

1 **Q. Reference: “2022/2023 General Rate Application,” Newfoundland Power, May 27,**  
2 **2021, Volume 1, Section 1, Page 1-4, Lines 16–17.**

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**a) Please explain how the reduction in customer costs were achieved.**

**b) Please complete the following table:**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Internal Full-Time Equivalents										

7 A. a) The reduction in Newfoundland Power’s customer service costs referenced in this  
8 Request for Information were achieved through a variety of initiatives aimed at  
9 improving the efficiency of its operations. Examples include the implementation of:

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- (i) A High-Volume Call Answering (“HVCA”) system that provides an automated response to customers’ outage-related enquiries. The cost of an enquiry resolved by the HVCA is approximately \$0.67/call, compared to \$10.60/call for enquiries resolved by a Customer Service Representative (“CSR”).<sup>1</sup> Thousands of customer enquiries are resolved by the HVCA system annually.
- (ii) Automated Meter Reading (“AMR”). AMR meters have reduced meter reading operating costs by approximately 81% from \$2.8 million in 2012 to \$540,000 in 2020.<sup>2</sup>
- (iii) Enhanced website self-service options for customers.<sup>3</sup> The cost of an enquiry resolved via the website is substantially less than the cost of an enquiry resolved by a CSR.<sup>4</sup> Thousands of customer enquiries are resolved by the website annually.
- (iv) Paperless billing (“ebills”) for customers. The cost of issuing an ebill is over \$10 less than the cost of issuing a paper bill.<sup>5</sup> Newfoundland Power currently has the second highest percentage of electronically billed customers in the Canadian electric utility industry.<sup>6</sup>

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<sup>1</sup> See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 2: Customer Operations, pages 2-6 to 2-7.

<sup>2</sup> Ibid., page 2-8.

<sup>3</sup> Ibid., page 2-4 to 2-5.

<sup>4</sup> The cost of a contact resolved via the website is about 10¢ per contact.

<sup>5</sup> Reflects avoided paper and postage costs.

<sup>6</sup> Based on a 2020 survey of 16 utilities by the Canadian Electricity Association.

1           The continued operation of Newfoundland Power’s Customer Service System has  
2           also been integral to the continued efficiency of its customer service delivery.<sup>7</sup>

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4           b) Table 1 below provides Newfoundland Power’s full-time equivalent employees for  
5           2011 through 2020.

**Table 1:**  
**Full-Time Equivalent Employees**  
**(2011 to 2020)**

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
640.1	652.6	655.8	664.8	653.0	634.5	611.2	619.2	616.2	611.5

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<sup>7</sup> See the 2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 2: Customer Operations, page 2-9.