

1 **Q. (Reference Application, 2022 Capital Plan, page 8) A quote by Liberty Consulting is**
2 **included indicating that Newfoundland Power conforms with good utility practice.**
3 **Please confirm that Liberty Consulting did not consider cost and customer willingness**
4 **to pay in its review. If they did, please reference the pertinent such statements in its**
5 **report.**

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7 A. To Newfoundland Power's knowledge, Liberty's review did not consider cost and
8 customer willingness to pay.

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10 Liberty's review was conducted following widespread customer outages in January 2014
11 known as #darkNL. This was a 7-day period during which 75% of the Company's
12 customers experienced rotating power outages. The event occurred during cold
13 temperatures, posed serious risks to public health and safety, and was not viewed as
14 acceptable by customers.¹

15
16 Liberty found that #darkNL was caused by the insufficiency of generating resources and
17 issues with the operation of key transmission assets by Newfoundland and Labrador
18 Hydro.² Inadequate maintenance practices contributed to these supply-related failures.

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20 Since 2014, service reliability has remained one of the most important issues to
21 customers. Quarterly surveys currently indicate a reasonable level of satisfaction with
22 Newfoundland Power's service delivery.

23
24 For more information on customer preferences, see response to Request for Information
25 CA-NP-013.

¹ Of 44 quarterly surveys completed over the period 2010 to 2020, the lowest level of customer satisfaction recorded was during the first quarter of 2014. This survey followed #darkNL. Customer satisfaction was 82% during that quarter. This compares to average customer satisfaction of 87% over the period 2010 to 2020.

² See Liberty, *Executive Summary of Report on Island Interconnected System to Interconnection with Muskrat Falls addressing Newfoundland Power Inc.*, December 17, 2014, page ES-1.