Customer Satisfaction Survey
March 2001

Customer Research

First Quarter 2001 Results

Customer Satisfaction Index

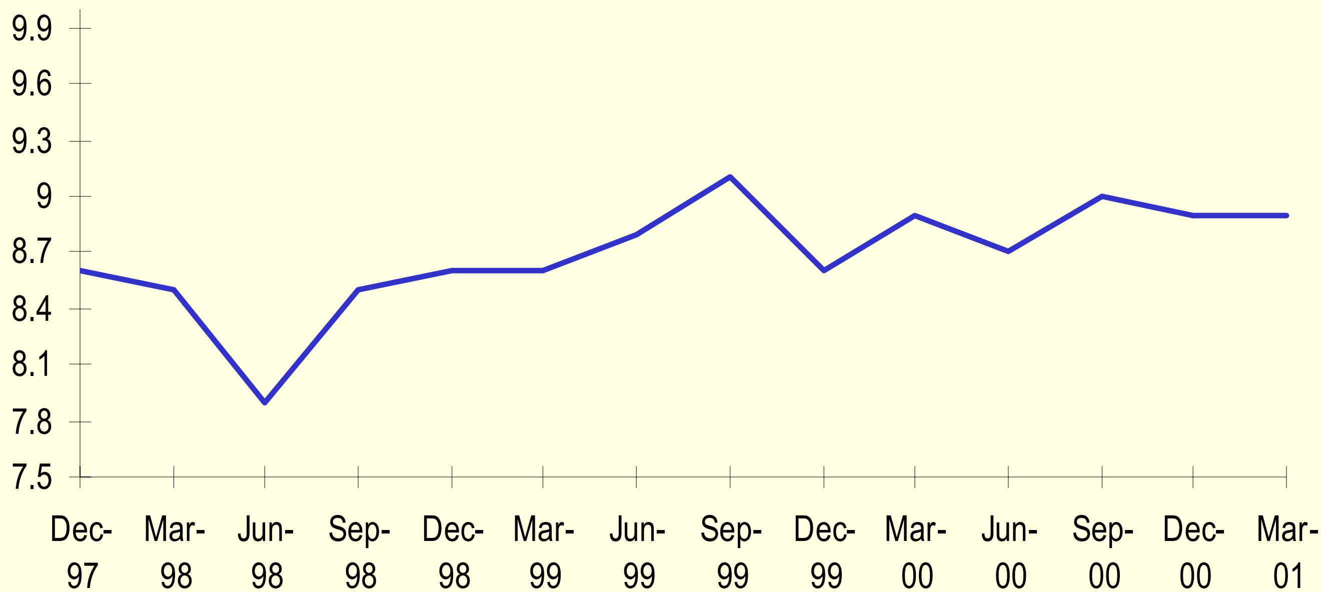
	Index Proportion	Residential Satisfaction Level	Commercial Satisfaction Level	Index Subtotal	Percentage of customers who use the service
Call Centre Service	40%	9.0	8.4	3.6	20.2%
Field Service	20%	9.2	N/A	1.8	40.2%
Cashier Service	20%	9.1	9.2	1.8	20.2%
General Satisfaction	20%	8.4	8.6	1.7	
	Customer 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 March 2001.
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 equal to that of the first quarter last year, and higher than the first quarters of 1998 and 1999. The index is higher than 10 of the previous 12 quarters.

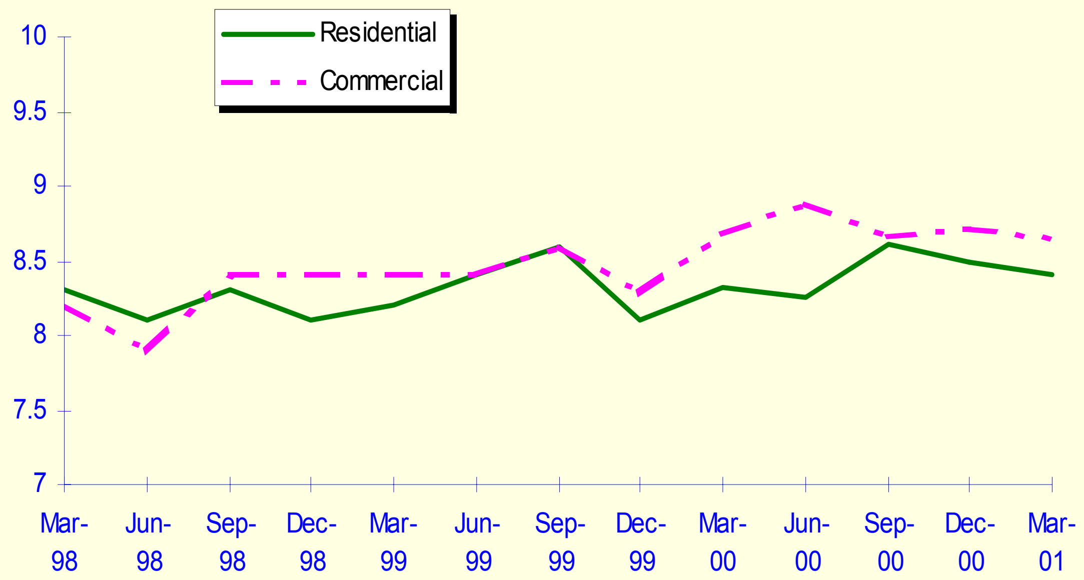


Average response out of 10

Overall Rating of Service

Satisfaction with Overall Service

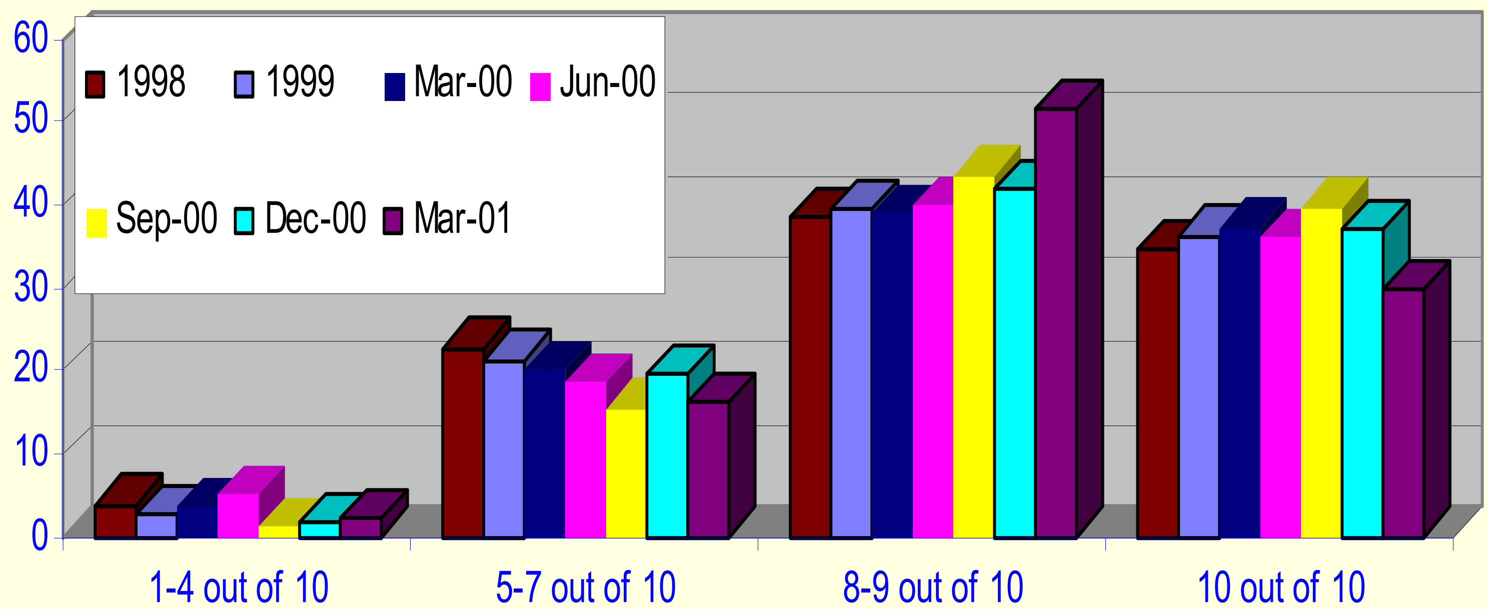
- Satisfaction with overall service for residential customers is higher than that recorded in March 2000. The result for commercial customers is marginally lower than for March 2000.
- Data for the past two years shows a very stable trend in customers' opinions of our overall service.



Average response out of 10

Satisfaction with Overall Service

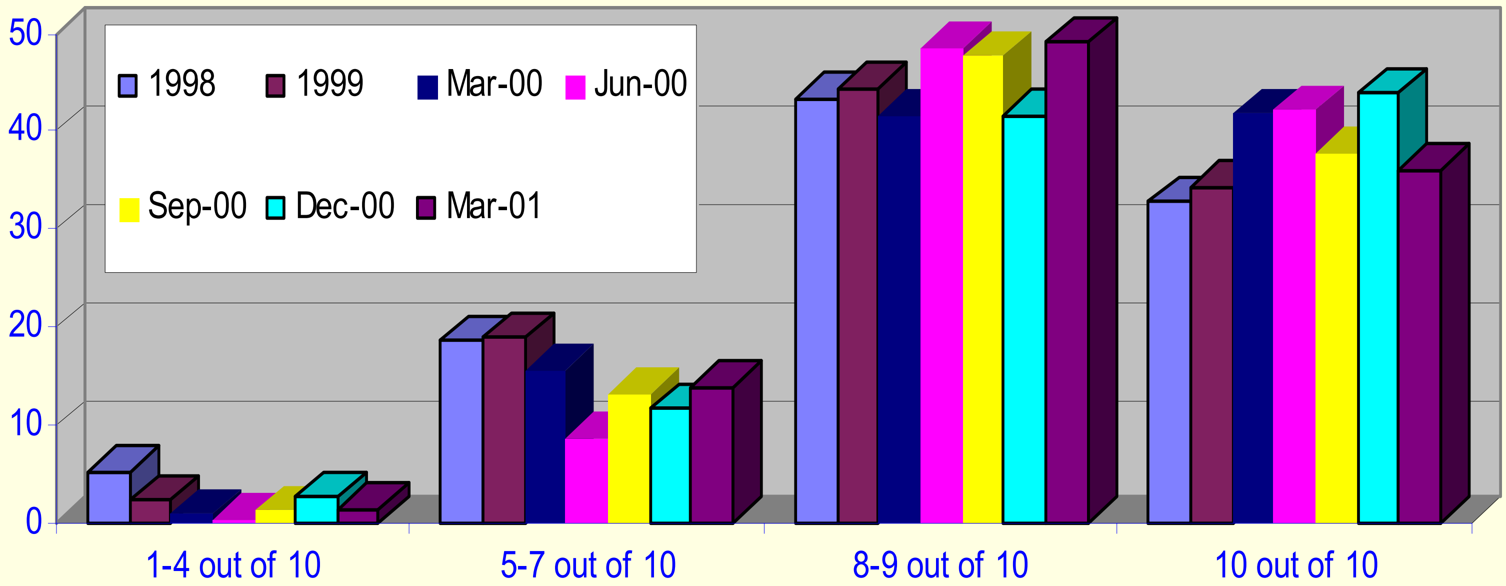
Residential Customers



- The percentage of residential customers who ranked our service ten out of ten is 29.8%; compared to 36.9% last quarter and 37.3% recorded in March 2000.
- The percentage ranking our service as 8 or 9 out of 10 rose to 51.5%, from 41.7% last quarter and 39.1% in March 2000.
- Only 2.3% of residential customers ranked our service between one and four.
- During recent surveys, the percentage of customers who ranked our service as 1 to 7 out of 10 has been declining 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, 36% of commercial customers ranked our service as ten out of ten; this is the lowest percentage since December 1999. However, taken together with those ranking service as 8 or 9 out of 10, the percentage of customers providing those rankings is comparable to past surveys.
- The percentage of commercial customers that ranked our service as one to four out of ten remains very low.

Telephone Service

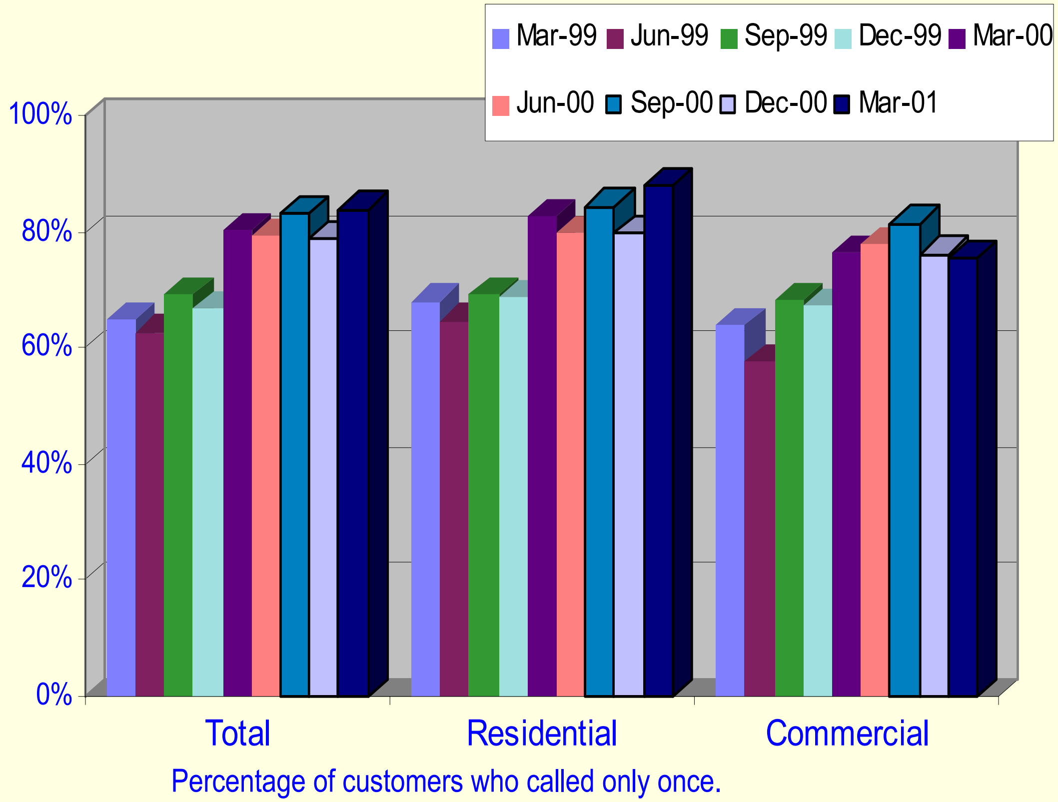
Main Reason for Calling

	Residential	Commercial	Total
Power Interruption	27.9%	53.0%	35.5%
Balance on Account	14.3%	18.2%	15.5%
Service Connection	9.7%	15.2%	11.4%
Meter Reading Inquiry	11.7%	3.0%	9.1%
Payment Arrangements	10.4%	1.5%	7.7%

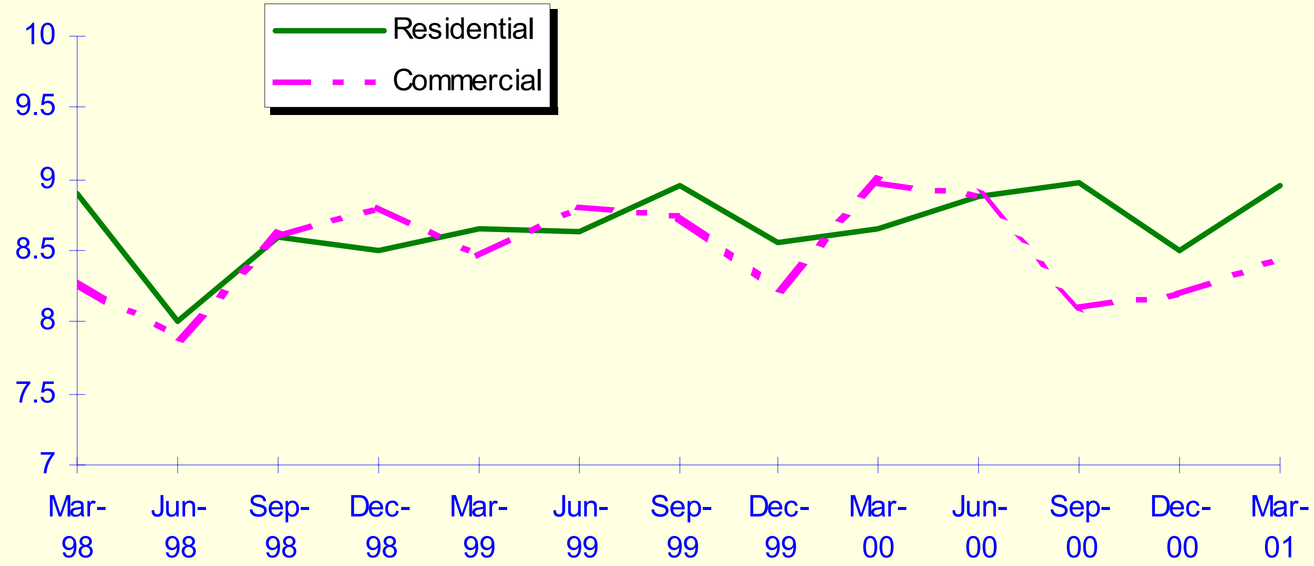
- Top five responses are shown.
- 20% of both our residential and commercial customers indicated they had called us in the past six months.
- 51% of residential customers indicated they had called the customer service telephone number, 26% had called the trouble/emergency number and 22% had called one of the local offices. For commercial customers, 33% had phoned the customer service line, 40% the trouble/emergency number, and 27% one of the local offices.

Percentage of Inquiries Resolved on the First Call

- 83.9% of customers indicated their inquiry was handled on the first call; up from 79% recorded last quarter. This result, and the 88.1% of residential customers reporting first call resolution, were the highest figures to date for this measure.
- 23% of the customers who called more than once, or 0.7% of all survey respondents, indicated they had called about the same issue twice.
- 26% of callers who called more than once indicated they called three times about the same issue and 32% 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.



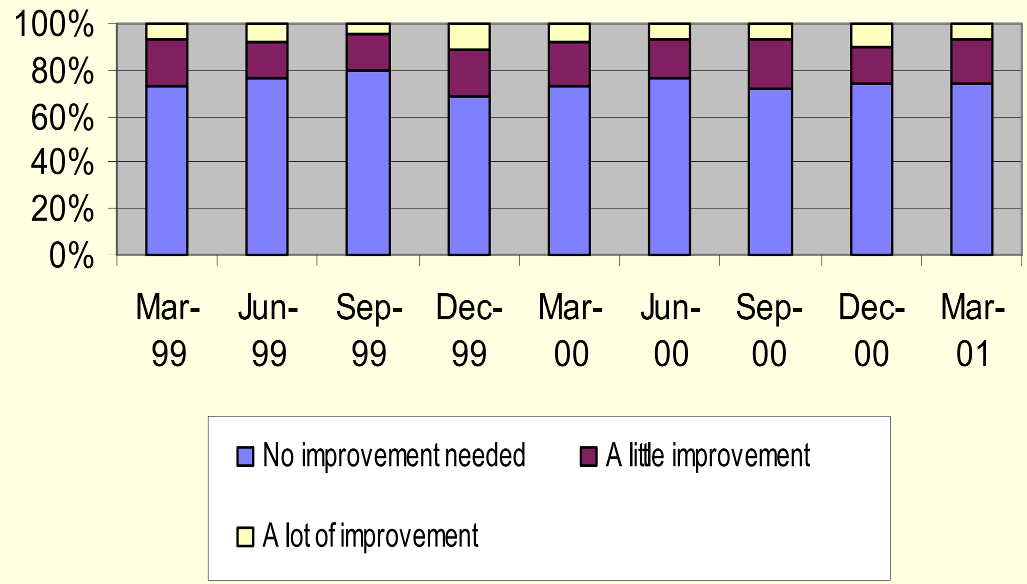
Satisfaction with Telephone Service

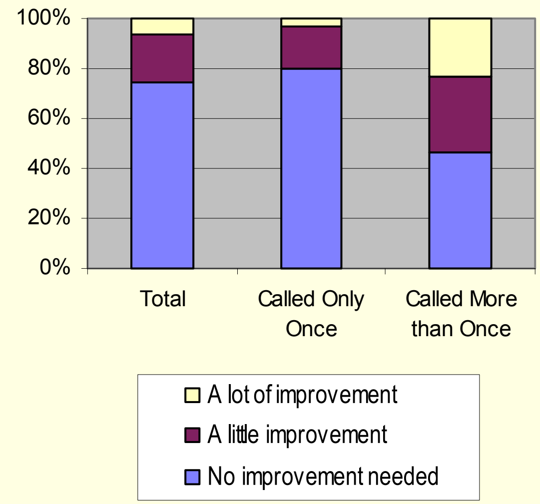


- Residential customers' ranking of our telephone service has remained fairly consistent in the past two years, with increases noted in the 1st quarter of the past two years. Commercial customers ranked the telephone service higher than last quarter and lower than the same time last year.
- As in past 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 9.0 out of 10. The customers who called more than once ranked the service at 7.6 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.
- Customers in the Burin and Corner Brook areas were more likely to report satisfaction of 10 out of 10 with phone service, while in Avalon and St. John's the rankings of 8, 9, and 10 out of 10 were more evenly distributed. No other demographic factors had a significant impact on the customers' rankings.

Improvements in Telephone Service

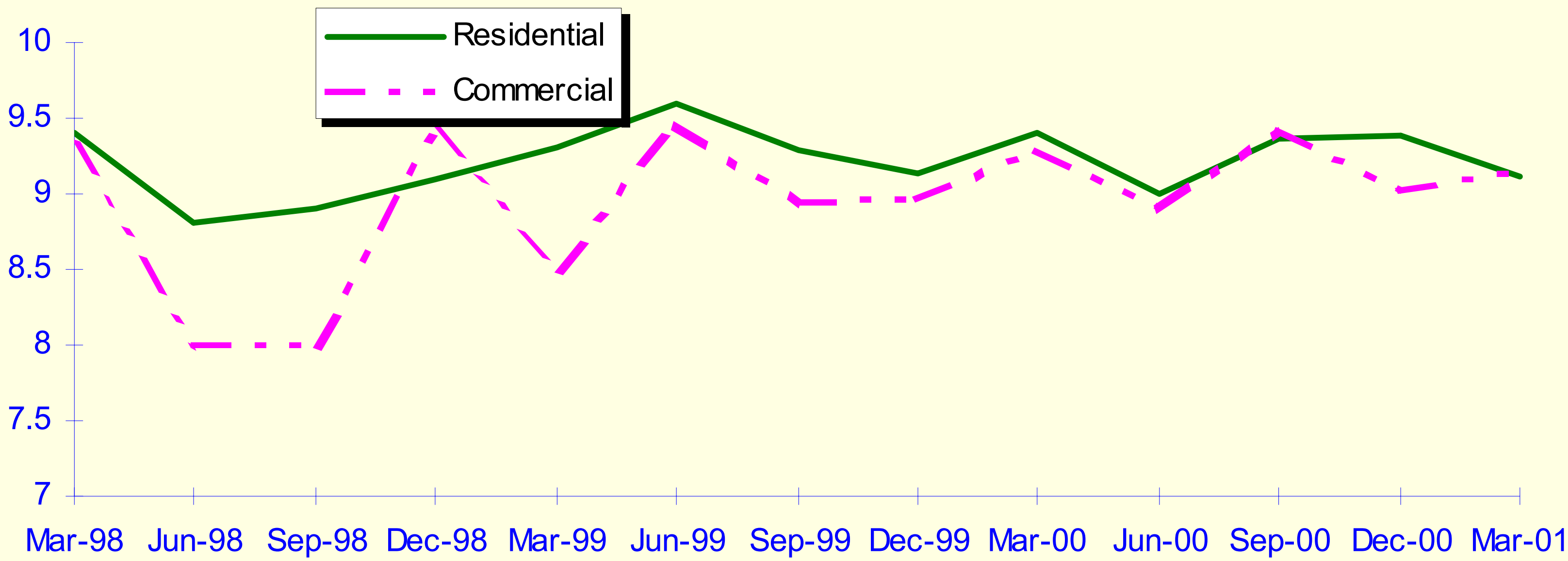
- The percentage of customers who feel we can improve our phone service remains fairly consistent with past quarters.
- In total, 74% of customers responding believe we need no improvement in the quality of our telephone service, 19% of customers think we can improve our telephone service a little and 6% think we can improve it a lot.
- 22% of commercial customers believe we can improve our telephone service a little and 8% believe we can improve our telephone service a lot. This compares to 17.5% and 6% 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.
- 3% of customers who only called once about a particular issue thought we could improve service a lot as compared to 23% of customers who called more than once.





Cashier Services

Satisfaction with Cashier Services

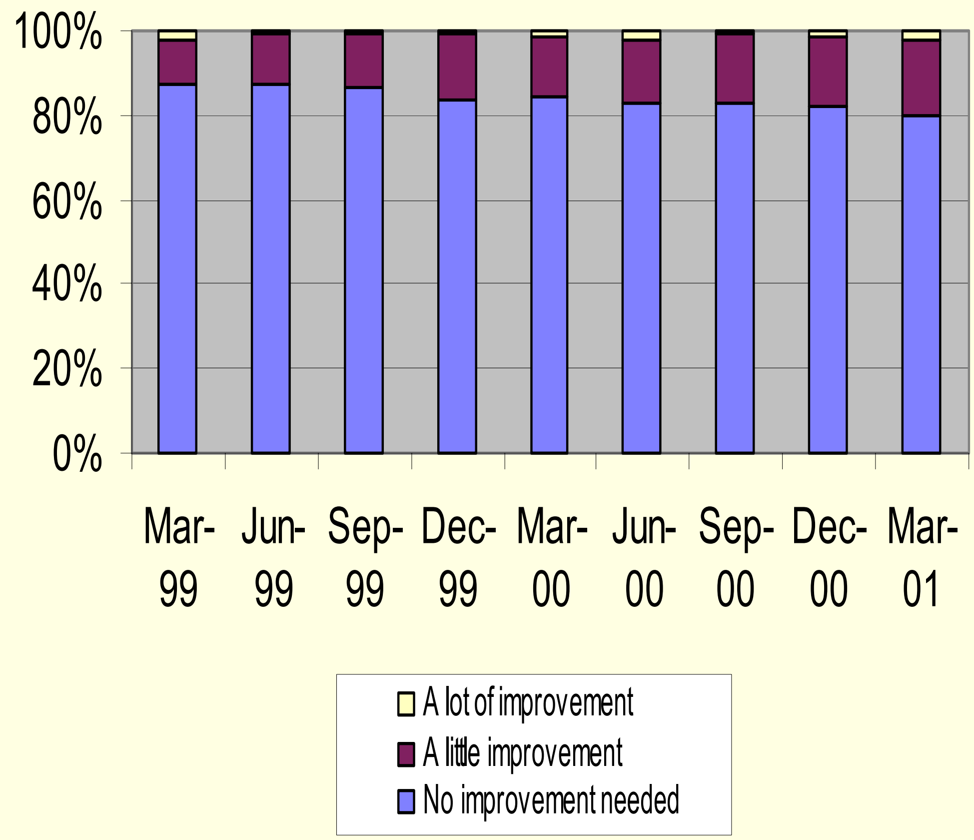


Average response out of 10

- 23% of residential customers and 16% 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, 18% of all customers believe we can improve a little and only 2.1% believe we need to improve a lot.
- 77% of commercial customers and 80% 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

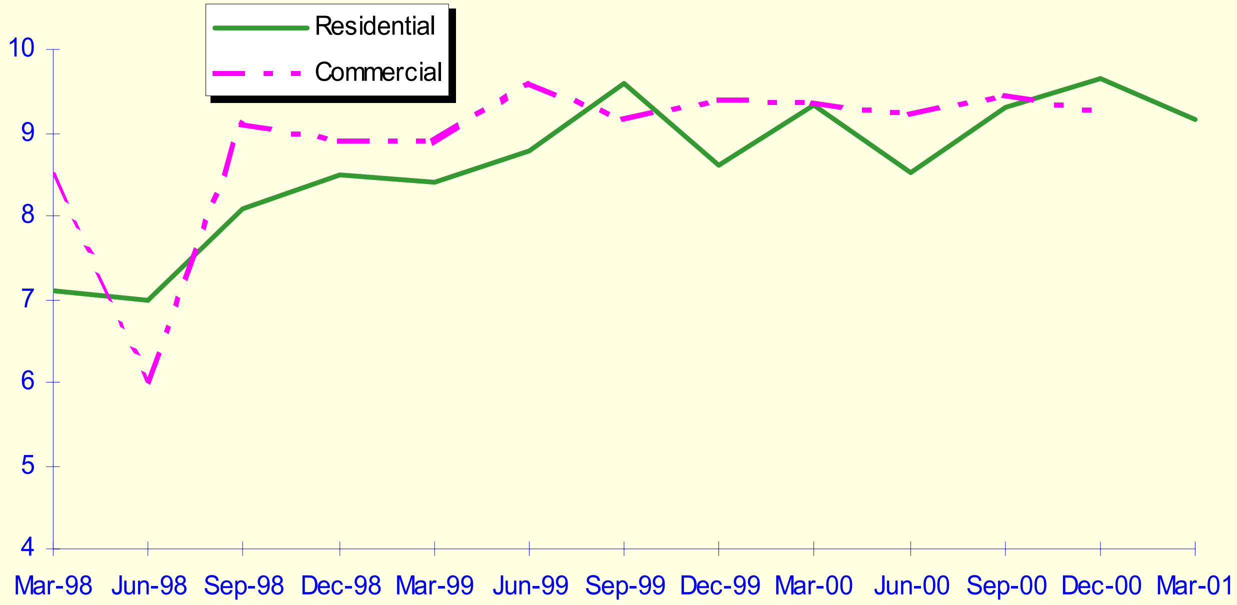
Reason for Visit

- 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 (50%)
  - Arrange a name change or a final reading (16%)
- Customers who have visited our office for service over the past few months rated the quality of service as 8.3 out of 10.
- The number of respondents involved is too small for further analysis.

Field Services

Satisfaction with Field Service

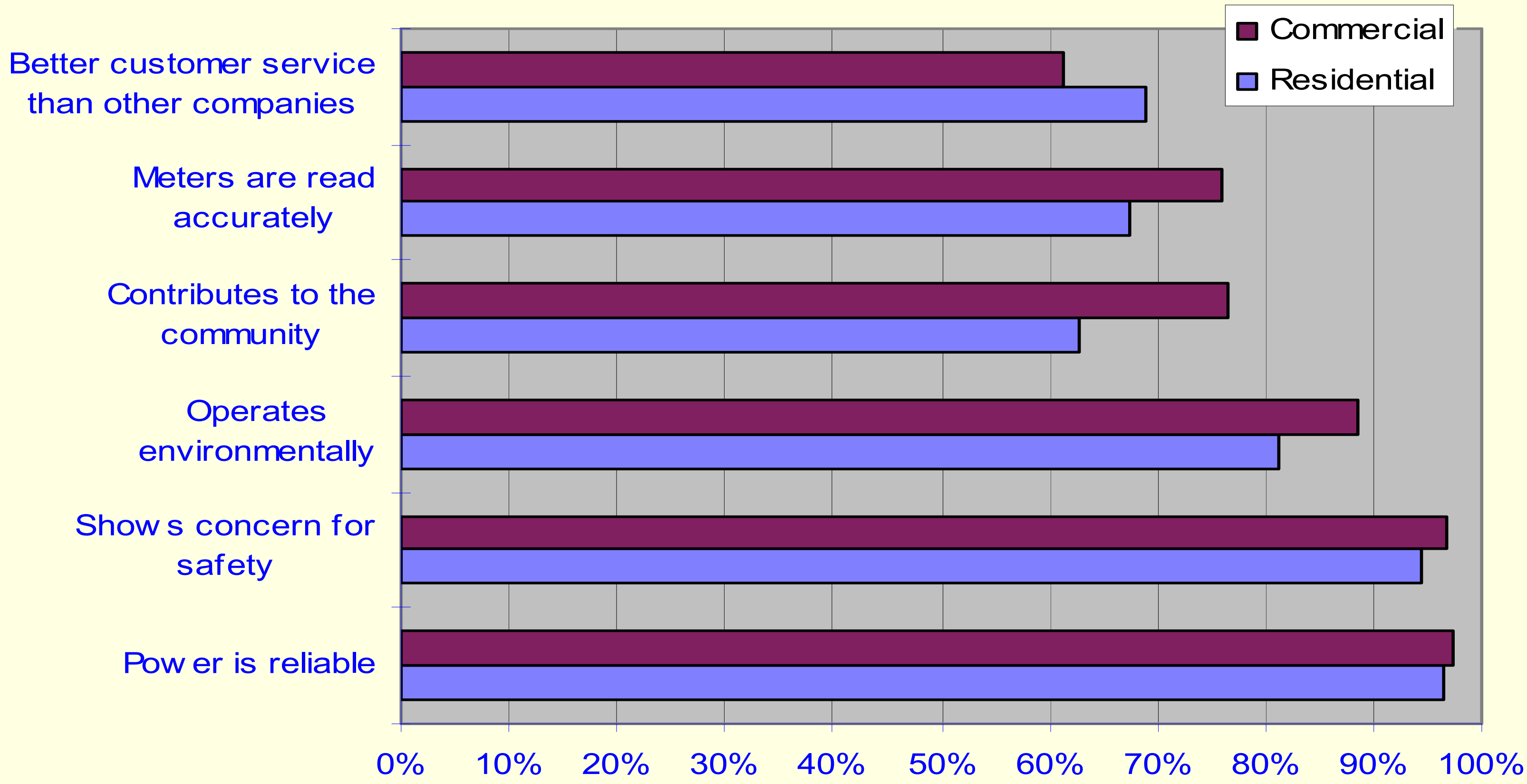
- 40% of the customers indicated they had received some form of field service in the past six months. Most of these visits were from meter readers who did not have contact with customers, so the percentage of actual field contacts was 3%.
- The quality of service rating given for our field services has remained fairly stable over the past year.
- In this survey we had insufficient response from commercial customers to provide a satisfaction level.



Average response out of 10

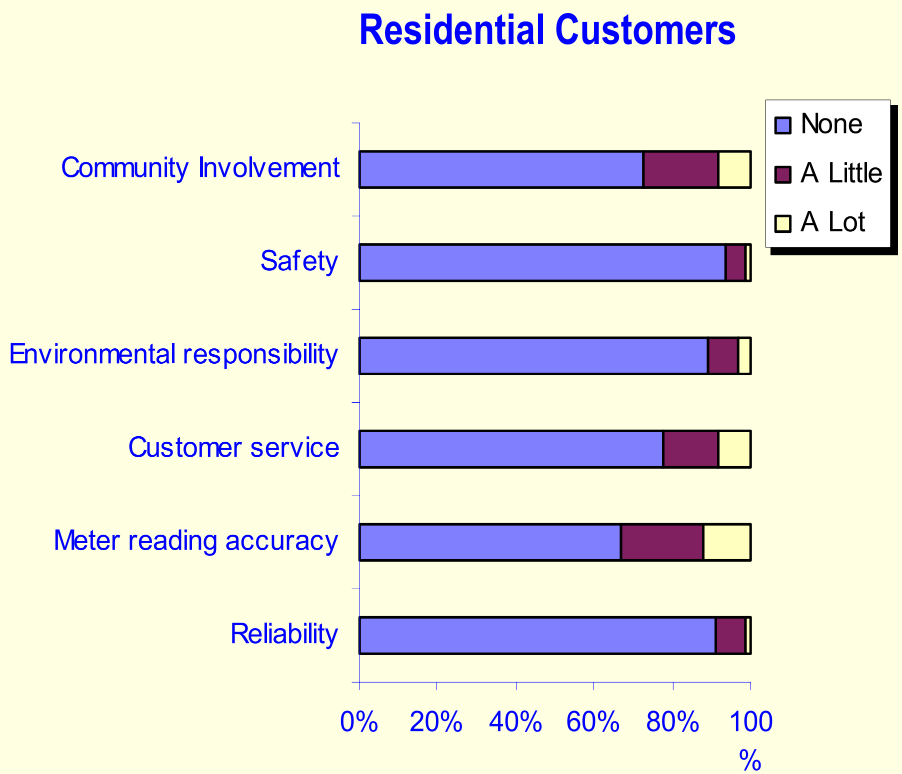
Ranking of Service Attributes

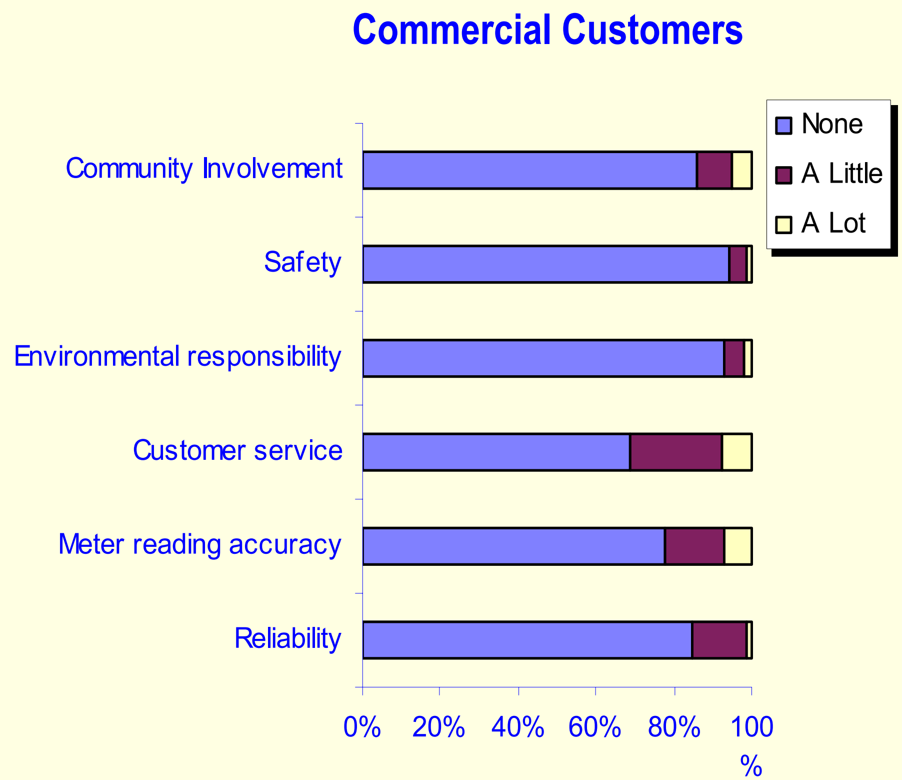
How Well We are Doing



- The graph represents the percentage of customers who either strongly agree or somewhat agree with the statement.
- The level of agreement of customers concerning “better customer service than other companies”, accurate meter readings, and contribution to the community, have declined since the year end survey.

How We Can Improve

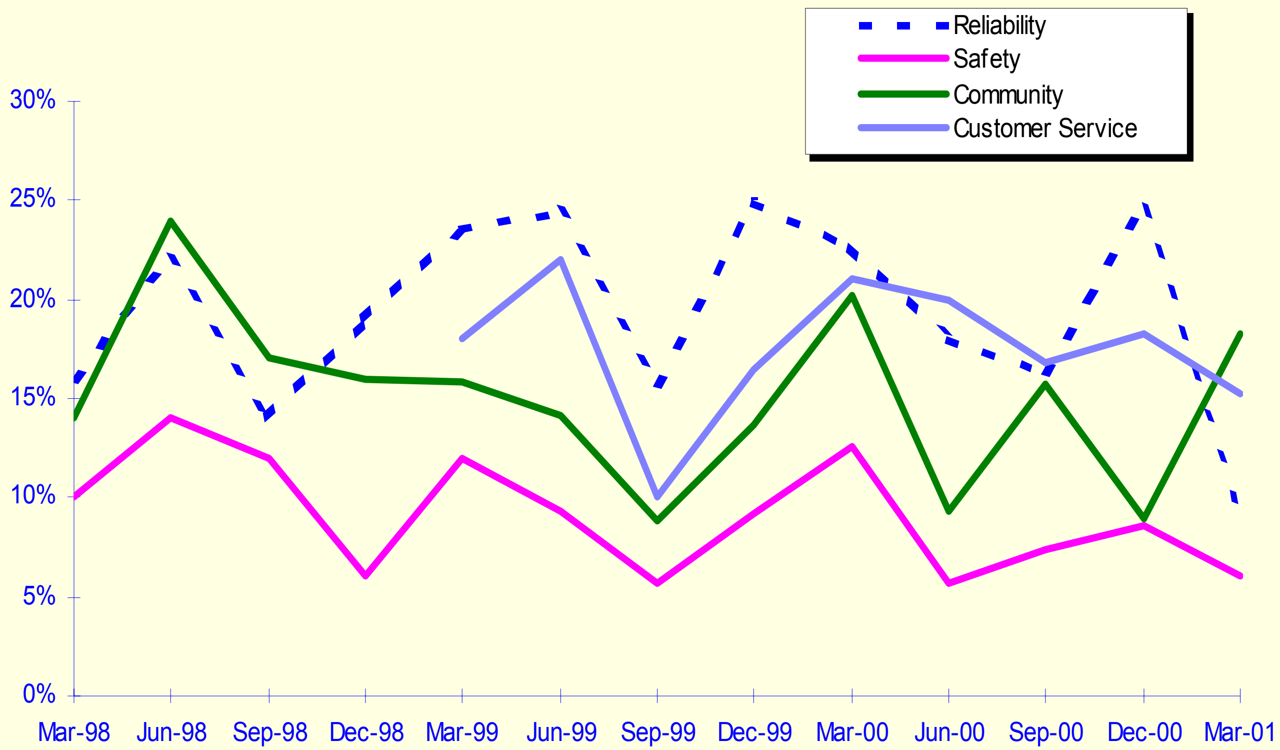




- Residential customers' expectations for improvement are highest for meter reading accuracy, community involvement, and customer service. Commercial customers' expectations for improvement are highest for customer service, then meter reading accuracy and reliability.
- Residential customers believe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

Change in Residential Customers' Perceptions

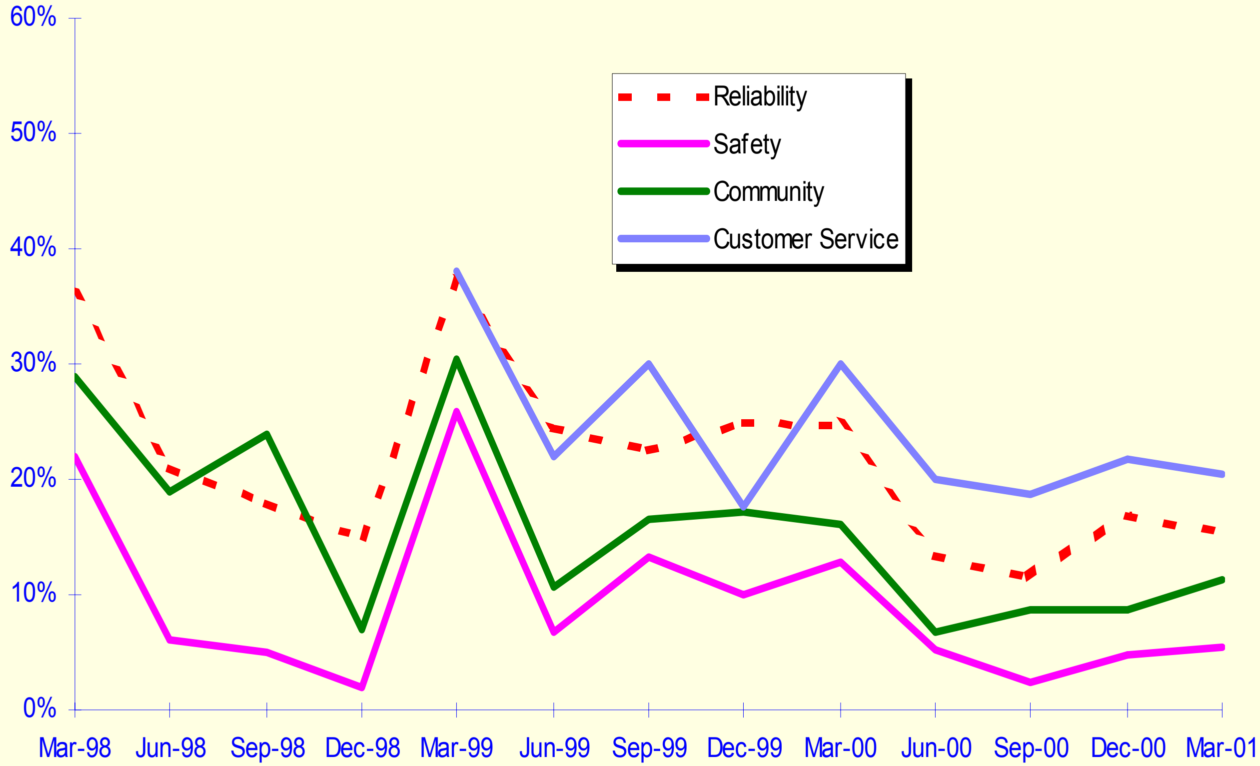
- The percentage of customers who believe we can improve reliability a little or a lot declined to 9.0% this quarter as compared to 24.6% last quarter and 22.6% in March of 2000.
- The percentage of customers who feel we can improve on our concern for public safety a little or a lot is 6%; this is lower than last quarter but still consistent with past results.
- The percentage of customers who believe we can improve our community contribution doubled from 9.0% last quarter to 18.3%. This is still lower than the 20.2% recorded in March 2000, however.
- The percentage of customers who believe we can improve our customer service is 15.2%; lower than the 18% recorded last quarter and the 21% recorded in March 2000.



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

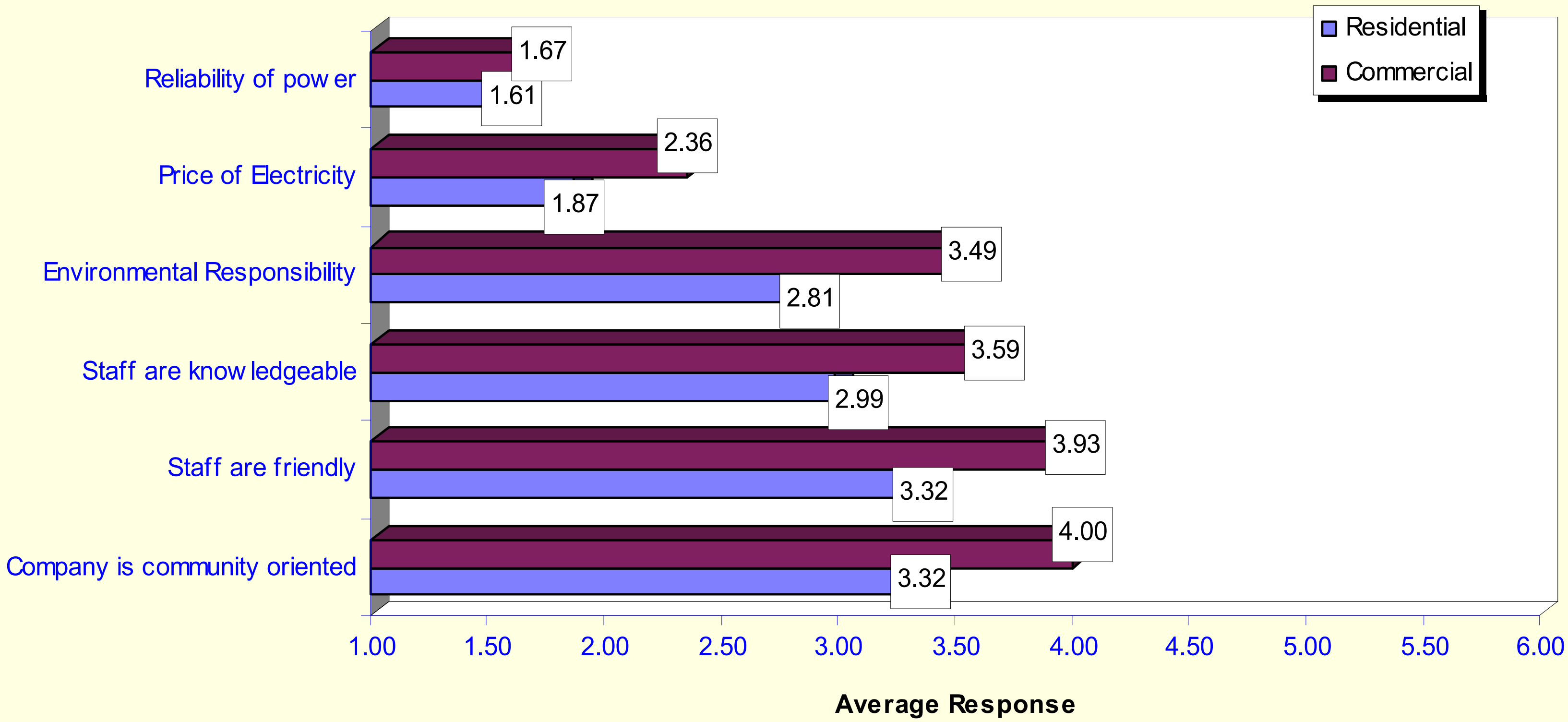
Change in Commercial Customers' Perceptions

- The percentage of commercial customers who believe we can improve our reliability of supply is 15% this quarter compared to 25% in March 2000 and 17% last quarter.
- The percentage of commercial customers who believe we can improve our safety concern is 5.5% this quarter compared to 4.7% last quarter and 13% in arch of 2000.
- The percentage of commercial customers who believe we can improve our community contribution is 11% this quarter compared to 16% in March 2000 and 9% last quarter.
- 20% of commercial customers believe we can improve our customer service. This is a decrease from 22% last quarter and 30% in March 2000.



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.

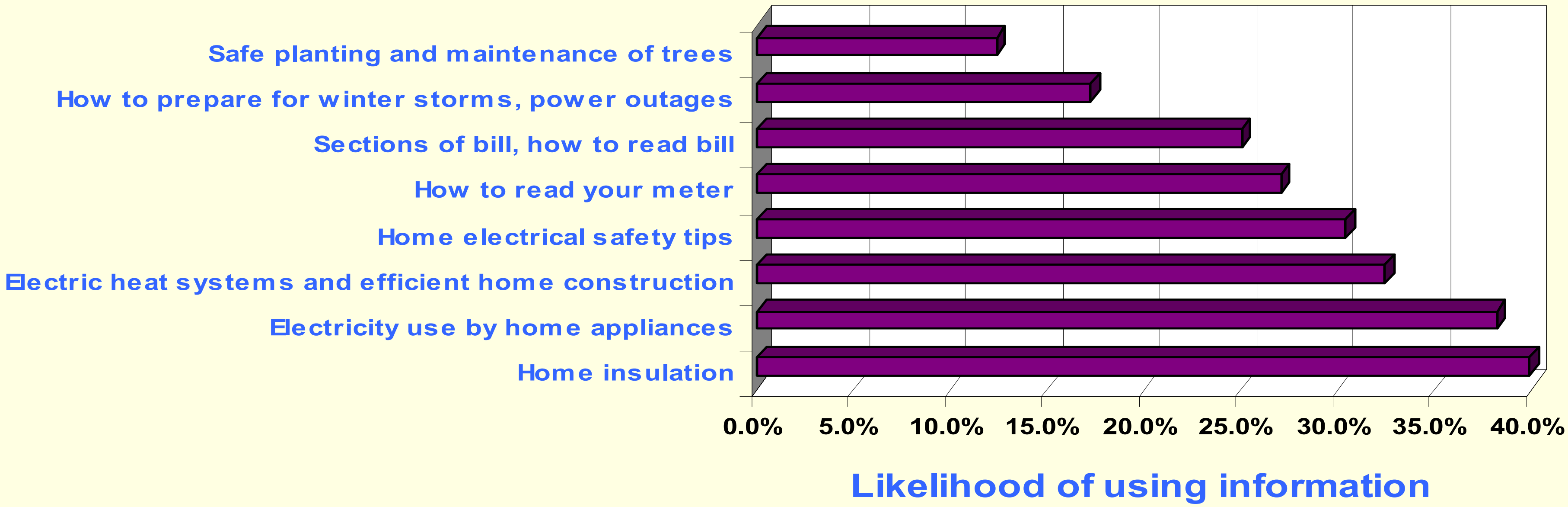
- Reliability was ranked by commercial customers as the most important aspect of our service. Price is ranked second in importance.
- Residential customers also ranked reliability as more important than price.
- Reliability was ranked higher in importance by residential customers than by commercial customers.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

Internet Access

- 28.6 % of Residential customers said they had Internet access at their home.
- 10.9% of Residential Customers said they had visited Newfoundland Power's Web site in the past six months.

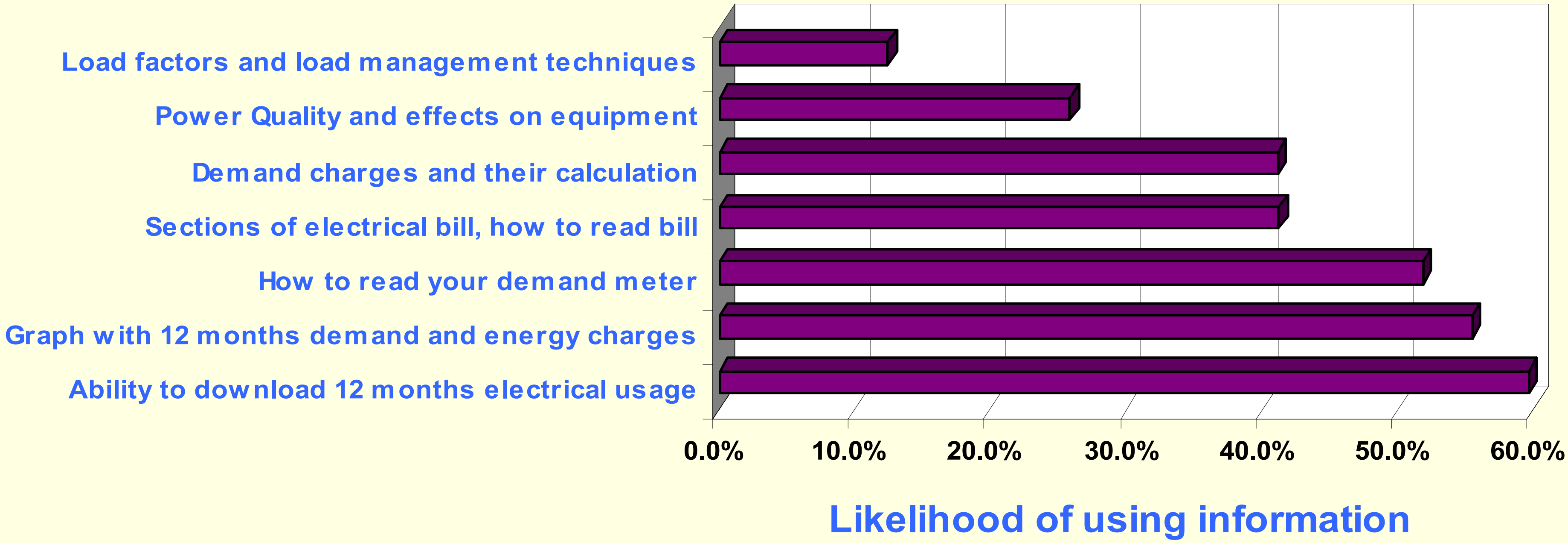
- 48.5% of Commercial customers said they had Internet access.
- 8.2% of Commercial customers said they had visited Newfoundland Power's Web site in the past six months.

Web Site Preferences - Residential



- Residential customers were asked what features they would be likely to use if they were made available on Newfoundland Power’s website.
- The customers indicated that they would be most likely to use information on home insulation, electricity use by home appliances, electric heat systems and efficient home construction.

Web Site Preferences - Commercial



- Commercial customers were also asked what features they would be likely to use if they were made available on Newfoundland Power's website.
- The customers indicated that they would be most likely to make use of the ability to download (or view on a graph) their last 12 months' electrical usage information, as well as examine information on demand meters, demand changes, and how to read their electrical bill.
- The level of interest among commercial customers appears to be slightly higher than among residential customers.