

Customer Satisfaction Survey
September 2001



Customer Research

Third Quarter 2001 Results



Customer Satisfaction Index

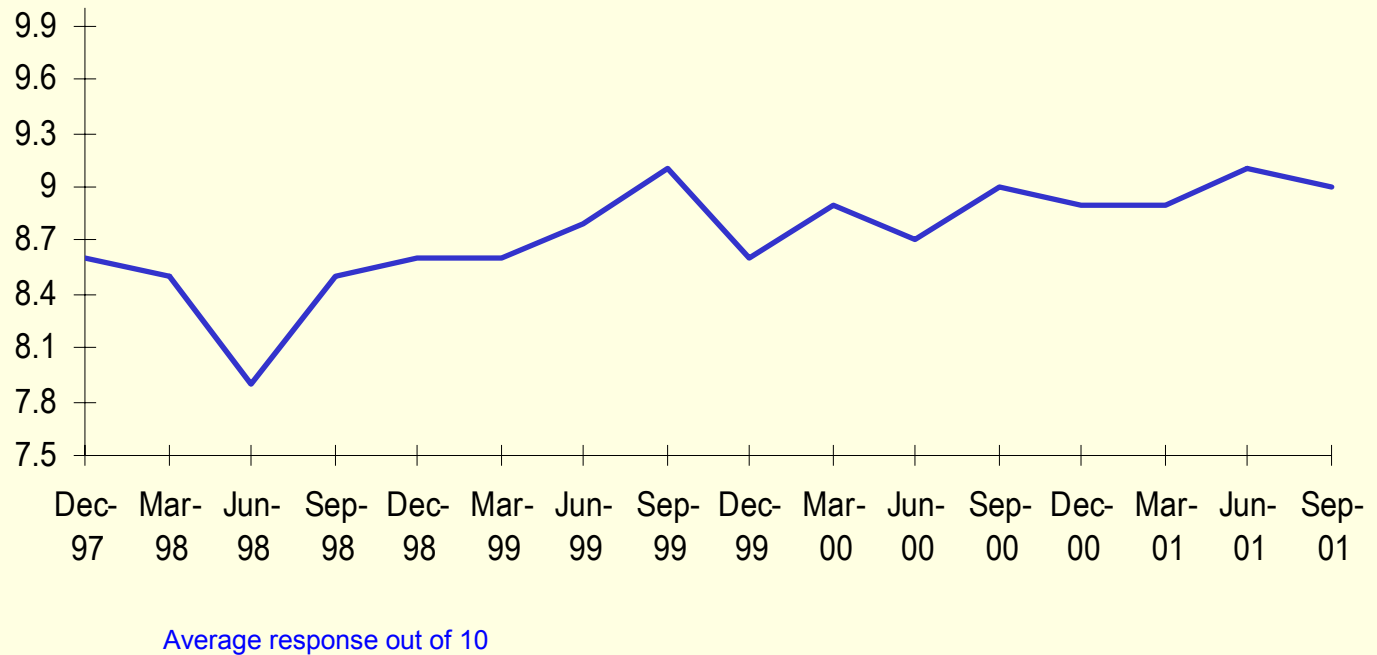
	Index Proportion	Residential Satisfaction Level	Commercial Satisfaction Level	Index Subtotal	Percentage of customers who use the service
Call Centre Service	40%	9.1	8.8	3.6	18.3%
Field Service	20%	9.1	9.0	1.8	33.5%
Cashier Service	20%	9.4	8.8	1.9	19.7%
General Satisfaction	20%	8.6	8.7	1.7	
Customer Satisfaction Index:				9.0	
In-office Service				6.8	1.0%

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 September 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 overall index result this quarter has only been exceeded twice, in June 2001 and September 1999. An increase in residential customer satisfaction with Call Centre service offset slight reductions in commercial customer satisfaction in all categories plus a reduction in residential customer satisfaction with field service.

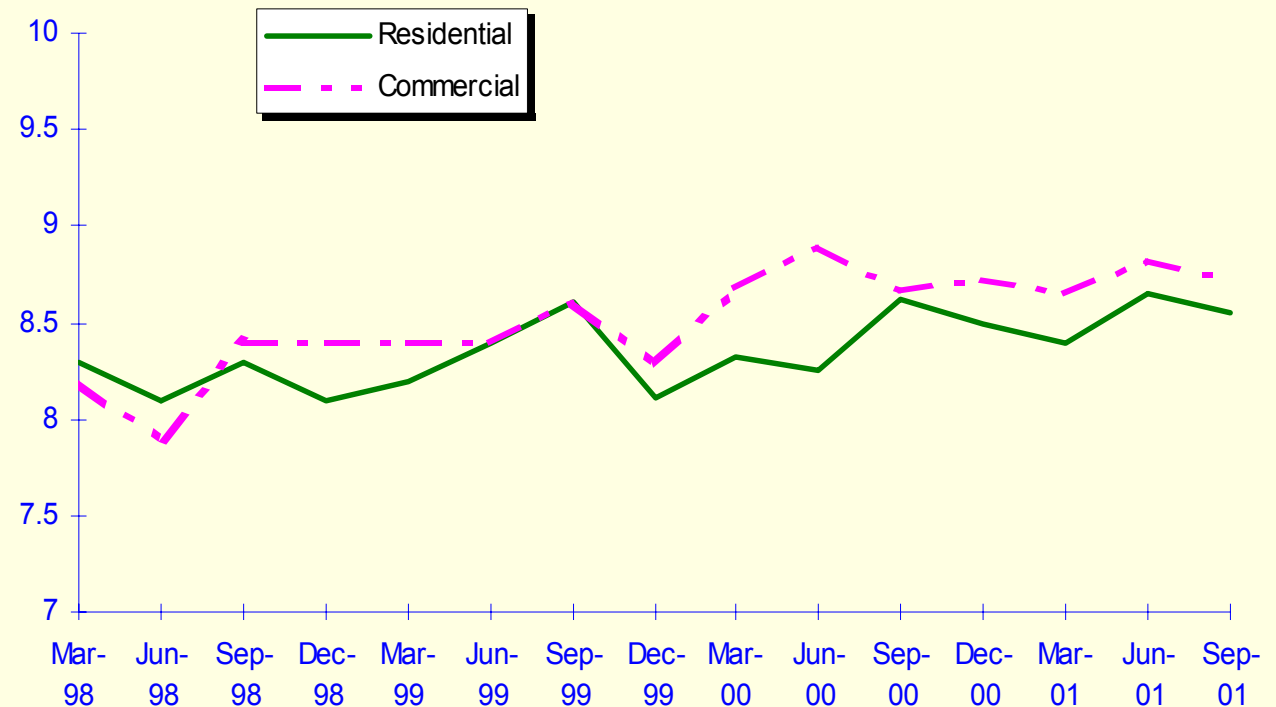


Overall Rating of Service



Satisfaction with Overall Service

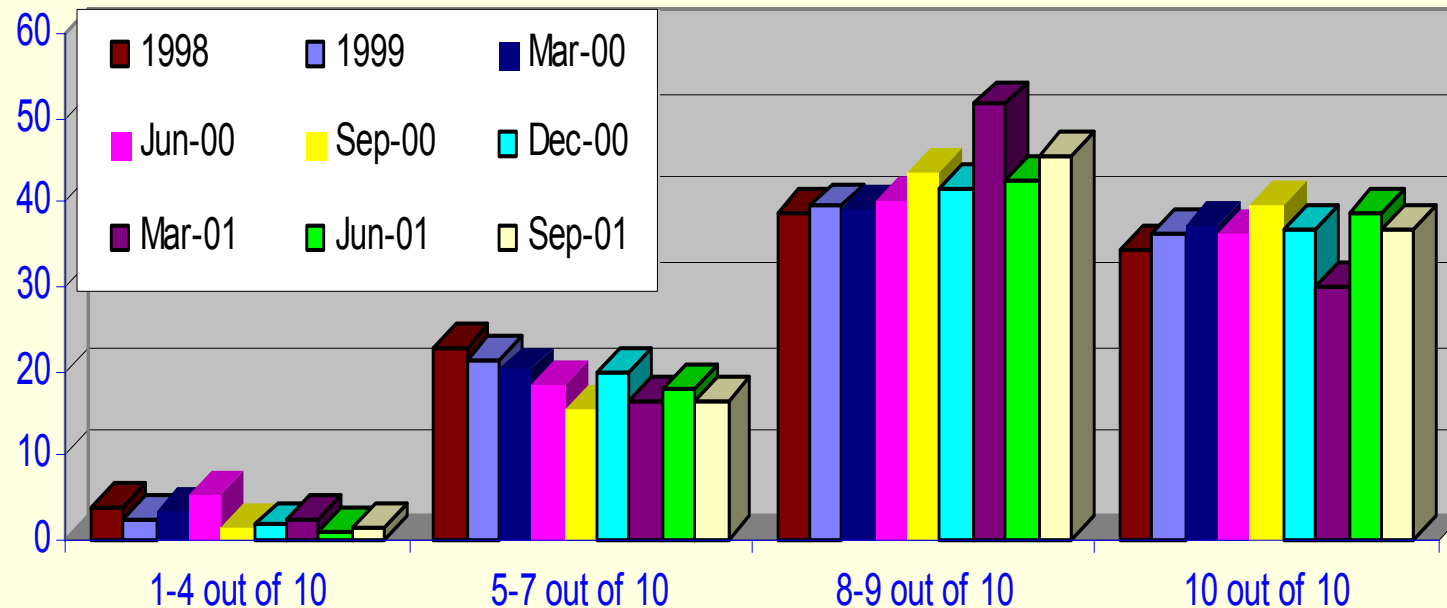
- Satisfaction with overall service for residential customers is slightly lower than June 2001 but the result of 8.6 is still one of the highest levels recorded to date.
- The result for commercial customers is also lower than in June 2001 but is consistent with the higher scores recorded.



Average response out of 10

Satisfaction with Overall Service

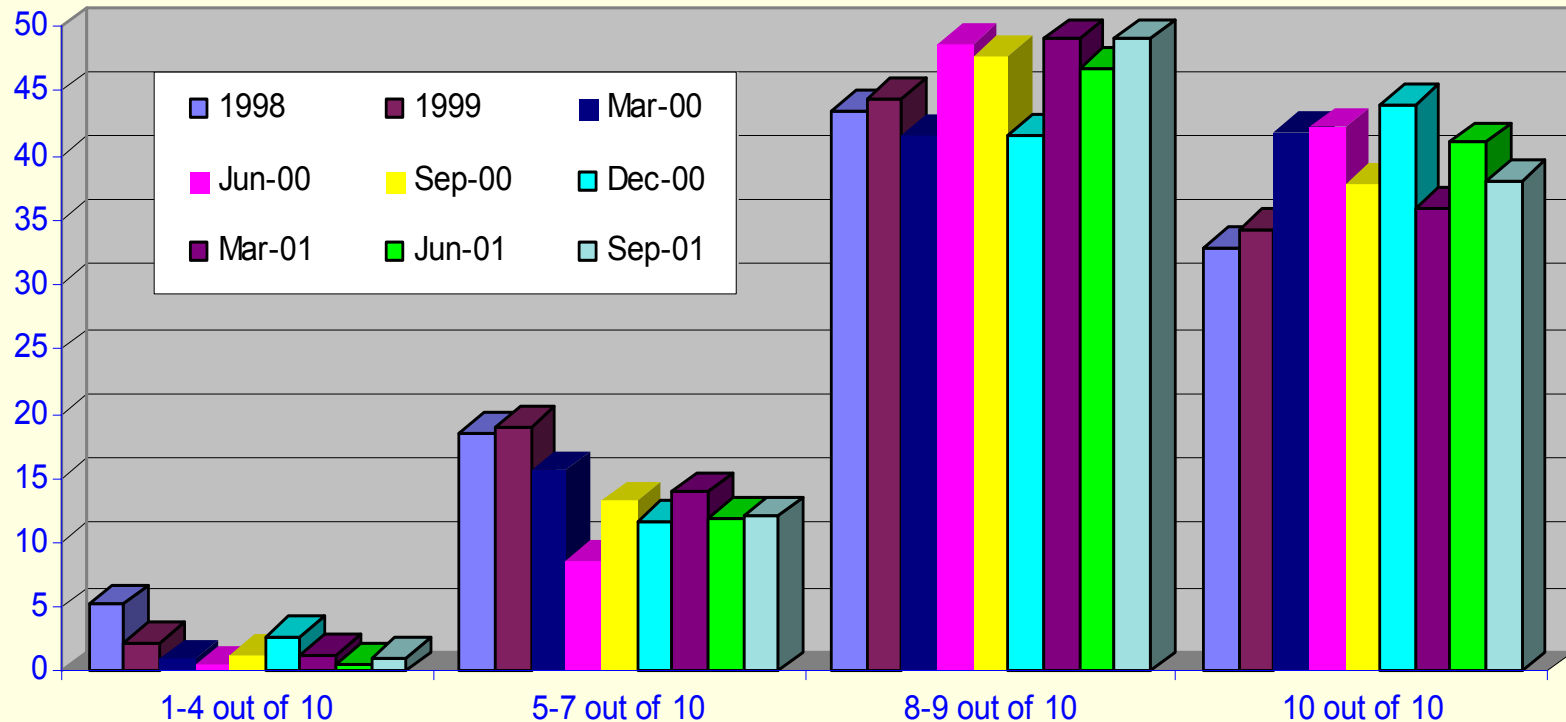
Residential Customers



- The percentage of residential customers who ranked our service ten out of ten is 36.9%, compared to 38.8% last quarter and 39.7% recorded in September 2000.
- The percentage ranking our service as 8 or 9 out of 10 increased to 45.5%, compared to 42.5% last quarter and 43.6% in September 2000.
- Only 1.3% 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. In this survey the percentage ranking our service as 8 or 9 out of 10 has increased slightly, with a corresponding decrease occurring among customers ranking our service as 10 out of 10.

Satisfaction with Overall Service

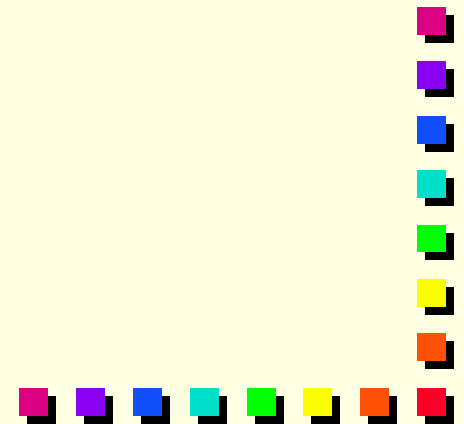
Commercial Customers



- This quarter, 38% of commercial customers ranked our service as ten out of ten, compared with 41% in June 2001 and 37.8% in September 2000. Taken together with those ranking service as 8 or 9 out of 10, the percentage of customers providing those rankings (87% in June 2001) is among the highest recorded to date. In this survey the increase in the percentage ranking our service as either 8 or 9 out of 10 was offset by an equivalent decline in the percentage ranking service as 10 out of 10.
- The percentage of commercial customers that ranked our service as one to four out of ten remains very low, at 1.1%.



Telephone Service



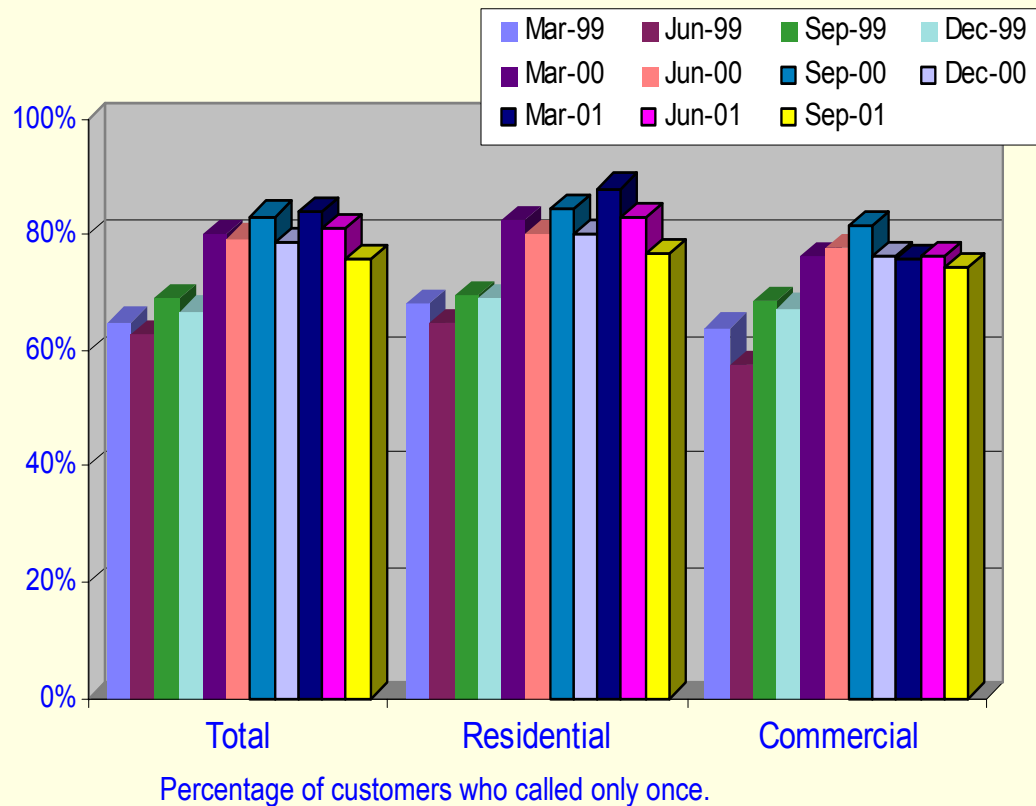
Main Reason for Calling

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Power Interruption	22.9%	50.8%	32.4%
Connect New Service	17.8%	19.7%	18.4%
Balance on Account	14.4%	11.5%	13.4%
Name Change / Final Read	11.9%	9.8%	11.2%
Equal Payment Plan	11.9%	0.0%	7.8%

- Top five overall responses are shown. The above percentages are of customers who have called in the past six months.
- 15% of residential and 15% of commercial customers indicated they had called us in the past six months.
- 58% of residential customers indicated they had called the customer service telephone number, 18% had called the trouble/emergency number and 24% had called one of the local offices. For commercial customers, 35% had phoned the customer service line, 24% the trouble/emergency number, and 40% one of the local offices.

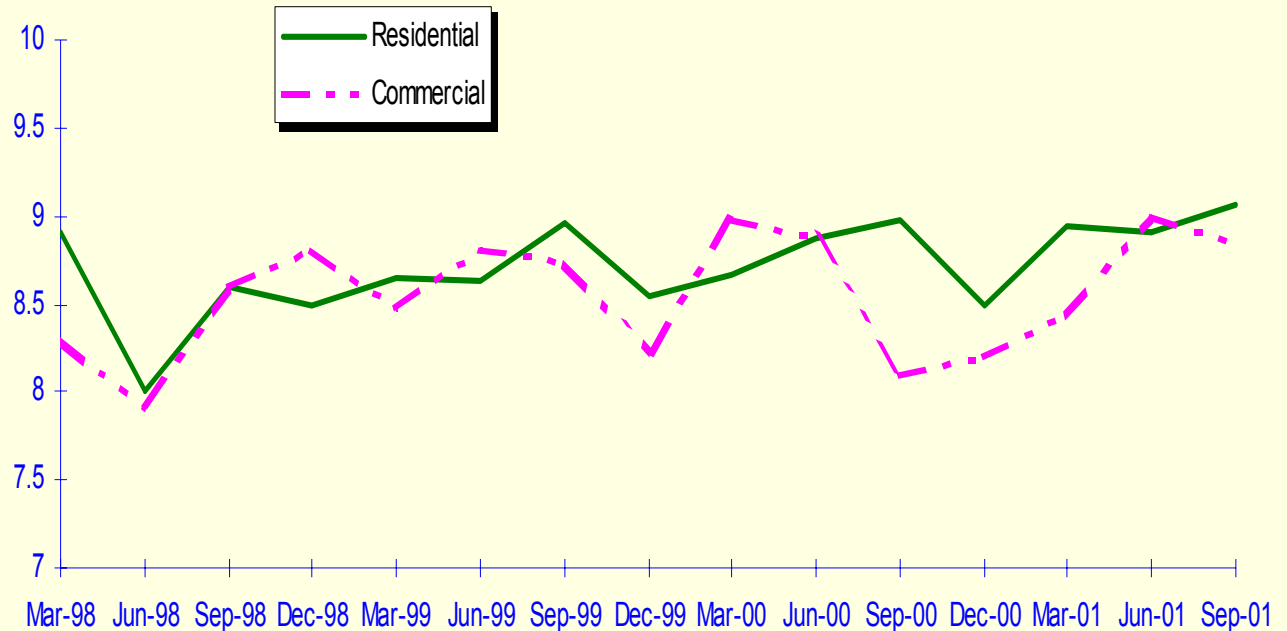
Percentage of Inquiries Resolved on the First Call

- 75.9% of customers indicated their inquiry was handled on the first call; down from 80.9% recorded last quarter but comparable to past results. 29% of the customers who called more than once, or 1.3% of all survey respondents, indicated they had called about the same issue twice.
- 31% of callers who called more than once indicated they called three times about the same issue and 31% 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.



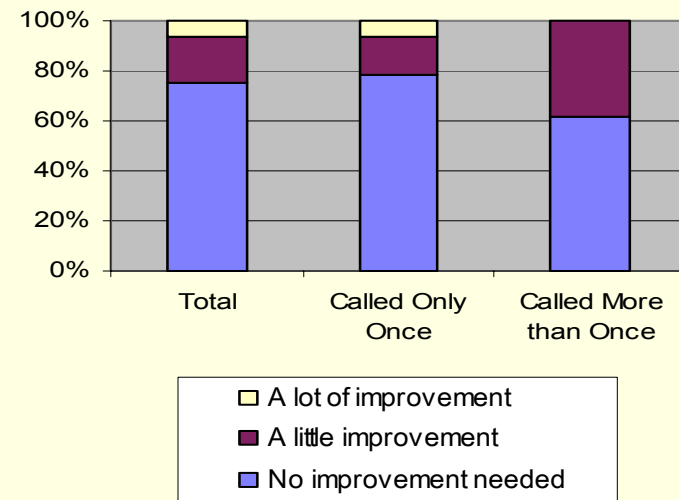
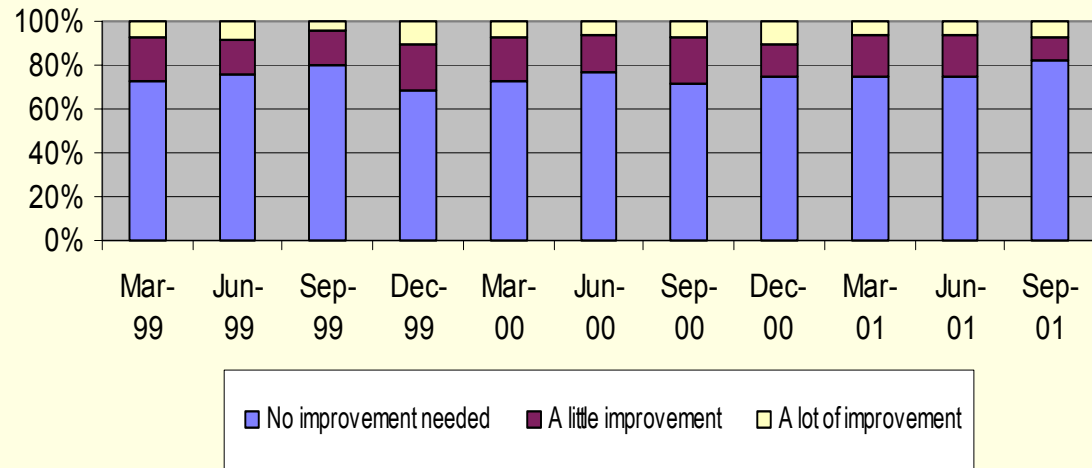
Satisfaction with Telephone Service

- Residential customers' ranking of our telephone service has remained fairly consistent in the past two years.
- Commercial customers ranked the telephone service lower than last quarter. The commercial ranking was still among the highest recorded to date.
- 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.

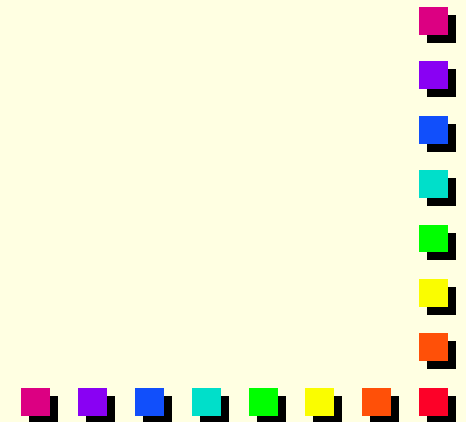


Improvements in Telephone Service

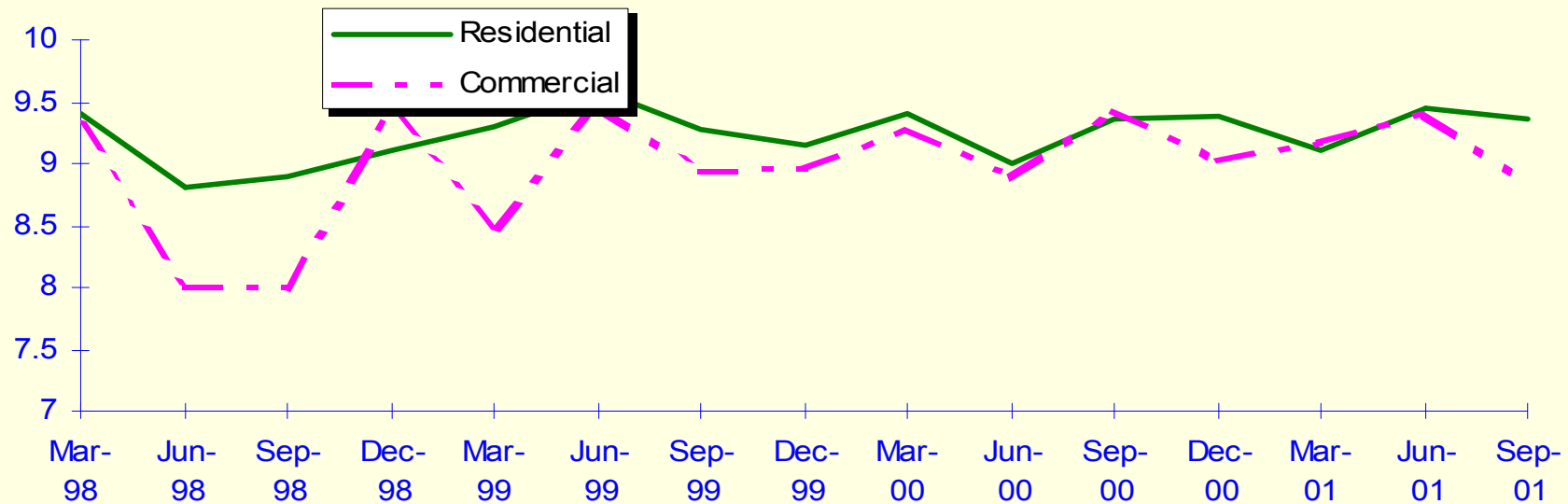
- The percentage of customers who feel we can improve our phone service remains fairly consistent with past quarters.
- In total, 81% of customers responding believe we need no improvement in the quality of our telephone service, 11% of customers think we can improve our telephone service a little and 7% think we can improve it a lot.
- 9% 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 12% and 4% respectively for residential customers.
- The particular telephone line the customer called had no significant effect on the percentage of customers who thought we could improve our telephone service. However, customers calling in relation to power interruptions expressed a greater belief that telephone service could be improved a lot.
- 10% of customers who called only once about a particular issue thought we could improve service a little or a lot as compared to 42% of customers who called more than once.



Cashier Services



Satisfaction with Cashier Services

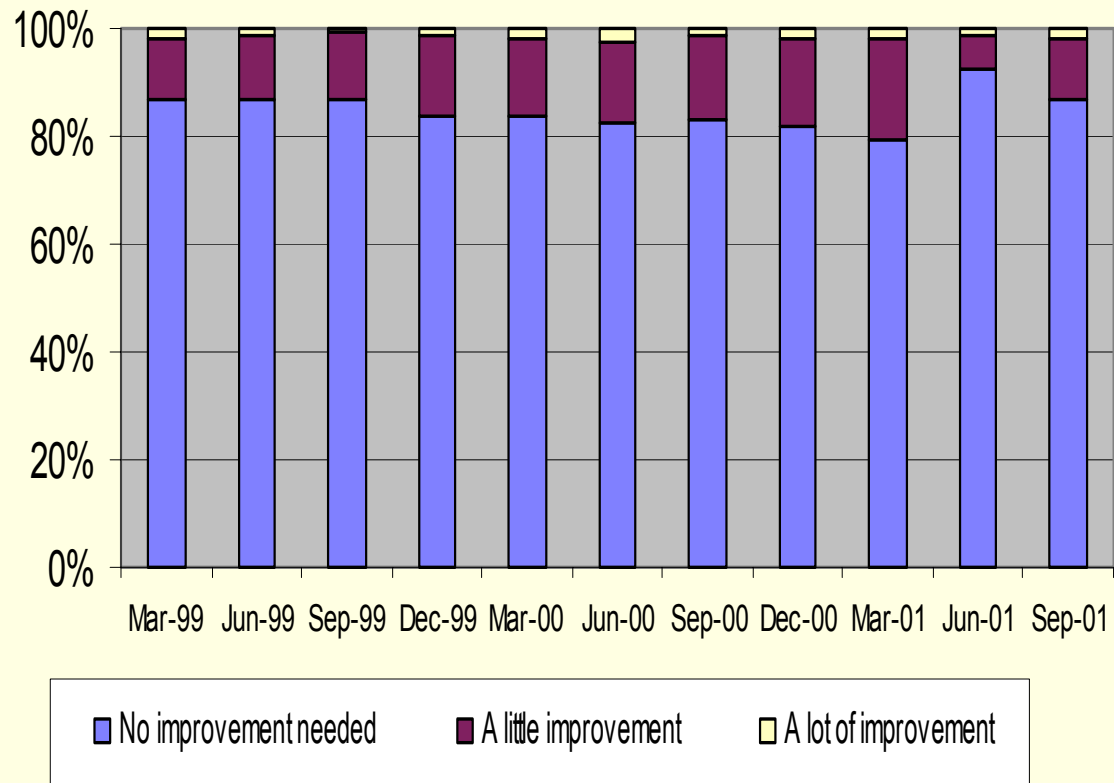


Average response out of 10

- 24% of residential customers and 11% 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.

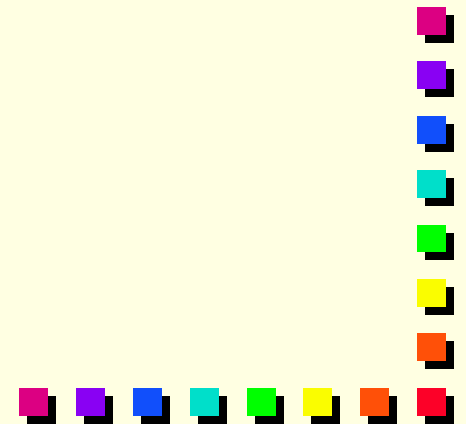
Improvement of Cashier Service

- The percentage of customers who feel we need to improve our cashier service has not changed significantly since March 1999.
- Currently, 11% of all customers believe we can improve a little and only 1.7% believe we need to improve a lot.
- 82% of commercial customers and 86% 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. This suggestion was voiced by 1% of the customers.





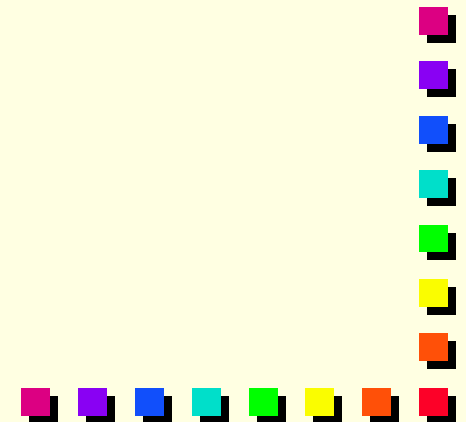
In-Office Service



Reason for Visit

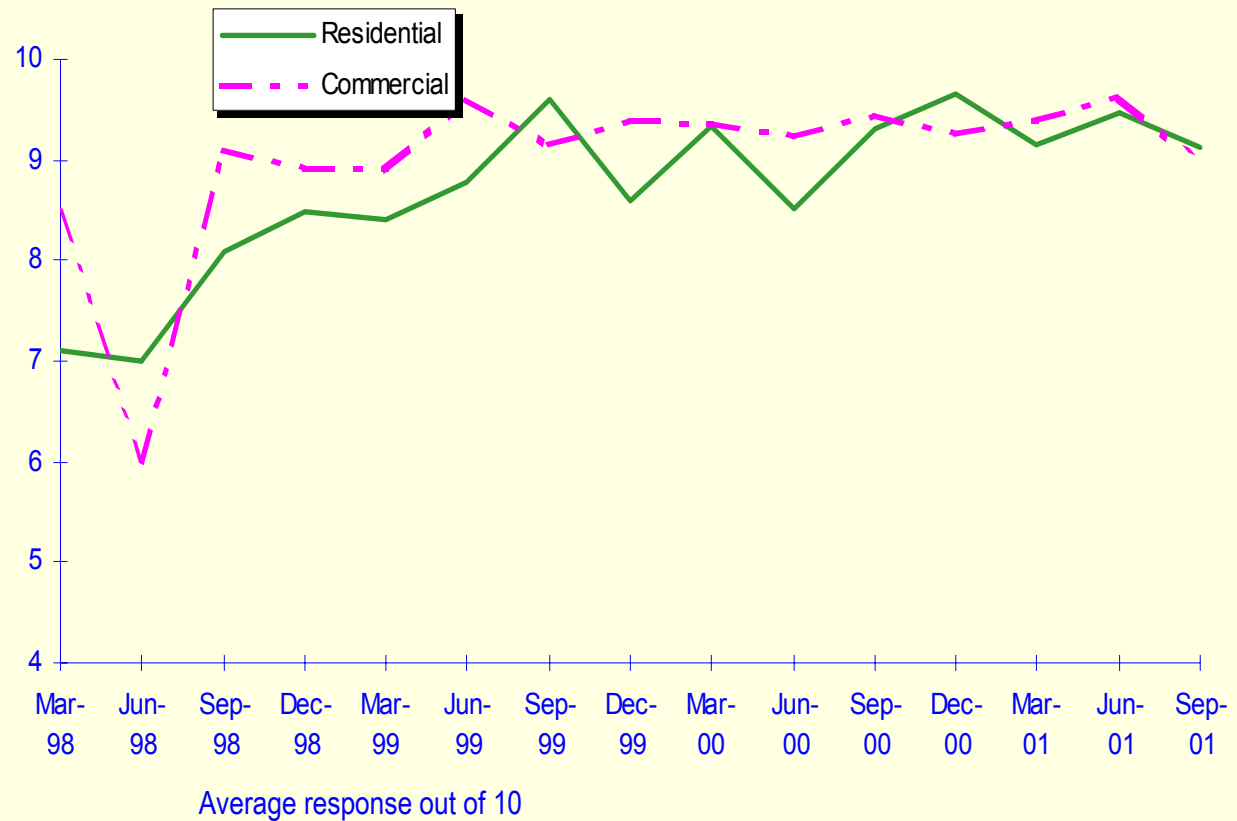
- This quarter, 0.7% of our residential and commercial customers indicated they have visited one of our offices for service (other than cashier services) in the past few months.
- Of the 12 respondents expressing an opinion, 4 rated our service as 10 out of 10, two as 9 out of 10, two as 8 out of 10, one as 4 out of 10, one as 2 out of 10, and 2 as 1 out of 10.
- The number of respondents involved is too small for further analysis.

Field Services



Satisfaction with Field Service

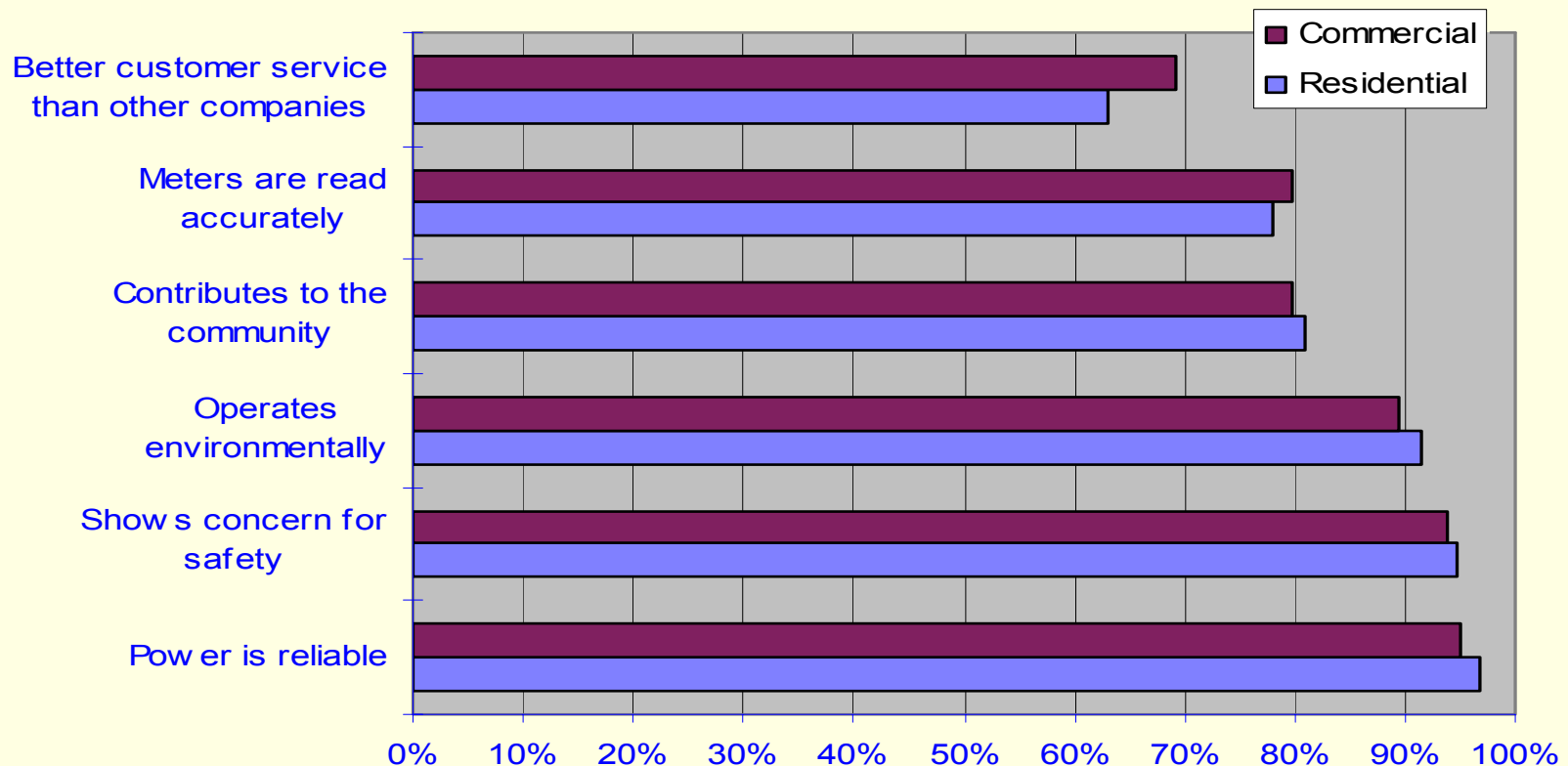
- One third of the customers indicated they had received some form of field service in the past six months. Most of these visits were from meter readers who did not have contact with customers, so the percentage of actual field contacts was 13%.
- The quality of service rating given for our field services has remained fairly stable over the past year.



Ranking of Service Attributes



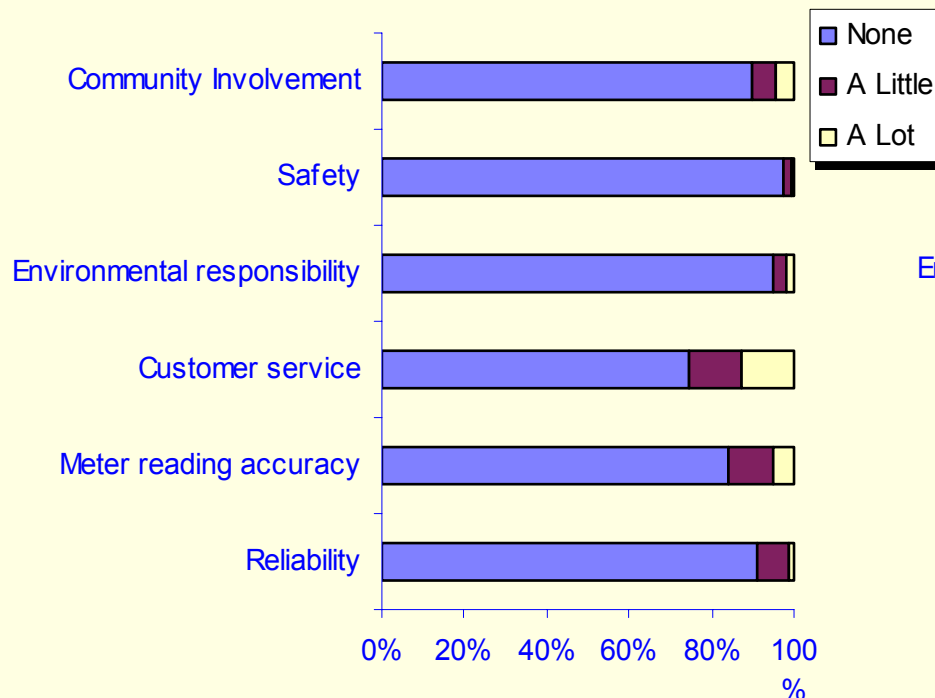
How Well We are Doing



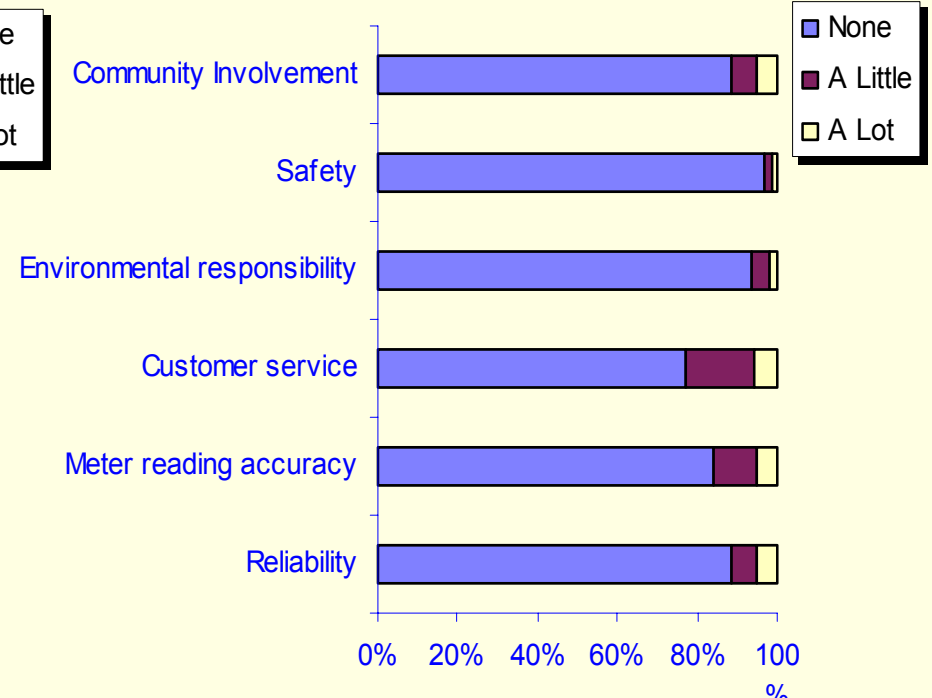
- The graph represents the percentage of customers who either strongly agree or somewhat agree with the statement.
- The degree of agreement expressed by customers to these statements has remained generally constant in the last number of surveys.

How We Can Improve

Residential Customers



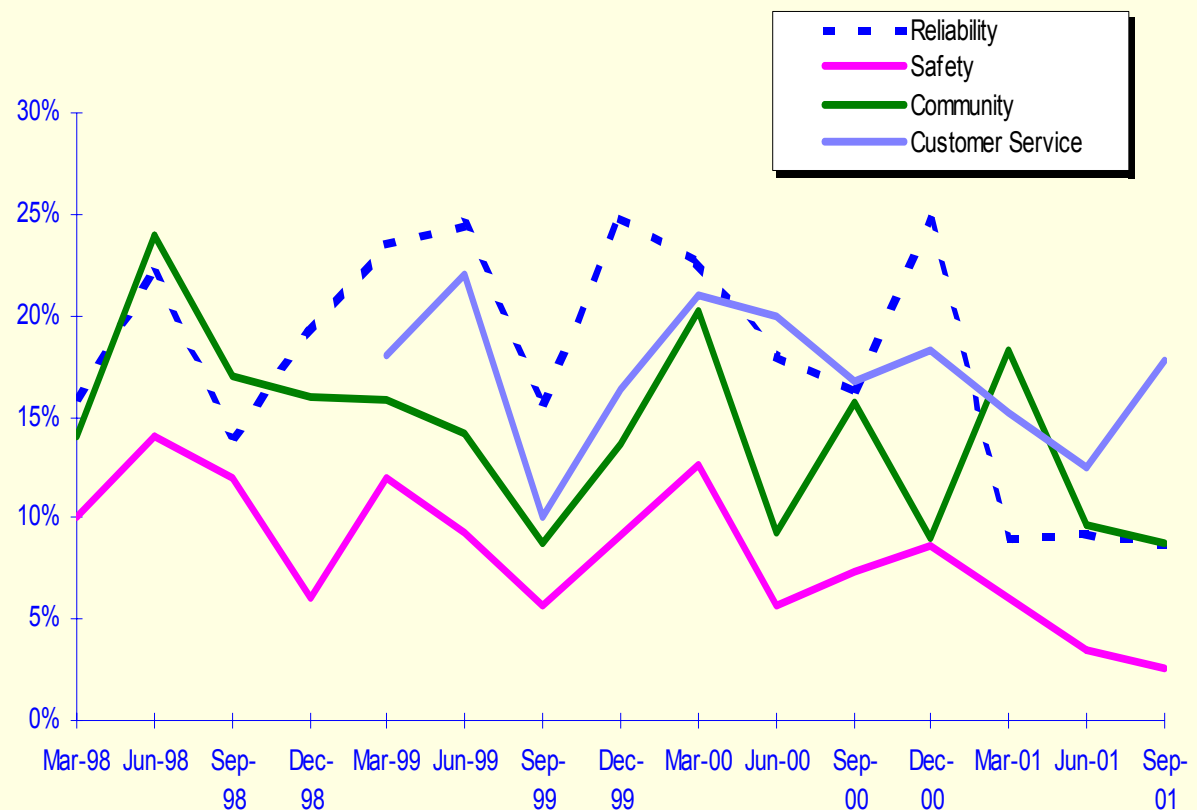
Commercial Customers



- Residential customers' expectations for improvement are highest for customer service, then meter reading accuracy. The number of customers who believe there is room for improvement in customer service has increased, while those who believe there is room for improvement in meter reading has declined since the last survey. Commercial customers' expectations for improvement are highest for customer service, then meter reading accuracy.
- In each of these aspects of service, commercial customers believe there is slightly more room for improvement than do residential customers.
- Clarendville residential customers had significantly stronger expectations for improvements in our contributions to the community and in our customer service compared to other businesses. This is consistent with the last survey. Clarendville and Gander residential customers had stronger expectations for improvements in meter reading accuracy.
- Commercial customers in Clarendville, Gander, and Grand Falls had stronger expectations for improvements in our contributions to the community. Commercial customers in Grand Falls had greater expectations for improvements in the environmental aspects of our operations, our customer service, and in our meter reading accuracy.

Change in Residential Customers' Perceptions

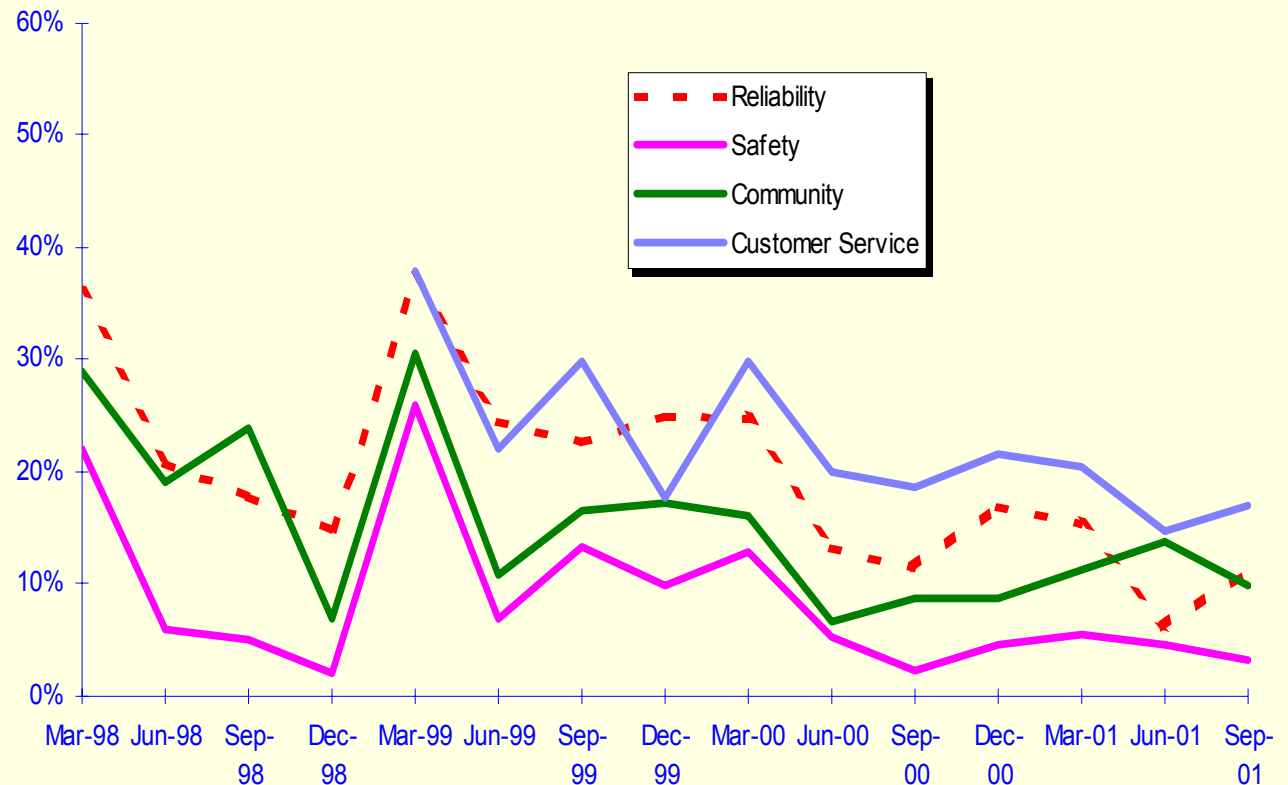
- The percentage of customers who believe we can improve reliability a little or a lot has continued to decline during 2001.
- The percentage of customers who feel we can improve on our concern for public safety a little or a lot is 2.6%; this is the lowest figure recorded to date.
- The percentage of customers who believe we can improve our community contribution declined from 9.6% last quarter to 8.7%. We have experienced variation in this result over time as the graph indicates.
- The percentage of customers who believe we can improve our customer service is 17.8%, which is higher than last quarter but a fairly typical result.



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

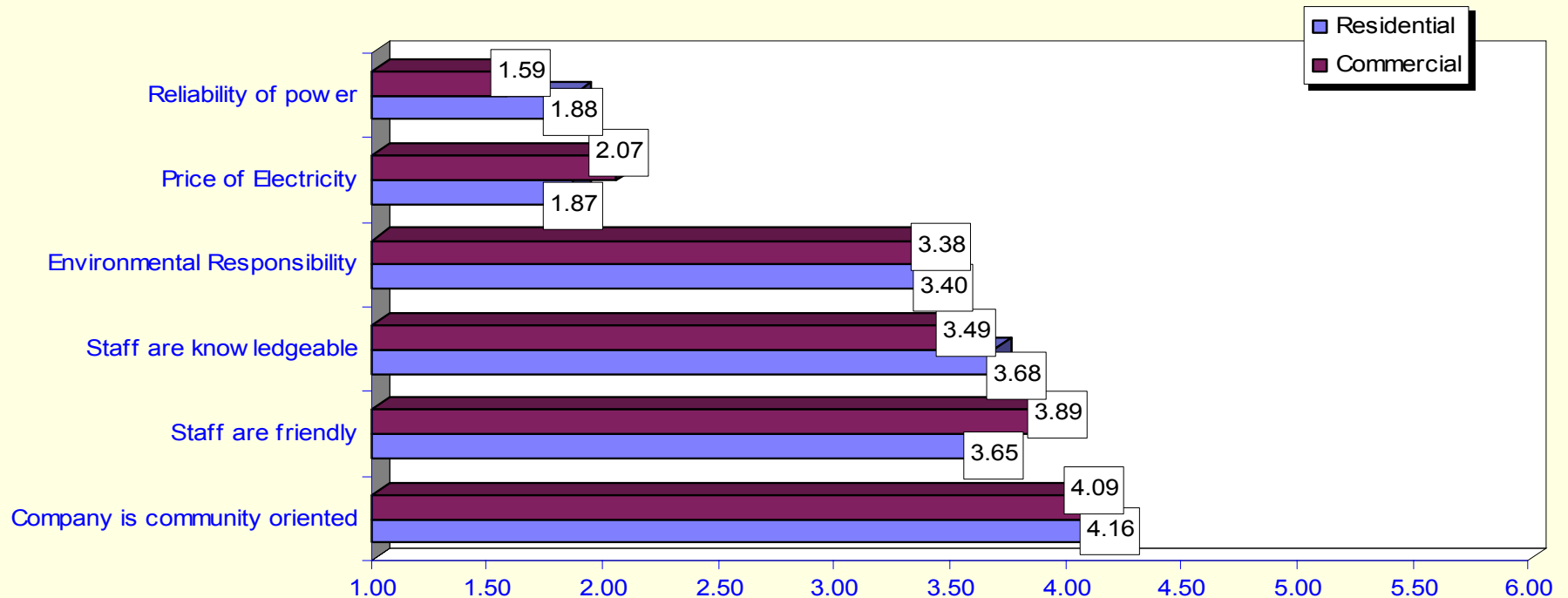
Change in Commercial Customers' Perceptions

- The percentage of commercial customers who believe we can improve our reliability of supply is 11% this quarter compared to 12% in September 2000 and 6% last quarter.
- The percentage of commercial customers who believe we can improve our concern for public safety is 3.3% this quarter compared to 4.6% last quarter and 2.3% in September of 2000.
- The percentage of commercial customers who believe we can improve our community contribution is 10% this quarter compared to 9% in September 2000 and 14% last quarter.
- 17% of commercial customers believe we can improve our customer service. This is an increase from 15% last quarter but a decrease from 19% in September 2000.



Percentage of commercial 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 ranked reliability and price as equally important.
- Reliability was ranked higher in importance by commercial customers than by residential customers.
- Price is ranked higher in importance by residential customers than by commercial customers.
- Residential customers in Corner Brook, Burin, and Avalon place the highest degree of importance on reliability improvements. Residential customers in Clarendville, Gander, and Grand Falls place the highest degree of importance on price.