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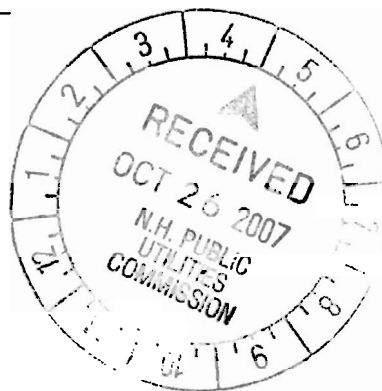
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October 26, 2007

Via Hand Delivery

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429



Re: **DT 07-011 - Verizon New England Inc., Bell Atlantic Communications, Inc.,
NYNEX Long Distance Company, Verizon Select Services Inc. and FairPoint
Communications, Inc.**

Dear Ms. Howland:

This letter is in response to Chairman Getz's request for a list of citations of relevant case law regarding whether the Commission has jurisdiction to hear testimony on and grant Unitil and PSNH's claims for money damages against Verizon pursuant to the Joint Ownership Agreements. The following cases support Verizon's position that the Commission does not have the statutory authority to grant the electric utilities' money damages claims. Verizon reserves the right to rely on additional case law in any further pleadings filed in this docket, should that be necessary.

1. *Appeal of Public Service Co. of New Hampshire*, 122 N.H. 1062, 1066 (1982): The Commission "is endowed with only the powers and authority which are expressly granted or fairly implied by statute." Its general powers of supervision over utilities (e.g. RSA 374) is not a source of additional authority. *See also State v. New Hampshire Gas & Elec. Co.*, 86 N.H. 16, 31-33 (1932) (power and authority not granted to the Commission is withheld).
2. *Re Public Service Company of New Hampshire*, 86 NH PUC 407 (2001): This case arose out of a customer claim against PSNH for damage and economic loss related to voltage fluctuations at the customer's residence. Acknowledging that while it generally has "full authority to investigate matters related to New Hampshire utilities," the Commission held that the only statute contemplating

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monetary remedies against a utility (RSA 365:41) was inapplicable and that it lacked "the authority to award civil damages to a utility customer as a result of service provided by a utility that is deficient of quality." *Id.* at 410.

3. *Re Verizon New Hampshire*, 90 NH PUC 83 (2005): A utility customer sought \$3,000 based on alleged damage to his property by the utility. The Commission denied the customer's complaint, holding that it lacked the authority to grant the relief sought (money damages) because the relevant statutes (RSA 365:3 and 365:29) only allowed for reparations based on rates charged by the utility.
4. *Re Verizon New Hampshire*, 87 NH PUC 172 (2002): In this case, the Commission held that it did not have the statutory authority to require payments from one utility to another utility for alleged substandard performance under a performance assurance plan. The Commission reached its conclusion despite requests to impose and enforce a different performance plan and penalties. The Commission further observed that its authority is limited to ordering reparations to customers under RSA 365:29 and payment of forfeitures to the state treasurer under RSA 365:41.
5. *Greenwood v. NHPUC*, U.S. District Court (06-CV-270-SM, 7/19/07): Commission lacked subject matter jurisdiction to modify rate order, and could not obtain subject matter jurisdiction based on alleged consent to same by petitioner.

Very truly yours,



Sarah B. Knowlton

cc: Service List (by electronic mail)
Librarian (by electronic mail)