trim because PSNH's best practice trimming specifications result in the trimming and/or removal of trees around Verizon's facilities, providing benefits to Verizon.

Q. Does PSNH make any recommendations for conditions pertaining to maintenance trimming?

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Yes. PSNH recommends that a condition be placed on the FairPoint/Verizon transfer of assets which requires FairPoint to contribute 25% to the total costs associated with the maintenance trimming of its facilities as well as a 50% contribution for the removal of trees and limbs that threaten both parties' plant. In addition, PSNH is requesting as a condition of approval of the transactions proposed in this proceeding that PSNH be reimbursed by Verizon for the sum of \$506,000 for a portion of the maintenance tree trimming expense incurred by PSNH during 2006, an expense which PSNH agreed it would not recover from its customers in the recently-approved rate case settlement (DE 06-028). This expense represents a portion of the costs for PSNH maintenance trimming which benefited Verizon's facilities, but which Verizon contributed only a minimal amount. The reimbursement should be directed to be made by Verizon from the proceeds it receives in the asset transfer. Maintenance trimming costs should be the responsibility of the electric customers and the telephone customers in order that they receive safe and reliable service, not the shareholders of the electric utility. Are utility poles currently inspected and maintained in accordance with the Joint Ownership Agreement as defined in Inter Company Operating Procedure #6: Inspection and Treatment of Standing Poles? (Reference IOP #6, dated 10/1/1994)

Yes. PSNH recently implemented a ground line inspection program whereby we inspected approximately 10,000 jointly owned poles within our maintenance area in 2006 and plan to inspect approximately 25,000 jointly owned poles within our maintenance area in 2007. These inspections will be done in accordance with IOP #6 (refer to Attachment RTH-9). As stated in Verizon's data response to DM 05-172, Staff 1-12

trim because PSNH's best practice trimming specifications result in the trimming and/or removal of trees around Verizon's facilities, providing benefits to Verizon.

- 3 Q. Does PSNH make any recommendations for conditions pertaining to maintenance trimming?
- 5 A. Yes. PSNH recommends that a condition be placed on the FairPoint/Verizon transfer of assets which requires FairPoint to contribute 25% to the total costs associated with the maintenance trimming of its facilities as well as a 50% contribution for the removal of trees and limbs that threaten both parties' plant. In addition, PSNH is requesting as a condition of approval of the transactions proposed in this proceeding that PSNH be reimbursed by Verizon for the sum of \$506,000 for a portion of the maintenance tree trimming expense incurred by PSNH during 20052006, an expense which PSNH agreed 11 it would not recover from its customers in the recently-approved rate case settlement (DE 06-028). This expense represents a portion of the costs for PSNH maintenance trimming which benefited Verizon's facilities, but which Verizon did not contribute to or 14 15 share in contributed only a minimal amount. The reimbursement should be directed to be made by Verizon from the proceeds it receives in the asset transfer. Maintenance trimming costs should be the responsibility of the electric customers and the telephone 18 customers in order that they receive safe and reliable service, not the shareholders of the 19 electric utility.
- Q. Are utility poles currently inspected and maintained in accordance with the Joint

 Ownership Agreement as defined in Inter Company Operating Procedure #6: Inspection
 and Treatment of Standing Poles? (Reference IOP #6, dated 10/1/1994)
- A. Yes. PSNH recently implemented a ground line inspection program whereby we inspected approximately 10,000 jointly owned poles within our maintenance area in 2006 and plan to inspect approximately 25,000 jointly owned poles within our maintenance area in 2007. These inspections will be done in accordance with IOP #6 (refer to Attachment RTH-9). As stated in Verizon's data response to DM 05-172, Staff 1-12