

STATE OF VERMONT
PUBLIC SERVICE BOARD

Amended Joint Petition of Central Vermont	)	
Public Service Corporation, Danaus Vermont	)	
Corp., Gaz Métro Limited Partnership, Gaz	)	
Métro inc., Northern New England Energy	)	
Corporation for itself and as agent for Gaz Métro	)	
Limited Partnership's parents, Green Mountain	)	
Power Corporation and Vermont Low Income	)	
Trust for Electricity, Inc. for approval of: (1) the	)	Docket No. 7770
merger of Danaus into and with Central	)	
Vermont, (2) the acquisition by Northern New	)	
England of the common stock of Central	)	
Vermont, (3) the amendment to Central	)	
Vermont's Articles of Association, (4) the	)	
merger of Central Vermont into and with Green	)	
Mountain, and (5) the acquisition by VLITE of a	)	
controlling interest in Vermont Electric Power	)	
Company, Inc.	)	

**SURREPLY OF THE DEPARTMENT OF PUBLIC SERVICE TO REPLY TO
OPPOSITION TO PETITION TO APPOINT INDEPENDENT COUNSEL**

The Department of Public Service ("the Department" or "DPS") files this Surreply to the Reply to Opposition to Petition to Appoint Independent Counsel.

The Department has already articulated the legal standard applicable here; there is no basis to support an appearance of conflict of interest that "a reasonable person might have, after full disclosure of the facts," or any actual conflict. See E.O. 09-11, Executive Code of Ethics, § 1(B); see also E.O. 09-11, Executive Code of Ethics, §§ 1(C) & 3(A). Ratepayers have nevertheless separately raised a concern that the Department will not advocate for a position that they believe is in the public interest regarding the VELCO/VLITE proposal.

Ratepayers have been granted permissive intervention in this matter – intervention not opposed by the Department. They will have the opportunity to advocate for their private interests and viewpoints concerning ownership of VELCO. See *In re Vermont Pub. Power Supply Auth.*, 140 Vt. 424, 433 (1982) ("it is the cumulation of the private interests of each of

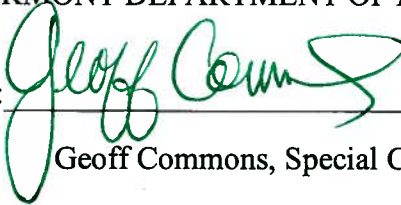
Vermont's citizens which produces the public interest or the general good, and not the other way around"). Seventeen parties in total will present their viewpoints; this will without doubt be an actively contested docket.

In matters in which the Department does not have a direct interest in a docket (such as through a power purchase) but the appropriateness of independent counsel is nevertheless reviewed, that review has occurred after the Department's substantive position is known. See *In re New England Telephone & Telegraph Co., dba Bell Atlantic-Vermont*, Docket No. 6000 (Order of March 20, 1998); *In re Tariff Filing of Citizens Utilities Company*, Docket 5809 (Order of April 14, 1995). The Department has not yet had the opportunity to present its case here; it has not offered any position on the VELCO/VLITE proposal in this merger petition, or on any other matter. The Department, with its expertise and authority, should be permitted to articulate its view of the public good.

Dated at Montpelier, Vermont, this 7th day of November, 2011.

VERMONT DEPARTMENT OF PUBLIC SERVICE

By:



Geoff Commons, Special Counsel

cc: Service list

PSB Docket No. 7770 - SERVICE LIST

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