

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 4474

Establishment under 30 V.S.A. Section 249 of the electric)
service territory boundary lines between Vermont Electric)
Cooperative, Inc. and Central Vermont Public Service)
Corporation in the Towns of Windham, Jamaica and)
Townshend, Vermont)

Order entered: 3/19/99

DISMISSAL ORDER

1. RECENT HISTORY

On May 19, 1994, the Hearing Officer assigned to this case issued a Proposal for Decision ("PFD") that recommended that the Public Service Board ("Board") should accept a proposed settlement agreement between most of the parties involved, including Central Vermont Public Service Corporation ("CVPS"), Vermont Electric Cooperative, Inc. ("VEC"), and the Vermont Department of Public Service ("DPS") that would resolve the service territory questions at issue in this docket. This agreement would have allowed both CVPS and VEC to continue to serve their existing customers in the area, it would have involved improvements to both companies' distribution systems to rectify any safety and aesthetic concerns that may have existed, and it would have resulted in a division of the service territory of any unserved areas between the two companies. The Town of Windham did not agree to the stipulation.

The Board took no action on the PFD for approximately four years because of the financial problems that VEC was experiencing during that period. After VEC's bankruptcy was resolved, in June of 1998, the Clerk of the Board asked the parties for comments as to how this case should be completed. VEC suggested that the Board should adopt the Hearing Officer's recommendations, and it proposed a new implementation schedule. The DPS agreed with VEC's

recommendations for resolution of this matter, including the revised schedule for implementation. The Town of Windham reiterated its earlier objection to the settlement agreement and it asked for new proceedings. CVPS reviewed the situation in the field and found that, since some construction and reconstruction had occurred in the area, some of the specific recommendations in the settlement agreement were no longer relevant. CVPS suggested, therefore, that the Board should defer consideration of the PFD and should convene a status conference or workshop to consider these changed circumstances.

2. BOARD DECISION

For the reasons that follow, we believe that this proceeding should not continue at this time, and it should be dismissed without prejudice. First, there seems to be little consensus among the parties as to how to proceed with the docket. This fact, when combined with the stale nature of the record, seems to suggest that any continued proceeding would require significant time and resources from the Board and parties. We believe that requiring this expenditure at this time would not be prudent, particularly given the uncertain status of both VEC, because of a possible sale of its assets to another company, and CVPS, because of possible reorganization plans that might result from overall utility restructuring in Vermont. We further note that from the recent record of the docket, there does not seem to be any pressing need for Board action at this time to resolve any critical service quality, safety or reliability problems related to these two existing distribution systems in the Windham Hill area. When the status of these two companies becomes more stable, and when the outcome of the efforts to restructure the electric industry in Vermont is more certain, the Board will be prepared to entertain a petition from the parties to resolve this service territory issue.

3. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. This docket will be dismissed without prejudice on April 19, 1999, without further notice unless any party to this proceeding can show cause as to why it should be continued.
2. If a party can provide sufficient justification to continue the docket, the case will be remanded to the Hearing Officer for further proceedings.

DATED at Montpelier, Vermont, this 19th day of March, 1999.

s/ Richard H. Cowart)
) PUBLIC SERVICE
))
s/ Suzanne D. Rude) BOARD
))
) OF VERMONT
s/ David C. Coen)

OFFICE OF THE CLERK

Filed: March 19, 1999

Attest: s/ Cynthia G. Buska
Assistant Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board of any technical errors, in order that any necessary corrections may be made.

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this order, absent further order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.