

Letter Re: 2001 Summer Meter Reading Estimating Initiative
November 21, 2001



Newfoundland Power Inc.

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Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, Newfoundland
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Attention: Ms. Cheryl Blundon
Board Secretary

Ladies & Gentlemen:

Re: 2001 Summer Meter Reading Estimating Initiative

This is in response to the Board's letter dated February 19, 2001 requesting a report on customer reaction to the Company's 2001 summer meter reading estimating initiative.

The 2001 estimating program concluded at the end of September. A total of 324 out of 1,980 meter reading routes were estimated during the three month period from July to September 2001. This represented 97,065 estimated meter readings or approximately 16% of the approximately 615,000 meter readings scheduled during the period.

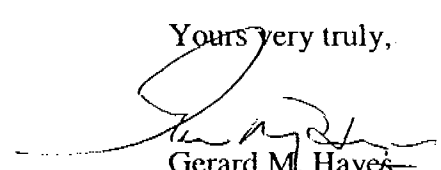
The Company received 242 inquiries from customers concerning their meters being estimated over the summer period. The inquiries were broken into three categories; low concern, medium concern, and high concern. Of the total of 242 inquiries, only 25, or less than 0.1% of customers who received an estimated reading, expressed a high degree of concern over the program.

In 2001 the Company realized operating expense savings of approximately \$45,000 from the implementation of the summer meter reading estimating initiative. These savings resulted from reductions in temporary labour costs.

The Company is pleased with the 2001 results and plans to continue the program in 2002.

If there are any questions with respect to this matter, please contact the undersigned at the direct number noted below.

Yours very truly,



Gerard M. Hayes
Senior Counsel