

1 Q. **Reference: Application**

2 How has Hydro ensured that its 2022 Capital Budget provides an appropriate balance between  
3 reliability, rate impacts, and the value customers place on service? Please provide customer  
4 surveys and documentation relating to customer feedback that Hydro has relied upon to  
5 determine the appropriate balance between reliability, rate impacts, and the value customers  
6 place on service, and please provide specific references to customer input and feedback used in  
7 the development of the 2022 Capital Budget Application.

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10 A. Newfoundland and Labrador Hydro's ("Hydro") capital investments reflect its obligations to  
11 provide reliable service at the lowest possible cost. Hydro has outlined, in its response to CA-  
12 NLH-016 of this proceeding, the steps it has taken through the 2022 Capital Budget Application  
13 to manage costs while not losing sight of its mandate to provide safe, reliable, least-cost service  
14 to customers. Hydro conducts residential customer surveys every two years which pose  
15 questions related to customer satisfaction; these surveys do not specifically query customers  
16 about the value they place on increased system reliability.

17 In recent years, Hydro has engaged in various forms of customer and stakeholder engagement,  
18 providing customers an opportunity to register their opinions regarding electricity service  
19 reliability as well as share their perceptions about levels of capital investment and electricity  
20 rates in the province. In late 2018, as part of the Reliability and Resource Adequacy Study  
21 process, Hydro conducted a digital engagement process that resulted in more than 2,000  
22 completed surveys providing customers' views on the reliability of Hydro's power system, their  
23 current level of reliability, and their preference on the level of reliability they wished to have.  
24 Participation was open to all electricity customers in the province. Please refer to Hydro's  
25 response to CA-NLH-031 of this proceeding for further information on this engagement.

26 Hydro also regularly engages with customers through its Electricity Feedback Panel which now  
27 has approximately 1,000 customers registered. Hydro has also been increasing stakeholder

- 1 consultations in recent years to provide advance notice on projects that are unique or larger in
- 2 magnitude to obtain stakeholder feedback.
  
- 3 Hydro uses all information gathered from its engagement endeavours to inform its capital
- 4 investment strategy.