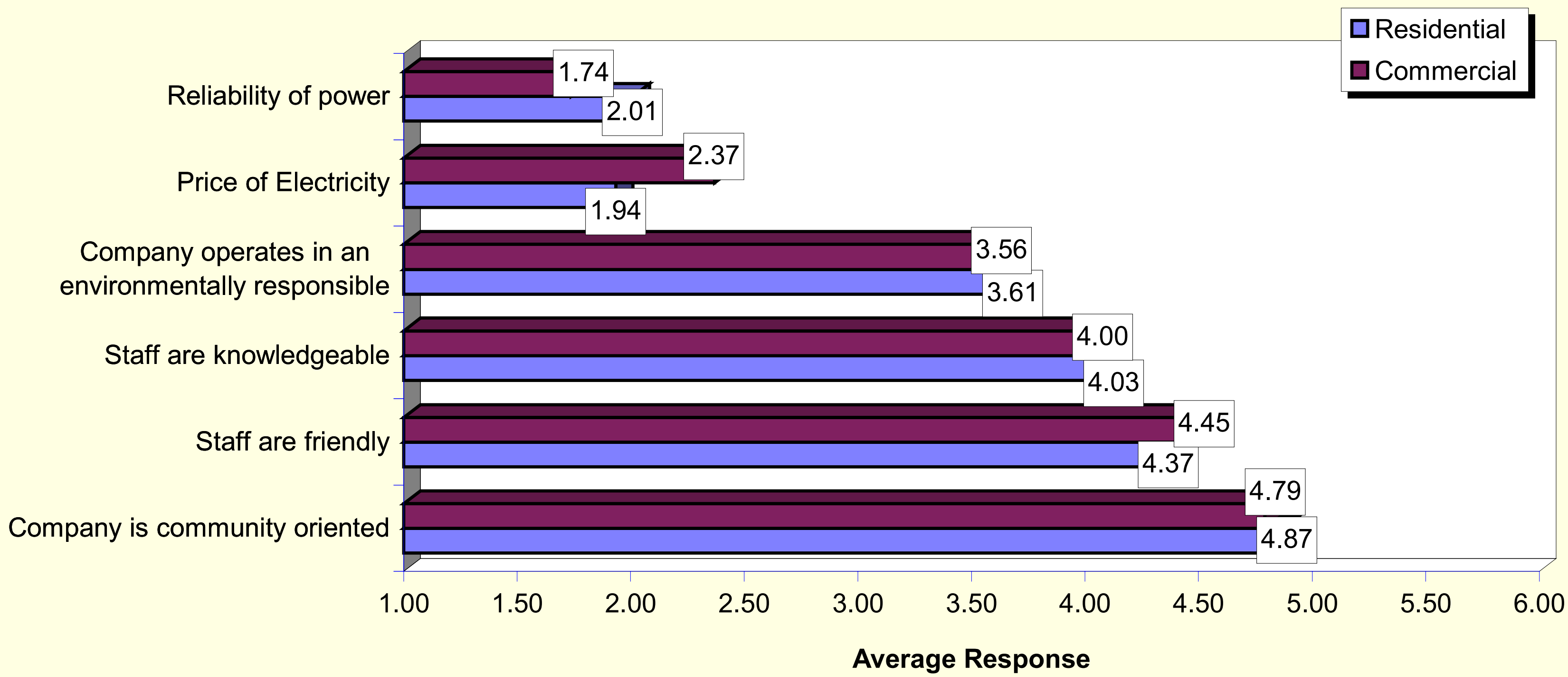
Change in Commercial Customers' Perceptions

- The percentage of commercial customers who believe we can improve our reliability of supply is 25% this quarter compared to 21% in June 1998.
- The percentage of commercial customers who believe we can improve our safety concern is 7% this quarter compared to 6% in June 1998.
- The percentage of commercial customers who believe we can improve our community contribution is 11% this quarter compared to 19% in June 1998.



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

Ranking of Importance

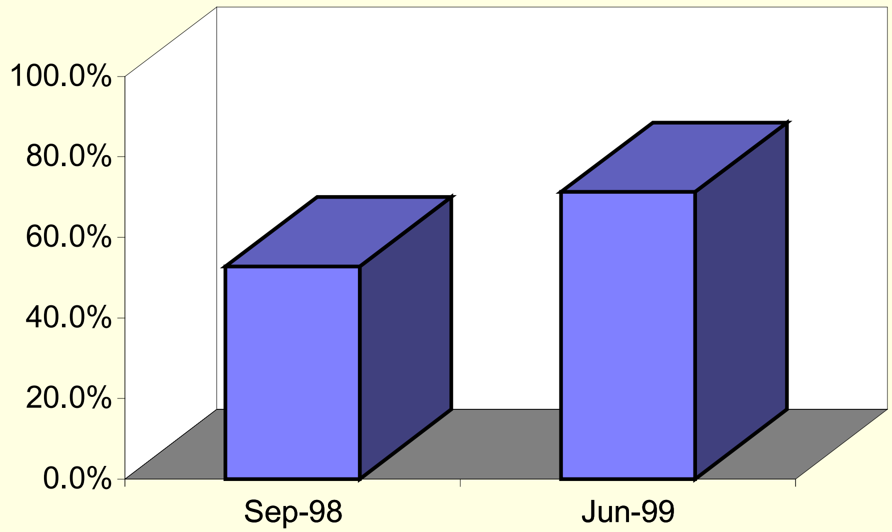


Average response out of 6. Ranking is from 1 to 6 with 1 being the most important attribute.

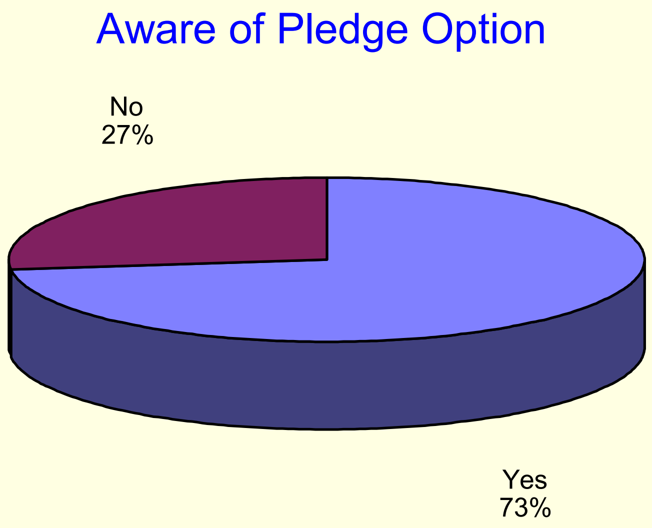
- Reliability and price continue to be ranked, by both commercial and residential customers, as the most important aspects of our service.
- Reliability is ranked higher in importance by commercial customers than by residential customers.

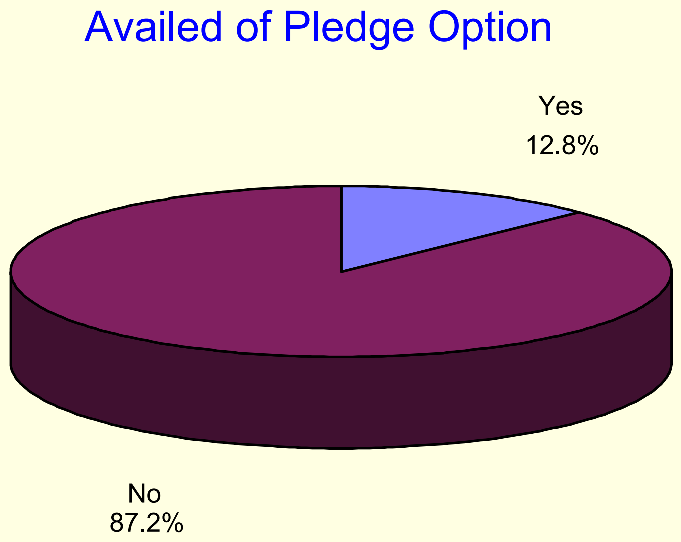
Cancer Society Sponsorship

- Awareness of Newfoundland Power's sponsorship of the *Families Can Beat Cancer* campaign has increased from 53% in September 1998 to 71% in June 1999.
- Customers in the Corner Brook area tend to be less aware than other customers of our involvement and Clarenville area customers tend to be more aware of our involvement.



Cancer Society Sponsorship





- 73% of our customers are aware they can donate to the Cancer Society through their electric bill. This compares to 58% who were aware in September 1998.
- In comparison to 6.3% of customers who had availed of the pledge option in September 1998, 12.8% of our customers now indicate they have used the pledge option to donate to the Cancer Society.
- 73% of the customers who have not donated using the pledge option say they have not because "they donate to the Cancer Society in other ways". 4.4% stated they did not want to support this charity and 23% had other reasons such as lack of available funds.