Customer Satisfaction Survey
December 2000

Customer Research

Fourth Quarter 2000 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%	8.5	8.2	3.4	16.9%
Field Service	20%	9.7	9.3	1.9	24.5%
Cashier Service	20%	9.4	9.0	1.9	14.6%
General Satisfaction	20%	8.5	8.7	1.7	
	Customer Satisfaction Index:			8.9	
In-office Service				8.3	1.4%

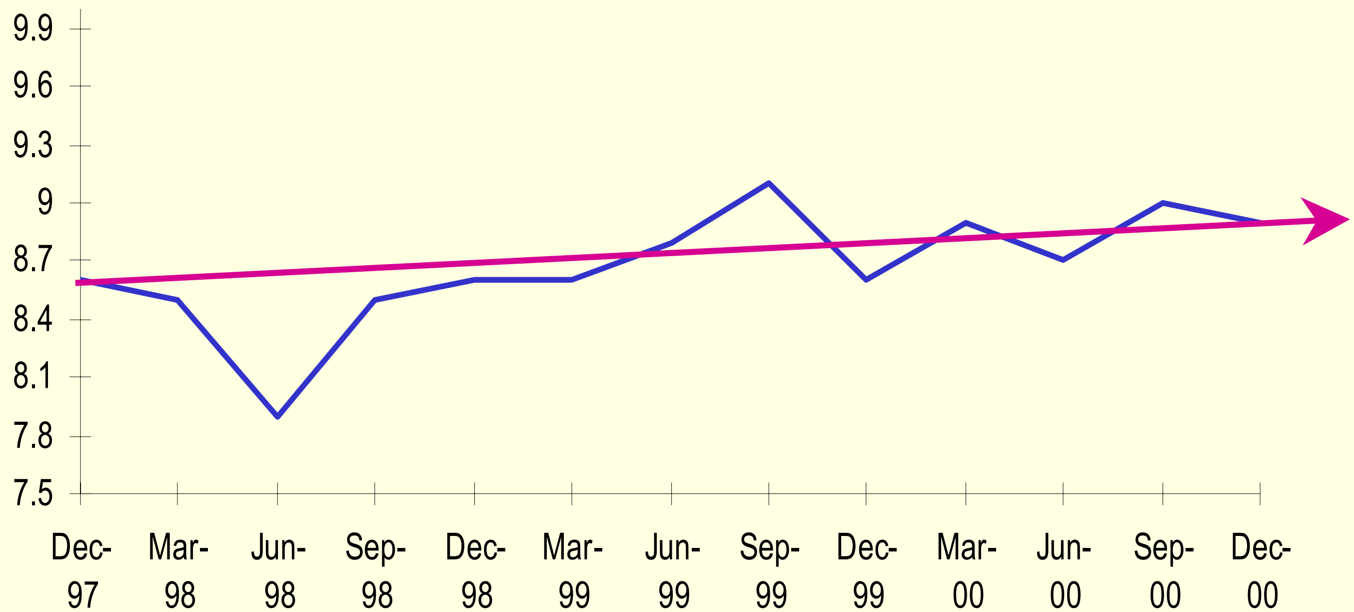
Notes:

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 December 2000.
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 where 1 is 'Not at all satisfied' and 10 is 'Extremely Satisfied'.

Customer Satisfaction Index

The index this quarter is higher than that of the fourth quarters of the past three years. The index is higher than 10 of the previous 12 quarters.

Using a red trend line, the slight but steady increase in the index can be observed.

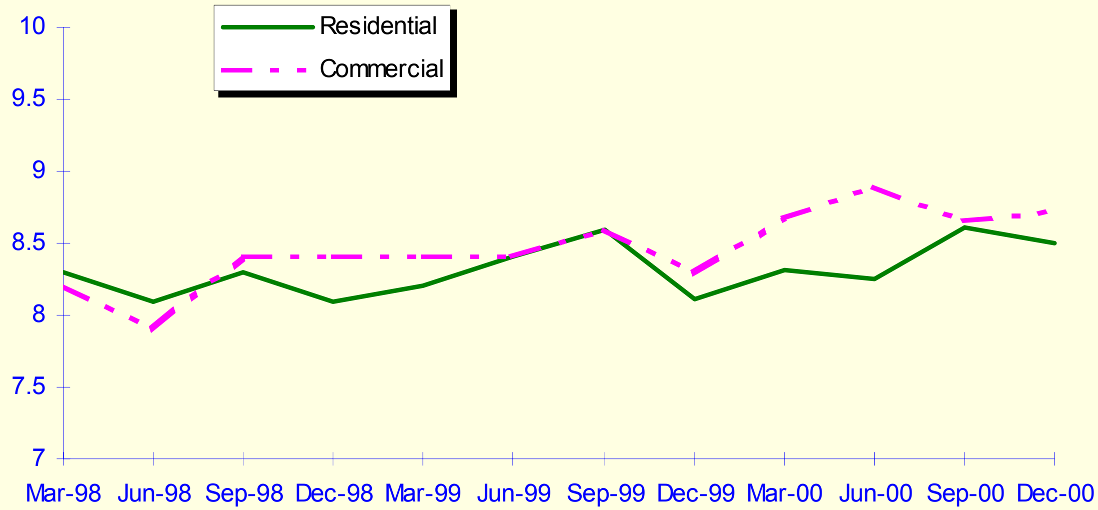


Average response out of 10

Overall Rating of Service

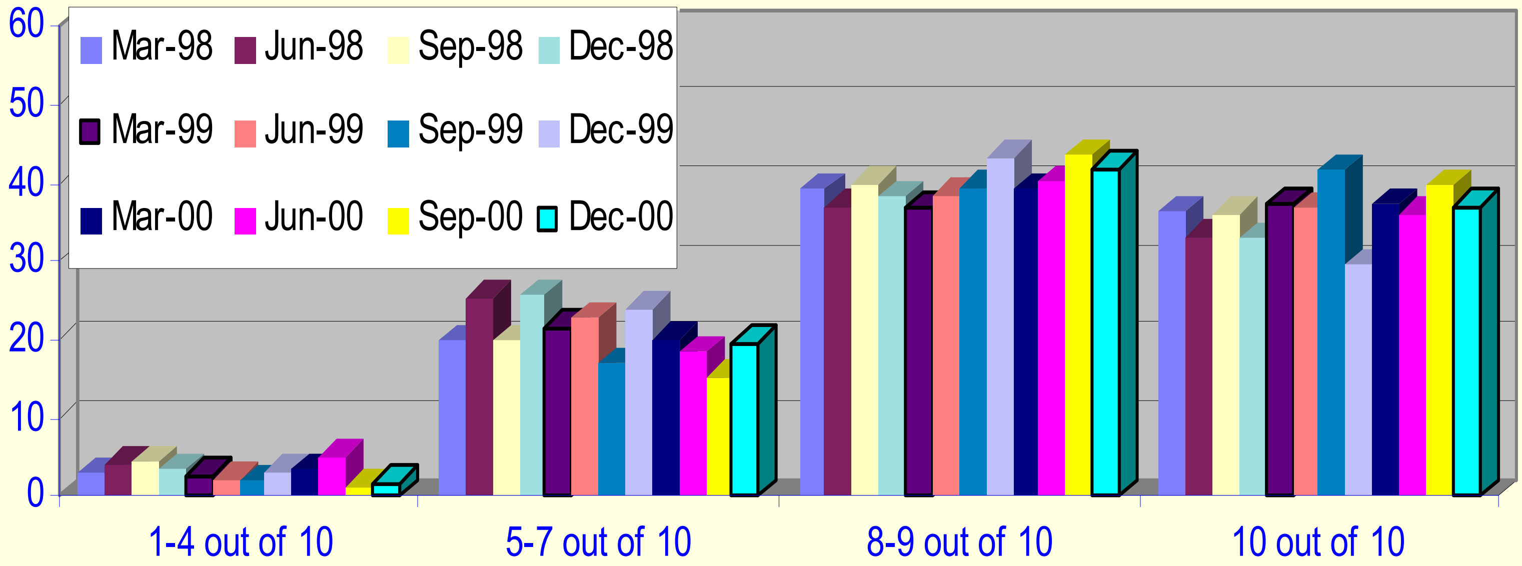
Satisfaction with Overall Service

- Satisfaction with overall service for commercial and residential customers is higher than that recorded in December 1999.
- Data for the past two years shows a very stable trend in customers’ opinions of our overall service.



Average response out of 10

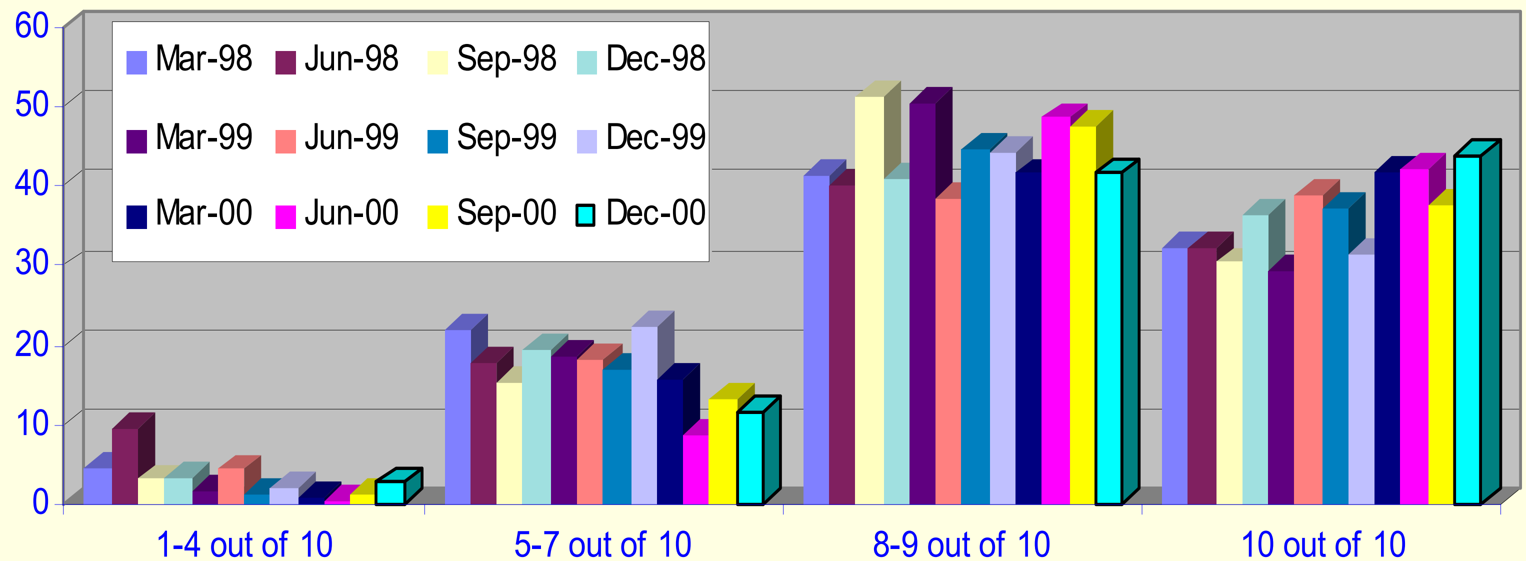
Satisfaction with Overall Service
Residential Customers



- The percentage of residential customers who ranked our service ten out of ten is 36.9%; compared to 39.7% last quarter and 29.5% recorded in December 1999.
- Only 1.7% of residential customers ranked our service between one and four.
- During 2000, the percentage of customers who ranked our service as 1 to 7 out of 10 has declined while the percentage of customers who ranked our service as 8 or 9 out of 10 has increased.

Satisfaction with Overall Service

Commercial Customers



- This quarter, 44% of commercial customers ranked our service as ten out of ten; the highest percentage recorded since 1998.
- The percentage of commercial customers that ranked our service as one to four out of ten remains very low.

Telephone Service

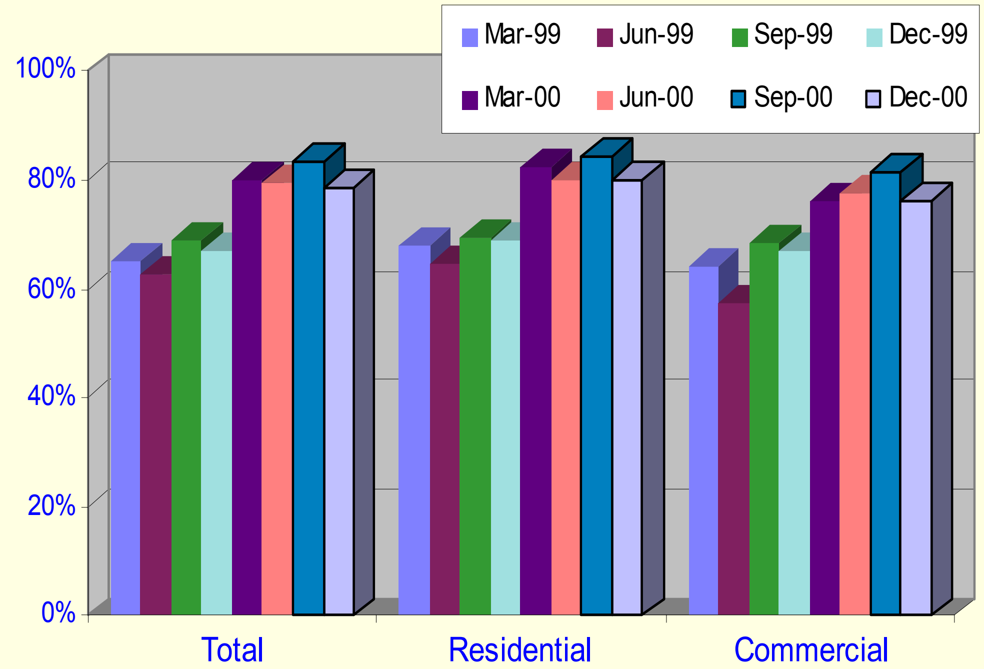
Main Reason for Calling

	Residential	Commercial	Total
Power Interruption	34.3%	59.3%	41.2%
Service Connection	14.3%	20.4%	16.0%
Balance on Account	13.6%	5.6%	11.3%
Moving Locations	7.9%	3.7%	6.7%
Payment Arrangements	6.4%	3.7%	5.7%

- Top five responses are shown.
- 18% of our residential and 16% of our commercial customers indicated they had called us in the past six months.
- 51% of customers indicated they had called the customer service telephone number, 37% had called the trouble/emergency number and 12% had called one of the local offices.

Percentage of Inquiries Resolved on the First Call

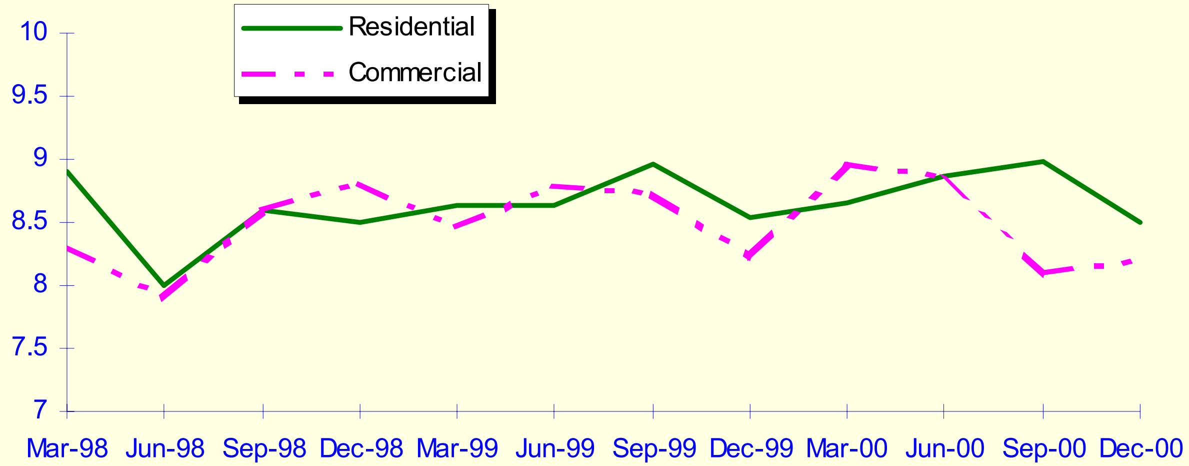
- 79% of customers indicated their inquiry was handled on the first call; down from 83% recorded last quarter.
- 16% of the customers who called more than once, or 0.3% of all callers, indicated they had called about the same issue twice.
- 16% of callers who called more than once indicated they called three times about the same issue and 58% called more than three times to have their issue resolved.
- The type of inquiry had no significant effect on whether or not the inquiry was handled on the first call.



Percentage of customers who called only once.

Satisfaction with Telephone Service

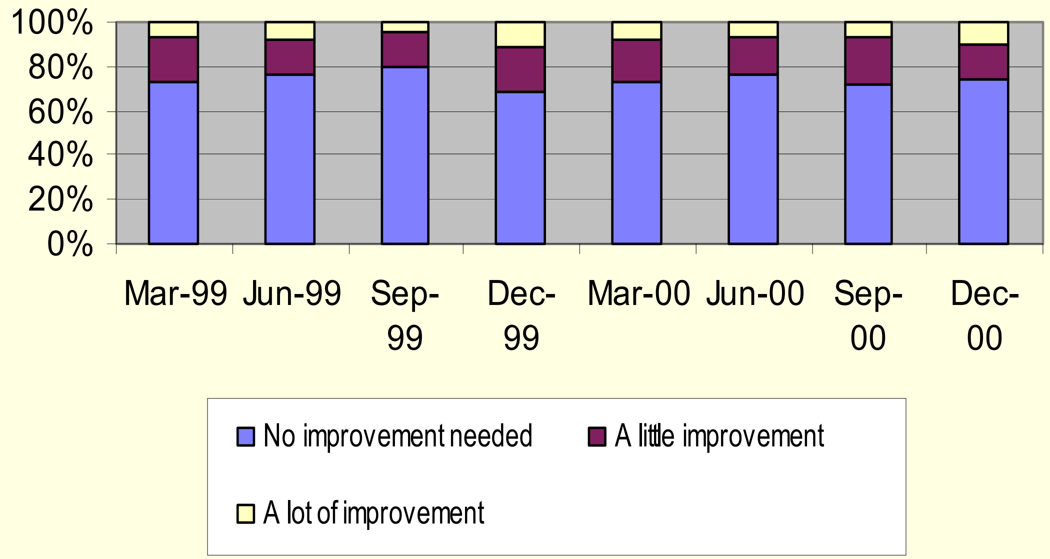
- Residential customers' ranking of our telephone service has remained fairly consistent in the past two years, with a decline noted in the 4th quarter of the past two years. Commercial customers ranked the telephone service slightly higher than last quarter and lower than the same time last year.

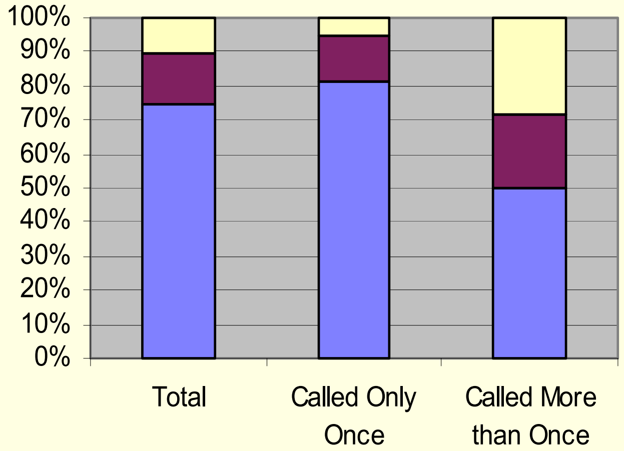


- As in past quarters, customers who have phoned us more than once for a particular issue rate our telephone service lower than customers whose inquiry was resolved on the first call. Customers who called only once ranked our telephone service as 8.8 out of 10. Customers who called more than once ranked the service at 6.9 out of 10.
- There was no difference in the quality of service rating given by customers who called the customer service line, those who called the trouble line and those who called the local offices.
- There were no demographic or regional differences noted which significantly affected the rating of quality of phone service.

Improvements in Telephone Service

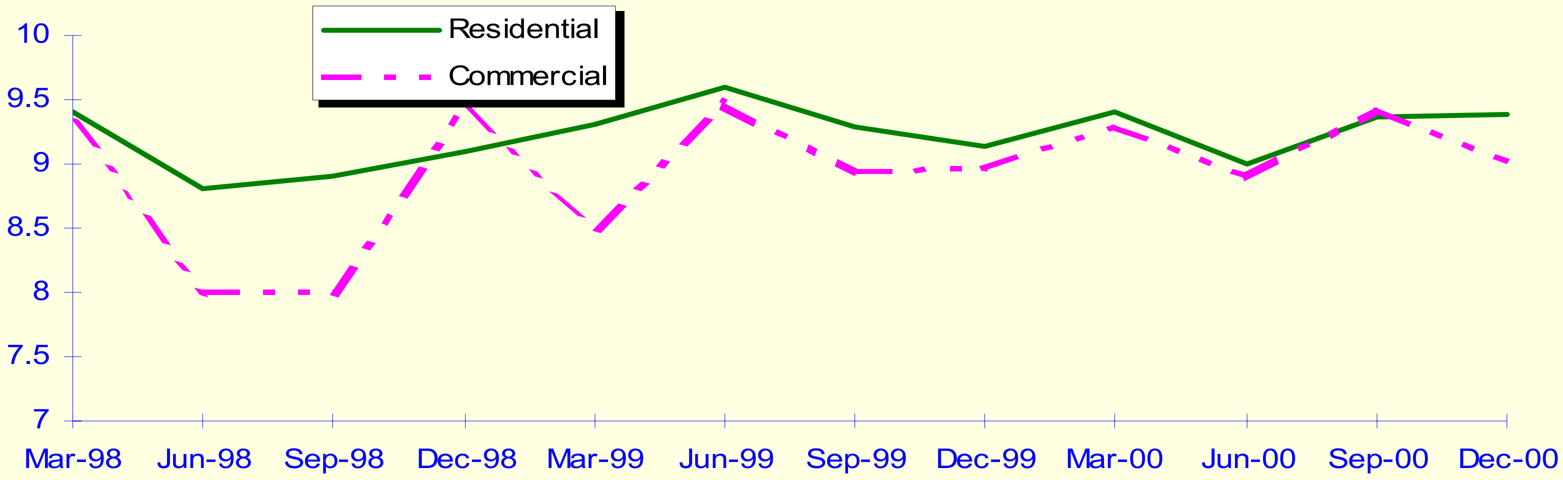
- The percentage of customers who feel we can improve our phone service remains fairly consistent with past quarters.
- In total, 73% of customers responding believe we need no improvement in the quality of our telephone service, 15% of customers think we can improve our telephone service a little and 10% think we can improve it a lot.
- 16% of commercial customers believe we can improve our telephone service a little and 13% believe we can improve our telephone service a lot. This compares to 14% and 9% respectively for residential customers.
- The particular telephone line the customer called and the type of inquiry had no significant effect on the percentage of customers who thought we could improve our telephone service.
- 5% of customers who only called once about a particular issue thought we could improve service a lot as compared to 28% of customers who called more than once.





Cashier Services

Satisfaction with Cashier Services

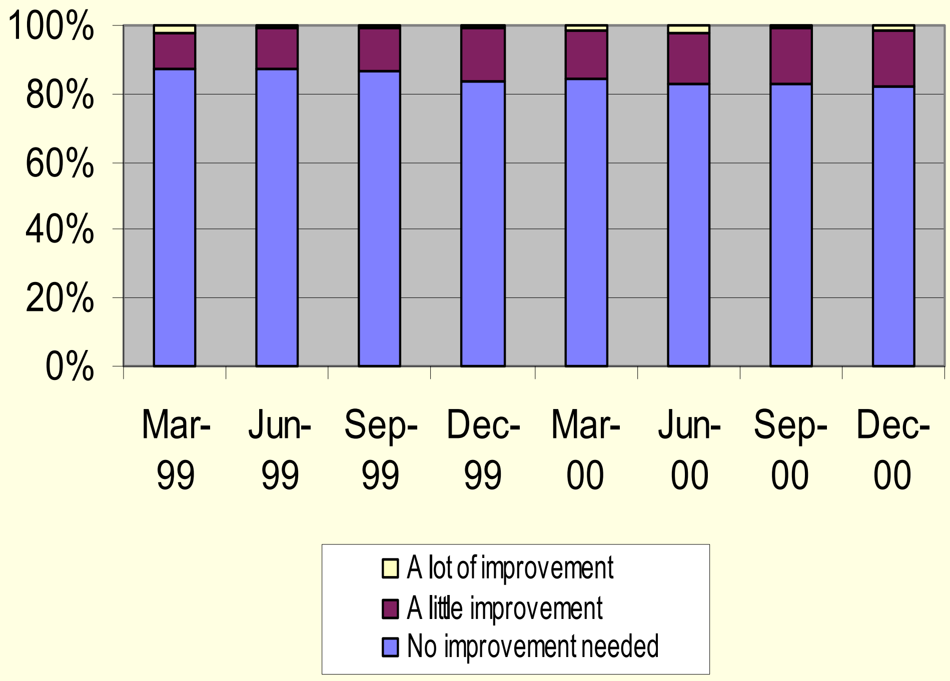


Average response out of 10

- 16% of residential customers and 13% of commercial customers indicated they had used our cash services in the past six months.
- Despite some variability in the quality of service rating, rating of our cash services continues to hover around 9 to 9.5.

Improvement of Cashier Service

- The percentage of customers who feel we need to improve our cashier service has not changed significantly since March 1999.
- Currently, 16% of all customers believe we can improve a little and only 1.7% believe we need to improve a lot.
- 80% of commercial customers and 79% of residential customers believe our cashier service needs no improvement.
- The most common suggestion for improvement was to have more cashiers available during peak times.



In-Office Service

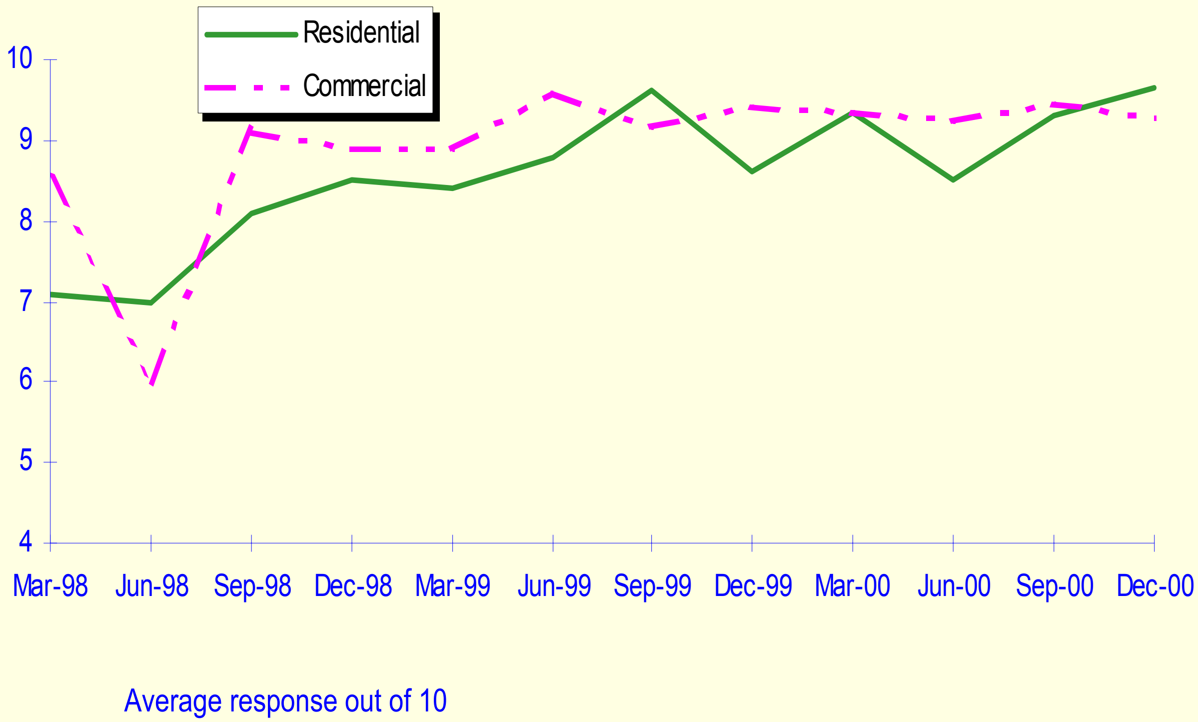
Reason for Visit

- This quarter, 1.4% of our residential and 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 were:
  - Connect a new service (25%)
  - Inquiry about a balance owing on account (25%)
  - Inquiry about a meter reading or estimated reading (12.5%)
- Customers who have visited our office for service over the past few months rated the quality of service as 8.3 out of 10.
- There is insufficient numbers to analyze the data further.

Field Services

Satisfaction with Field Service

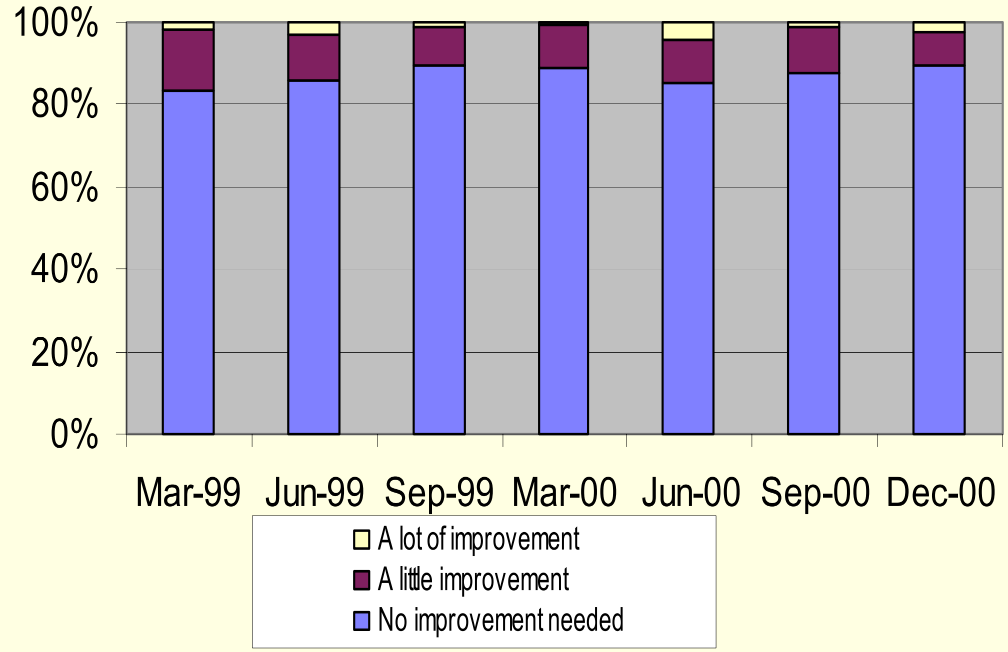
- 24% of the customers indicated they had received some form of field service in the past six months. Correcting for meter readers who did not have contact with customers, the percentage of actual field contacts was 8%.
- The quality of service rating given for our field services has remained fairly stable over the past year.
- There were no significant differences in the rating of service given for the various types of field services.



- No demographic or regional differences were noted that significantly affected the rating of quality of service.
- When asked why they had given this rating most customers commented on the staff being friendly and courteous, the service was completed promptly or they had no problems or issues with the service provided.

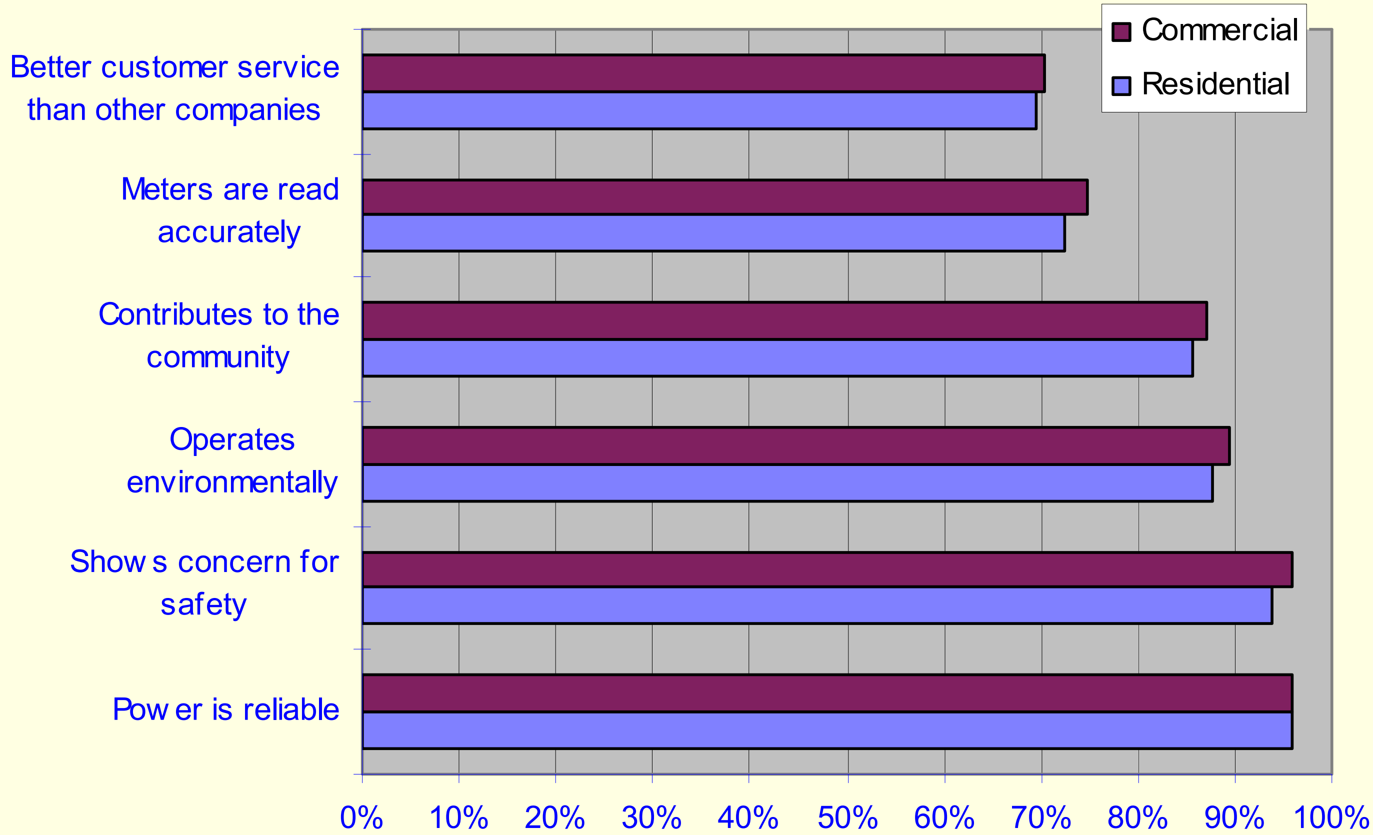
Improvement in Field Service

- This quarter, 7.5% of customers thought we could improve our field services a little and only 2% thought we could improve our field services a lot.
- The percentage of customers who feel we need to improve our field services is fairly consistent with that recorded over the past two years.
- No demographic or regional differences were noted that significantly affected the percentage of customers who feel the quality of our field services could improve.



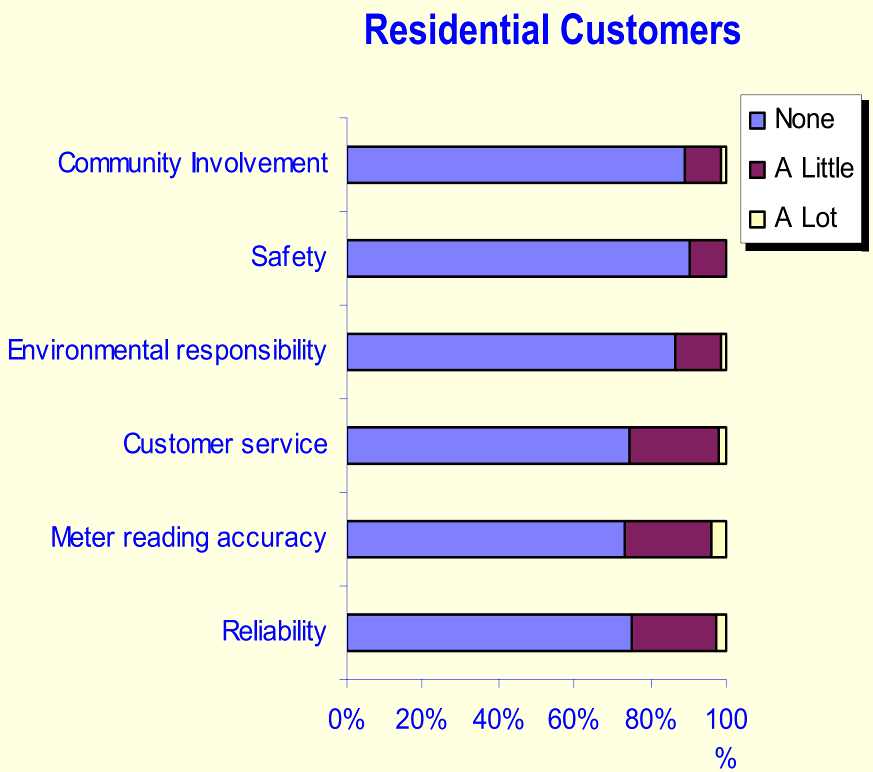
Ranking of Service Attributes

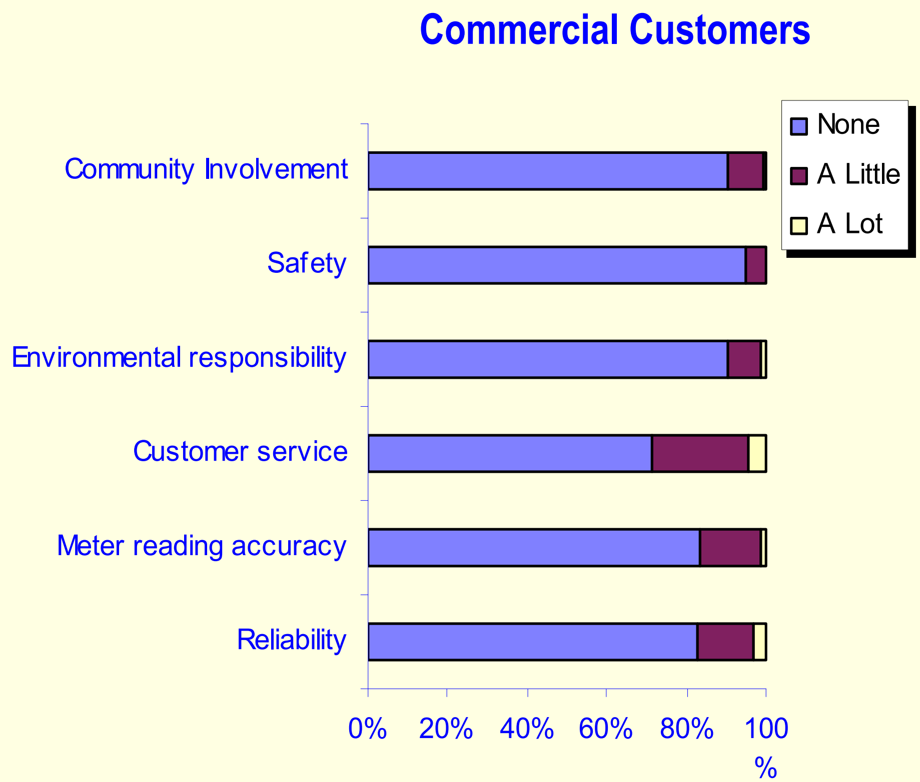
How Well We are Doing



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

How We Can Improve

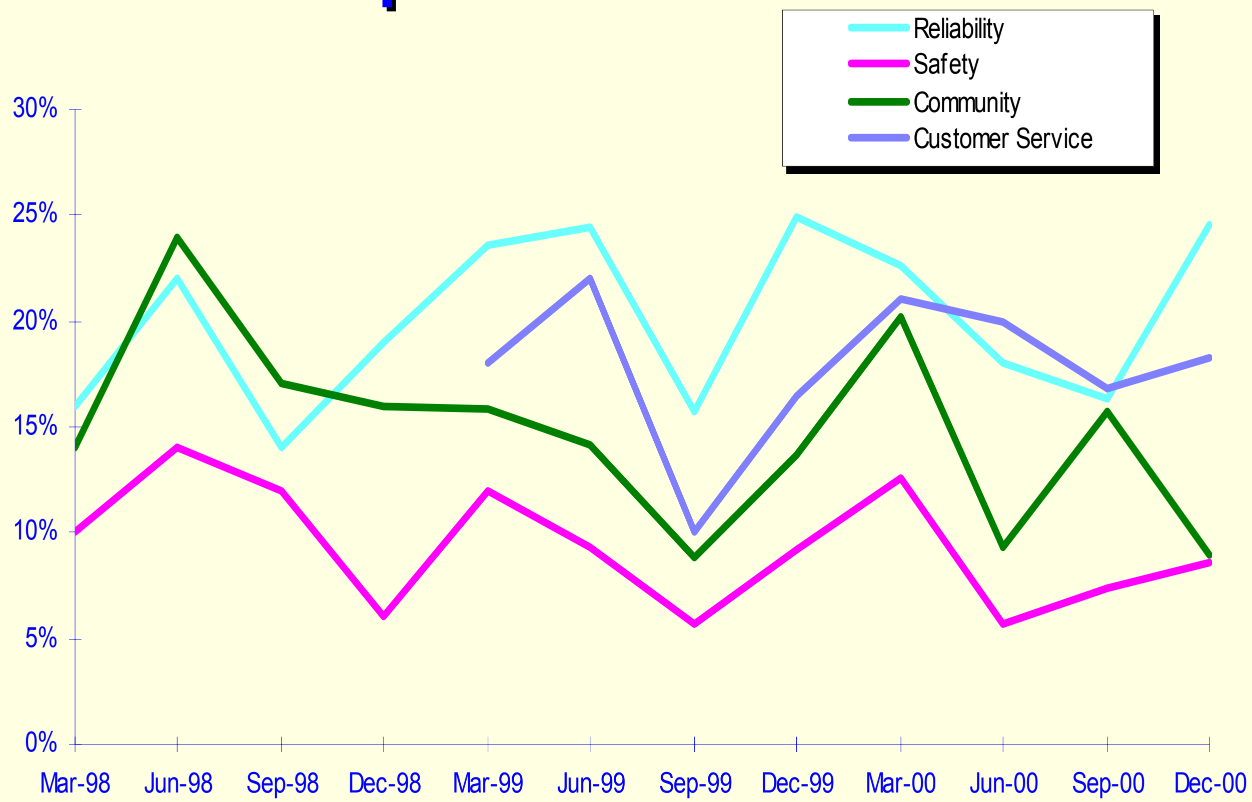




- Residential customers' expectations for improvement are highest for reliability, customer service and meter reading accuracy. Commercial customers' expectations for improvement are highest for customer service, then reliability and meter reading accuracy.
- Residential customers believe there is more room for improvement in reliability and meter reading accuracy than commercial customers. Commercial customers believe we need to improve customer service more than residential customers.
- Residential customers in the Burin Area and St. John's Region had relatively greater expectations for improvement in reliability. St. John's and Gander residents had stronger expectations for improvement in meter reading accuracy.
- Commercial customers in Avalon had greater expectations for improvement in community involvement, and in St. John's, Burin, and Corner Brook for customer service improvements.

Change in Residential Customers' Perceptions

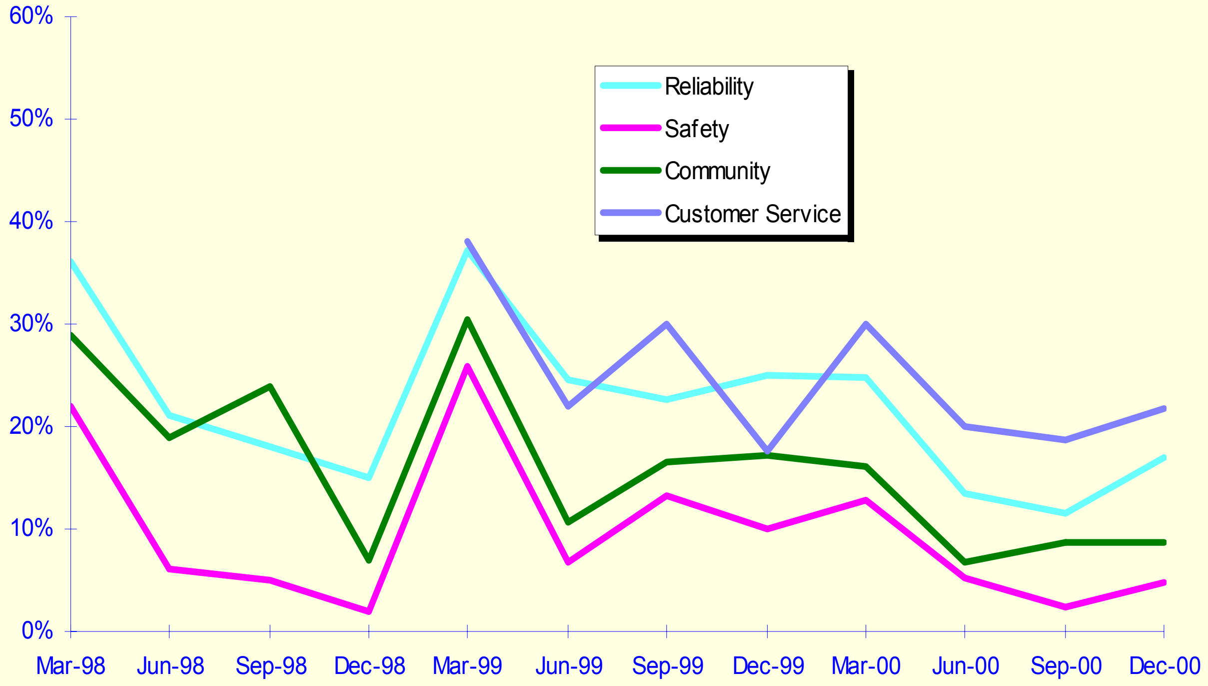
- The percentage of customers who believe we can improve reliability a little or a lot is 24.6% this quarter as compared to 24.9% in December of 1999 and 16% last quarter.
- The percentage of customers who feel we can improve on our concern for public safety a little or a lot is 9%; higher than last quarter but still consistent with past results.
- The percentage of customers who believe we can improve our community contribution decreased from 16% last quarter and 14% in December 1999 to 9% this quarter.
- The percentage of customers who believe we can improve our customer service is 18%; slightly higher than the 16% recorded last quarter and that recorded in December 1999.



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

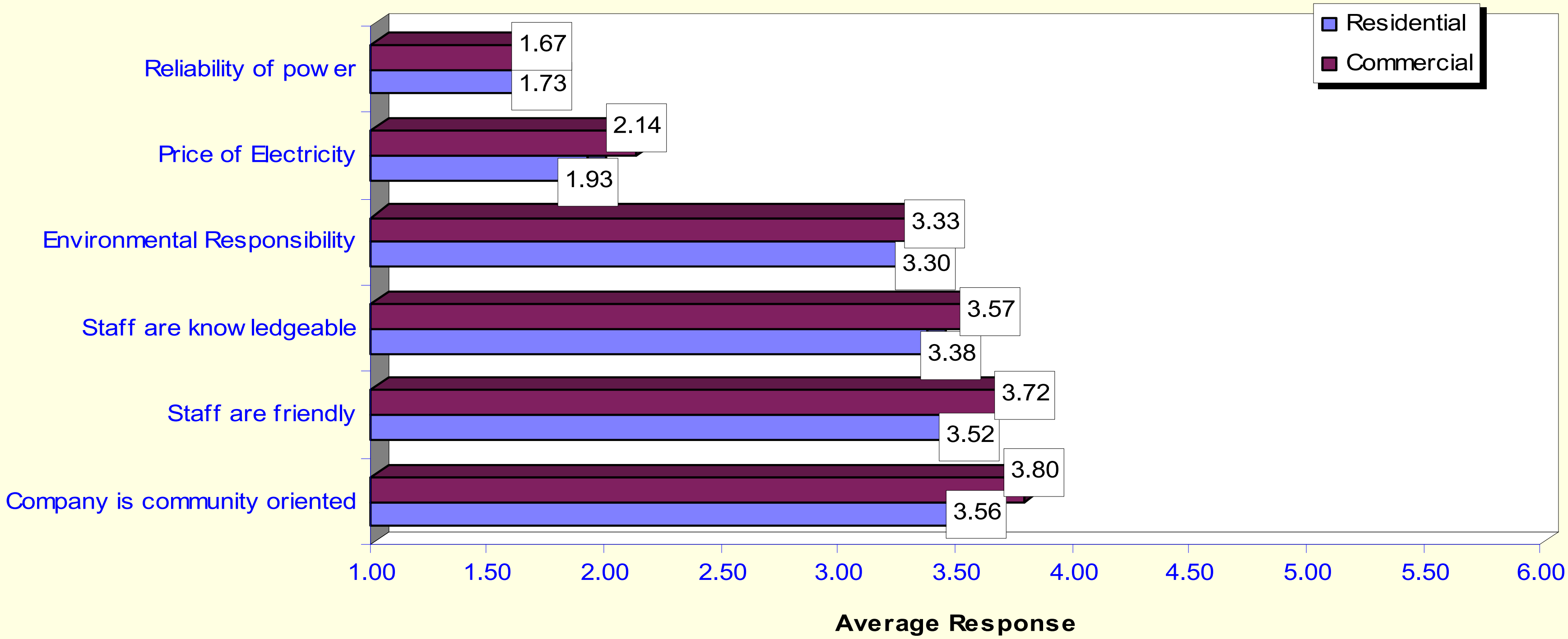
Change in Commercial Customers' Perceptions

- The percentage of commercial customers who believe we can improve our reliability of supply is 17% this quarter compared to 25% in December 1999 and 12% last quarter.
- The percentage of commercial customers who believe we can improve our safety concern is 5% this quarter compared to 10% in December 1999 and 2% last quarter.
- The percentage of commercial customers who believe we can improve our community contribution is 9% this quarter compared to 17% in December 1999 and 9% last quarter.
- 22% of commercial customers believe we can improve our customer service. This is an increase from 19% last quarter and 18% in December 1999.



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

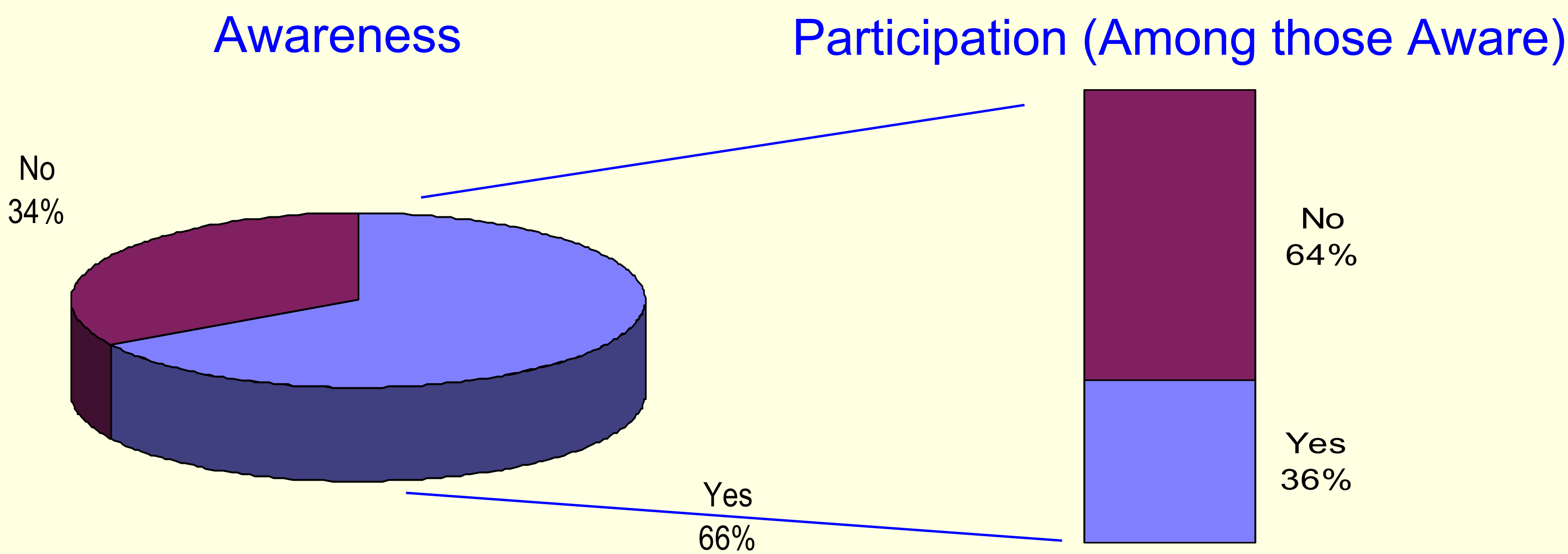
Ranking of Importance



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

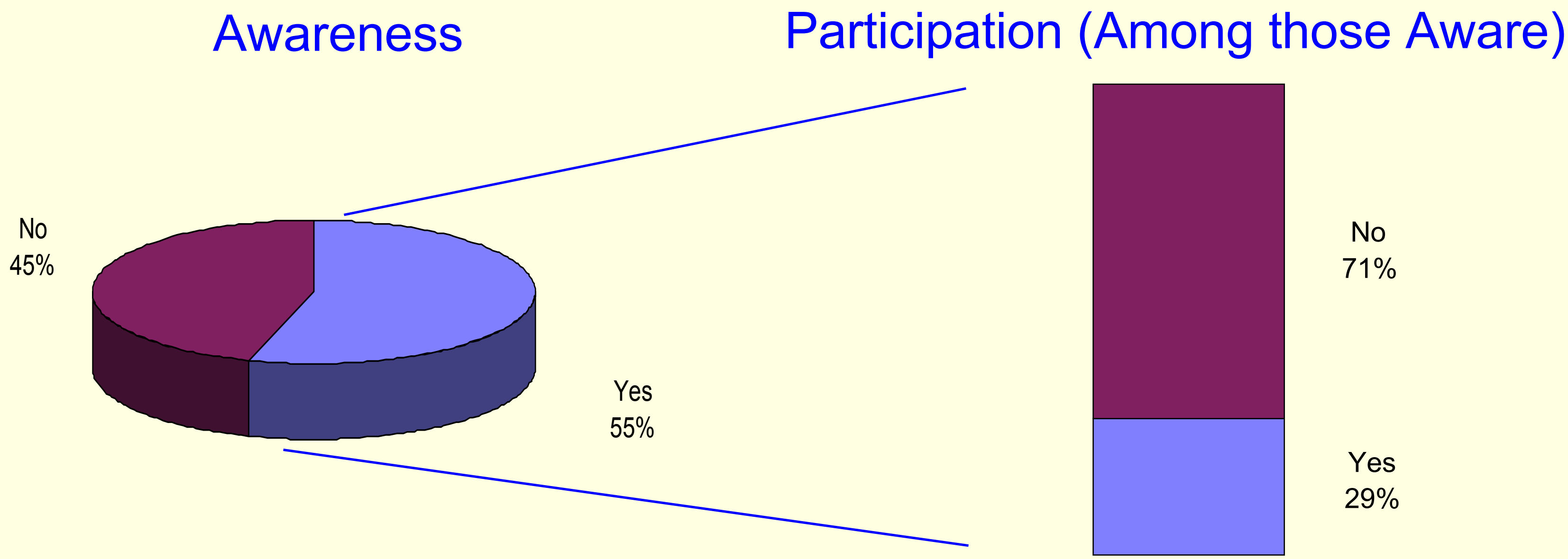
- Reliability was ranked by commercial customers as the most important aspect of our service. Price is ranked second in importance.
- Residential customers also ranked reliability as more important than price.
- Reliability continues to be ranked higher in importance by commercial customers than by residential customers.
- Price is ranked higher in importance by residential customers than by commercial customers.

Awareness & Use: 24/7 Account Balance



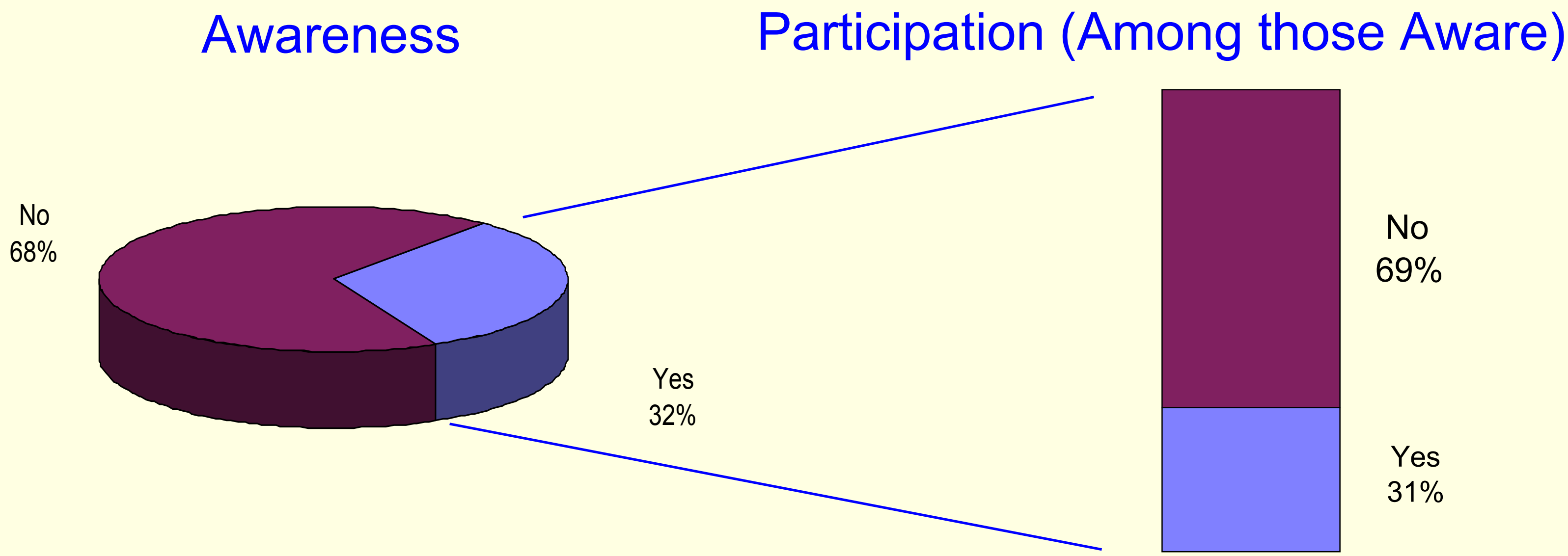
- Although 66% of respondents were aware of the option of obtaining their account balance automatically, 24 hours a day, seven days a week, only 36% of those aware had used this option.
- Respondents over 65 years of age had the least awareness of this option.
- Use of this option was more common among respondents under the age of 50.
- There was no significant difference in either awareness or usage based on whether the customer had called in the past six months.
- There was no significant difference in awareness of this option between residential and commercial customers. However, among customers who were aware of this option, a greater percentage of commercial customers (72%) had used the option as compared with 60% of residential customers.

Awareness & Use: Voice Mail Option



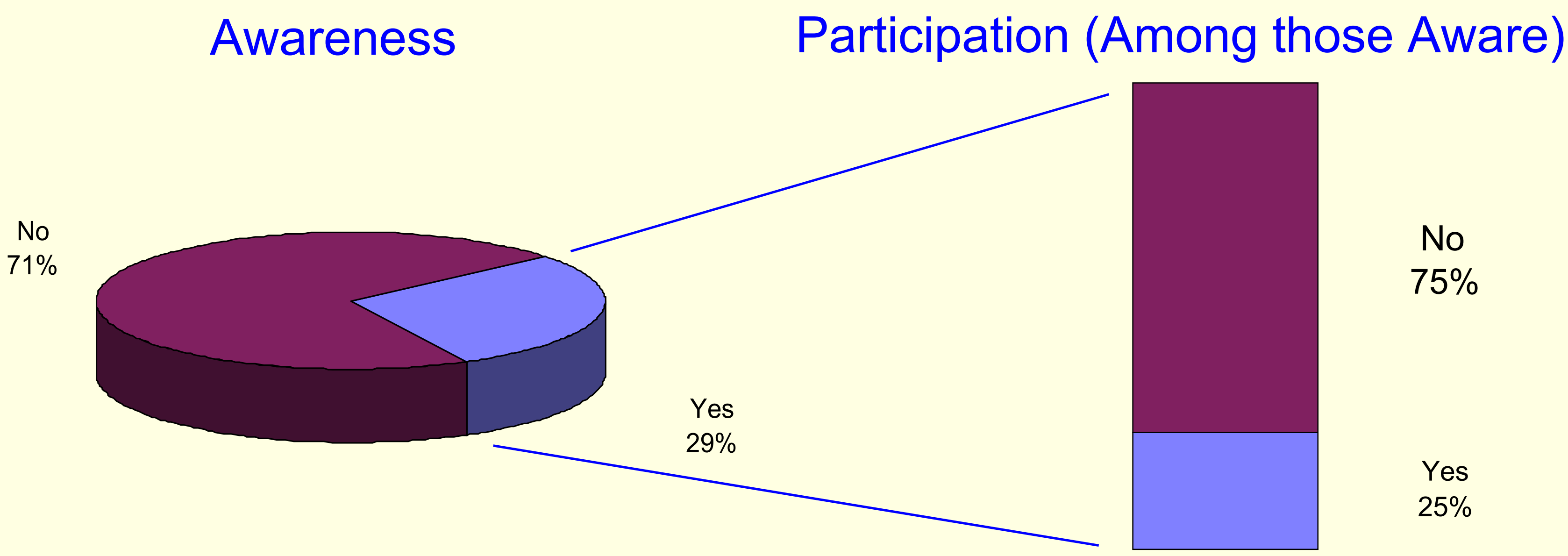
- While 55% of respondents indicated they were aware of this option, only 29% of those who were aware had used the option.
- Residential customers were more likely to be aware of and to use this option than commercial customers.
- There were no other demographical differences causing significant impacts on awareness or use of the option.
- There was no significant difference in either awareness or usage based on whether the customer had called in the past six months.

Awareness & Use: Web site services



- 32% of customers were aware of the ability to obtain account balance, payment and meter reading history from the Newfoundland Power Web site.
- 31% of respondents who were aware of the option had in fact used it.
- Respondents with some college or university education were the most likely to be aware of and to use this option.
- There were no other demographical differences causing significant impacts on awareness or use of the option. Similarly, there was no relationship between rate class (residential or commercial) or the customer having made a recent call to the Company on awareness or use of this option.

Awareness & Use: Web messaging



- 29% of customers were aware of the ability to leave a message on the Newfoundland Power Web site either to request information or to be telephoned by a representative.
- 25% of respondents who were aware of this option had actually used the option.
- Commercial customers were more likely to be aware of and use this option than residential customers.
- Respondents from St. John’s Region and the Gander Area were more likely to use this option.
- Respondents up to 34 years of age were more likely to use this option.
- There was no difference in awareness or use of this option between customers who had called in the past six months, and those who had not called in that period.