

1 Q. Reference: Pre-Filed Evidence of C. Douglas Bowman, April 17, 2024, page 46, lines  
2 22-24.

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4 *“As noted in CA-NP-004, Newfoundland Power does not collect data relating to*  
5 *customer willingness to pay. This has been an issue for many years in this jurisdiction”*

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7 **What utilities collect data relating to customer willingness to pay in Canada? What**  
8 **utilities do not?**

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10 A. Mr. Bowman has not undertaken such a survey. His point is that all utilities *should*  
11 understand the link between the cost to provide service reliability improvements and the  
12 willingness of their customers to pay for such service improvements. The McKinsey  
13 survey documented in the Platt’s Electric Utility Week article that Mr. Bowman  
14 references in his Pre-filed Evidence states *“utilities should take the time to find out what*  
15 *people genuinely value”*. Mr. Bowman agrees and notes that NL Hydro is making such  
16 an attempt. The determining factor when reviewing a program proposed by a utility  
17 should be “Does the program result in service improvements consistent with the value  
18 customers place on the resulting service improvement?” A utility’s claim that a program  
19 is consistent with providing reliable service at lowest reasonable cost is inadequate.