
DRAFT 2009 NYS ENERGY PLAN

PUBLIC HEARING

Date: September 9, 2009

Time: 4:00 p.m.

Location: Little Theatre at Roosevelt Hall
Melville Road
Farmingdale, New York

Before: Thomas Congdon, Chair
NYS Energy Planning Board

Frank Murray, President and CEO
New York State Energy Research and
Development Authority

Garry Brown, Chairman of the NYS Public
Service Commission

Lisa Garcia, NYS Department
of Environmental Conservation

MR. CONGDON: My name is Tom Congdon, and I am the Chair of the NYS Energy Planning Board. I would like to welcome you all to this public hearing on the draft State Energy Plan, and I would like to thank our hosts at SUNY Farmingdale, and I would also like to thank the other members of the planning board who are here with me today.

On my far left is Lisa Garcia, from the Department of Environmental Conservation; Mr. Frank Murray, from the New York State Energy Research and Development Authority; on my right, Garry Brown, from the Public Service Commission.

Most important, I would like to thank all of you for coming today because it is you who we are here to listen to today. So, thank you.

For the past year and a half, the planning board has worked with staffs from 10 agencies and public authorities to develop the draft statement.

The planning process commenced in April 2008 when Governor Paterson issued Executive Order Number 2 which created a Planning Board and charged us with developing the draft plan.

On August 10th, the planning board released the draft statement on its website, which is

www.nysenergyplan.com. Then we commenced a 60 day written comment period and the public hearing phase. Written comments are due on October 19th. We will release the final plan by the end of the year.

The plan's objectives are to, first, ensure our energy systems are reliable for a 10-year planning horizon. Second, to reduce greenhouse gas emissions. Third, to stabilize energy costs and improve economic conditions in the state. Four, reduce public health and environmental risks associated with energy systems. And five, improve the state's energy systems.

The plan considered various approaches to achieving these objectives and arrived at a number of strategies.

First and foremost, the plan identified energy efficiency as a priority resource to meeting all of our goals and objectives.

Second, the plan seeks to develop in-state energy resources -- this is largely renewable resources -- and also in-state natural gas resources, in an environmentally responsible way.

Third, the plan projects infrastructure needs both to support our clean energy goals, also, to ensure reliability.

Fourth, the plan identifies opportunities to capitalize on existing academic and research strengths in the state and to facilitate connections between academia and industry to seek innovations in industry developments.

The plan also identifies needs for clean energy workforce training and economic development strategies to help the state thrive in a carbon constrained economy.

Lastly, the plan recognizes that none of this can be fully achieved without working with other levels of government and communities to achieve these goals.

This public hearing is a testament to the desire to work with, and learn from, the community that is affected by energy decisions and energy policies.

This is one of nine public hearings we are holding around the state to hear your comments. The full hearing schedule is available on the website. Again, it's nysenergyplan.com.

My job today is to gather information for the planning board to consider. Again, we are very appreciative of your attendance here today.

The process is simple. Those who want to

comment at this hearing have been asked to sign in upon arrival. Your name will be called one at a time to speak. Please come to the podium right in front of us here and speak directly into the microphone.

A court reporter is here to prepare a verbatim transcript. It is very important that there be only one speaker at a time so the reporter can hear clearly. Speakers should address their comments in the direction of the microphone and please make an effort to speak clearly and slowly.

It is also very important that those in the audience be courteous to the speaker so his or her comments can be transcribed accurately.

If you have brought a written statement that you are reading from, you should leave that with the court reporter so she can make sure that she is transcribing exactly.

All speakers are asked to focus on issues that pertain to the draft Energy Plan. Your comments should be as succinct as possible so that we can hear from as many people as possible in the time that we have here today. We have set a five-minute time limit for that purpose, but of course after everyone has had a chance to address the Board, repeat speakers may be

afforded another five minutes.

Sarah, our colleague, is here with a timer and she will give you a gentle reminder if you are coming up against that five minutes.

Formal presentations aren't allowed. Those who want to comment but do not want to speak publicly, or do not get a chance to do so, again, can submit written comments via our website. If you decide to submit written comments, please do so as soon as possible so they can be carefully considered.

All of the comments, whether they are stated in this room or sent to the website, will be reported to the energy planning board for its consideration. They all count equally regardless of how they were received.

So, with that, does anyone have any questions about the process before we call the first speaker? Great.

Our first speaker is Jerry Kremer from the NY Affordable Reliable Electricity Alliance.

MR. KREMER: Welcome to Long Island. Thank you so much for taking the time to come here and listen to comments about the state's proposed energy plan.

I serve as the Chair of the Affordable Reliable Electricity Alliance known as New York AREA.

Our group was formed after the 2003 blackout and has grown into a diverse group of about 150 business, labor, utility and community groups, all dedicated to ensuring that New York has ample and reliable electricity supply.

Prior to joining New York AREA, some of you know I represented the south shore of Nassau County in the State Assembly for 23 years. I chaired the Ways and Means Committee and also was a principal author of the Article X Siting Law, now no longer in effect.

With respect to the plan itself, let me begin by offering my congratulations to the Governor for taking the step of putting this plan together. It's a welcome and historic development as the state hasn't had a comprehensive energy plan in 75 years.

This preliminary plan is a great step forward for everybody. The plan has identified energy efficiency as the priority resource for meeting its objectives. We agree that energy efficiency and conservation are great components of a credible plan, but with the overall goal of reducing energy consumption 15 percent by 2015, we feel the plan relies too heavily on increasing energy efficiency at the expense of our state's current base load power capacity.

No reasonable person could be against

efficiency and conservation. We just don't think it's enough because the jobs of the future are energy hungry and New York must look to expand its energy production in the near and long term. We're talking about clean energy.

And speaking of clean energy, here on the Island we are pleased that Con Ed and LIPA are considering a windmill project off the coast of the Rockaways. I wish them the best of luck on seeing this plan through. We on Long Island have constantly been known as the capital of the NIMBYs, and if there is any chance that a project will be stopped due to that syndrome, it generally happens here.

Your plan supports the further development of the Smart Grid. This is quite welcome. To be candid, it can't come fast enough. New York needs an acceleration of efforts to expand and modernize the grid and take advantage of federal stimulus dollars.

I hope that the plan will provide such a vehicle to do so. We are building wind farms in upstate New York and while we're trying to harness the power of the wind, we can't seem to find a way to get any of that power to downstate New York, because there is no grid to support that system.

We won't get new forms of energy being produced in the state unless our grid is upgraded. This process should have the same priority, I believe, as the energy conservation effort.

We also need a new power line from Canada to Long Island and we should be espousing an accelerated effort to make this a reality for here on Long Island.

Let's talk about supply. New York needs to keep and expand its use of clean base load sources, particularly nuclear and hydro which, as you know, is 53 percent of our electricity portfolio. Refreshingly, your draft speaks of a positive effect that nuclear power plays in New York's clean energy portfolio, but at the same time calls for the closing of Indian Point, and I'll get to that in a second.

The plan also calls for the development and exploration of the Marcellus shale natural gas formation which would not only give us jobs but I think would reduce the region's energy supplies.

I do regret that there's a continuing drumbeat of opposition to that project but, candidly, I think it's the way to go, and I think that if we in New York fall short and reject various types and forms of new energy, we are making a tragic, long term mistake.

More supply means more price competition, which means lower prices for consumers and businesses, getting more companies and jobs to our region. It would also leave New York less dependent on external sources, such as Canada and New Jersey, for power.

Let's talk briefly about Indian Point. The Indian Point Energy Center supplies 10 percent of the state's power and on a typical day provides one third of the power for the city and this region. Not only does Indian Point produce more than 2000 megawatts of what I think is reliable base load power, but it produces it in a virtually emission free manner. The preliminary plan cites safety as a top reason for opposing the plant's continued operation; however, the federal government's independent safety panel just last month attested to the safety and security of the facility.

They issued a favorable final safety evaluation report, a significant and important step forward in the license renewal process.

What does this have to do with Long Island? Replacing Indian Point's power will require a minimum of four fossil fuel burning plants. And for Long Islanders, who love their quality of life, new plants, wherever they are in the downstate region, increase

greenhouse gases in addition to increasing levels of air pollutants.

With New York maintaining the third lowest per capita carbon emissions in the nation, this is clearly a step backward and one that will bring detrimental impacts throughout the state. I hope you will revisit this proposal during your deliberations.

I appreciate your time. I commend you for doing what you are doing. The state has long needed a comprehensive energy plan and I'm glad that you are a part of it.

Thank you very much.

MR. CONGDON: Thank you very much.

We are pleased to have the Honorable Marc Alessi, member of the Assembly, here today. Thank you for joining us.

ASSEMBLYMAN ALESSI: Thank you. New York State Assemblyman Marc Alessi from the 1st Assembly District. I represent from Orion Point to Mt. Sinai on Long Island; the towns of Brookhaven, Riverhead, Shelter Island and Southhold. And I'm a member of the Assembly Energy Committee and a member on the Subcommittee on Alternative Energy.

I, too, want to thank you for what you are

doing in terms of the State Energy Plan. It's a long time coming. It's very much needed and I'm glad this analysis is finally happening.

Here on Long Island we are faced with some of the highest utility rates in the nation. Use of energy has exploited the environment and caused prices to sky rocket. We must move in a different direction.

From promoting the use of biodiesel, wind energy and solar, and helping to pass net metering legislation, I have been an advocate for renewable green energy initiatives. This will help us protect the environment while helping to reduce our reliance on foreign oil.

With a current focus on green economy and energy independence this is becoming a reality. It is more important than ever to have a comprehensive statewide energy plan.

The draft plan before us takes an important first step in redefining how New York State meets its energy needs and moves us further down the road to energy independence.

The plan includes strategies that will make energy more affordable, secure and reliable for the markets. Its focus on energy efficiency, infrastructure

investment, smart growth and green innovation will help make New York a new and global economy.

I am particularly encouraged by the plan's focus on wind energy and its commitment to implementing Governor Paterson's 45 by '15 program. This program sets a goal for New York to meet 45 percent of its electricity needs to improve efficiency and clean renewable energy by 2015.

Earlier this year, I was a co-sponsor and voted for legislation that passed in the Assembly on many of the same issues. The legislation bill number 5877 established the energy planning board and statute and expands its authority to better enable to carry out long term planning by requiring a new plan to be developed every four years.

It also requires that all major utilities file necessary information to implement the development of an energy plan, and mandates that LIPA and New York Power Authority participate in the process by submitting the strategic planning and capital components.

This will make the process permanent and will ensure that New York continues to have a plan that meets our energy needs. Improving energy efficiency, it will help cut costs and hopefully cut taxes in the

future.

Energy policy evolves very rapidly and these decisions related to it have a major impact on our economy. By becoming a leader in the green energy movement, we can create thousands of jobs and reduce the state's carbon footprint. The draft energy plan is a forward thinking plan that will help New York get back on track.

Earlier last week I wrote a letter to our local utility, Long Island Power Authority, asking them to slow down in the process of their planning to purchase some power plants here on Long Island so we can coordinate an analysis between this utility's strategic plan and the plan for meeting the power needs by 2018, and how that also affects the statewide energy plan and what we are planning to do.

I think this is an important concept in that the purchase of power plants by the Long Island Power Authority will be a dynamic shift in the way utilities run in the state.

Since decoupling, we have been able to insulate the ratepayers from bad decisions and we have to do an analysis of whether or not decoupling made sense, and we have to do an analysis on whether the

entire energy infrastructure, in terms of our deregulation, makes sense.

All of this has to happen in a coordinated way and that's why I'm looking to you and I'm hopeful we can work together and make sure that not only LIPA, but every utility across the state, makes prudent decisions moving forward.

We are in a more precarious position on Long Island, I believe, because we have a very unique history with our utilities and how they have succeeded one another. You do have the second highest rates in the nation. We have one of the highest debt burdens and I think a thoughtful analysis of this purchase needs to be coordinated in the statewide energy plan moving forward.

Also, moving forward, I think distributed generation has to be considered. We are talking about redeveloping the grid. We are talking about gas power plants, oil power plants, wind, solar, on large commercial scales. I don't want us to lose sight of the fact that in developing issues, for example, I don't think they are going to be stricken up in a new grid.

It's all about distributed generation. I want to make sure that we're not reinventing telephone lines just by adding to the cell phone, that we are

planning for the alternate that is possible, and that's the distributed generation and more power to the people. No pun intended.

The last piece that I want to comment on -- that's my time. Thank you.

MR. CONGDON: You can finish.

ASSEMBLYMAN ALESSI: Thank you.

Biodiesel, I submitted comments to LIPA and I submitted written comments to your board. I believe that biodiesel in New York State, we are in a unique position to really allow that to proliferate.

Done studies with Brookhaven National Lab and SUNY Stony Brook to look at what are the best alternative energy policies in terms of our liquid energies, and we looked at ethanol, compressed natural gas and biodiesel. Biodiesel came back overwhelmingly because of the infrastructure that's currently in place.

What has been reported to me was that you get up to B20 blends, 20 percent biodiesel, 80 percent petroleum based diesel. There is no retrofitting involved. Whether it's gas pumps or if it's school buses, home heating systems, there's no retrofitting until you pass the B20 threshold.

So, if we were to put a B20 mandate on the

books, like California, where as long as the supply is there, home heating systems have this -- it will reduce our carbon footprint significantly, and it will create new economy in New York State, including a great deal of jobs.

You can put biodiesel refineries across New York which, as you know, there are almost no emissions through the processing. And it's a lot easier than building new ethenol enhanced gas stations, compressed natural gas, and we don't have to scrap our current systems, like school buses. We can just put this new fuel supply in the school buses.

When it goes above 20 percent, if the systems are over 20 years old, I have been told that then you do have retrofitting. You have to take out the natural rubber hoses and gaskets and replace it with synthetic rubber because they will break down. Newer systems have that synthetic rubber so we can still pass that threshold as we move forward.

The question is always where do they get the supply and that's what I wanted to talk about. The Governor, through the Department of Agriculture, had a task force to evaluate how much fallow farmland we have.

Everybody talks about, first of all,

recycling yellow grease from restaurants. That gives us about 30 million gallons according to the studies we have done, and we need about 1.5 billion gallons.

According to NYSERDA, there are 6 billion gallons that are used of diesel in this state every year for transportation, for energy plans and for home heating systems.

So, in doing conservative B20 plans, 1.5 billion gallons is needed. 30 million from waste water is not enough, but if you look at fallow farmlands, according to the Governor's estimates and with the help of agriculture, we have too many fallow acres of farmland not being used.

If we put into production, or just a fraction of them were put into production, we look at the best feedstocks for New York at the time and the Chinese tower or Siberian wheat can grow like weeds and they produce several hundred gallons per crop cycle.

So, I believe the estimates that I am submitting to you, we need about 200,000 acres to grow basically oil to meet our 20 percent demand.

So, I just think that moving forward we should do an analysis and I think biodiesel is an easy fit for New York State.

Thank you.

MR. CONGDON: Thank you very much, Assemblyman.

Our next speaker is Jerry Connolly from the Coalition of Labor for Energy and Jobs.

MR. CONNOLLY: Good afternoon, and thank you very much for coming here to hear everyone's concern.

My name is Jerry Connolly. I represent the Coalition of Labor for Energy and Jobs. In my appearance here this afternoon I am representing distinguished member of the labor union, President of ALF-CIO Denis Hughes. I also advise State Building Trades Ed Malloy on energy matters. And I also have a letter from James Castellane, who's President of the Nassau-Suffolk County Construction Trades, not able to be here today.

In addition, besides representing the coalition, I've been a boilermaker for 40 years and a business manager for about ten years.

I would begin by congratulating the Governor and all of you for taking the step for actually proposing the State Energy Plan. No matter how you slice it, this alone is a positive step and one for which you should all be commended.

The plan itself has a number of items which clearly are worthy of praise. In particular, I would like to point out the plan's support for using stimulus funds to develop a new generation of green jobs is of particular interest to the labor organizations.

Helping to make more workers LEED certified through existing labor apprenticeship training programs will allow for this work to be completed by trained, skilled workers, and will lead to a quality final product that will benefit all New Yorkers.

Additionally, I commend you for having the backbone to recommend reauthorization of the power plant Siting Law. As you well know, the absence of Article X has placed New York at a competitive disadvantage. And with energy demand continuing to grow, we need a mechanism to fast track approval for new sources of power.

Not only should this be part of the final plan, but I would urge the Governor to make Article X a top priority in his legislative efforts.

There are several other points that can also be praised and cited from the draft proposal. However, there is a number of concerns that I would like to express.

First, the emphasis on energy conservation, various efficiencies, renewable energy and renewable development, are all worthy causes but cannot replace the need for additional base load capacity in New York State.

Closing existing plants while the Independent Systems Operator forecasts increased demand, even with the implementation of renewables and conservation, is clearly unwise to depend on those sources alone.

Secondly, while we applaud your support for nuclear power and for an additional nuclear reactor outside Oswego, we are extremely disappointed in the plan's support for the closing of Indian Point.

The Coalition of Labor for Energy and Jobs believes that this is a short sighted recommendation which would create a devastating impact on our community, meaning the labor community, as well as all New Yorkers.

Indian Point is a safe facility. The preliminary State Energy Plan cites safety as a top reason for opposing the plant's continued operation. However, those who live and work within the vicinity of the plant know that Indian Point is, indeed, a safe

facility.

Based on my extensive work experience of 25 years at the site as a union boilermaker, I can state emphatically that Indian Point has operated and continues to operate in a safe manner.

As a former union leader responsible for the health, safely and welfare of my fellow union brothers and sisters, I would never allow my members to work in an environment that's going to be detrimental to their long term health.

It is also clear that Entergy maintains the very same commitment to its workers in the plant. They see the plant as a virtual fortress, and are reassured by the heavily armed presence, throughout the plant's perimeter and outside, to make sure that they do not have any problems with terrorism.

They know that the plant is the most scrutinized of all US power plants. Safety has always been a top priority for all involved at Indian Point.

And they also know that the federal government's independent safety experts just last month attested to the safety and security of this facility by issuing a favorable final safety evaluation report. This is a significant and important step forward in the

license renewal process.

Thirdly, there is some concern in the labor community for the use of the term "environmental justice". Let me just say that, to the building trades, environmental justice is our members building new base load generation facilities so we no longer are needed to prepare and maintain old, outdated equipment that does not meet today's environmental standards and exposes our members to such carcinogens as lead and asbestos.

We have 20 percent asbestosis rate in boilermakers. To other interested parties that might have a very different meaning. So, environmental justice could mean many things to many people.

In conclusion, while there is much in the plan to praise and recognize, the plan's focus on shutting down Indian Point will bring about far-reaching implications that will adversely affect Long Islanders and all New Yorkers.

Again, the proposed plan is largely solid and offers many strong proposals for securing our energy future but, like any proposal, can be improved, and in this case it must be. This is why I urge you to support the continued operations of Indian Point as part of the final energy plan.

I know my time is up. I would like to submit this letter on behalf of President Castellane. He outlines some of the same issues but more pertaining to Long Island.

MR. CONGDON: Terrific. Thank you very much.

Our next speaker is Matthew Cordaro, Dean of Dowling College Townsend School of Business. Welcome.

MR. CORDARO: Good afternoon. My name is Dr. Matthew Cordaro and I presently serve as the Dean of the Townsend School of Business at Dowling College.

For background, before my academic career I spent over 40 years within the energy and utility sectors. This included service as the CEO of Nashville Electric Service, one of the ten largest public utilities in the nation, and the founding President and CEO of the Midwest Independent System Operator, the largest ISO in the United States.

In addition, I also held the position of Senior Vice President of Operations and Engineering at the Long Island Lighting Company.

Reflecting on this experience, Long Island is my home, and a place I cherish. It is this deep-seated affection for my community, along with my

professional interests, that have kept me active on the issues of energy and sustainability, a key ingredient in safeguarding the fine quality of life we all enjoy from Merrick to Montauk.

As my first observation on the Governor's draft 2009 State Energy Plan, I have to acknowledge that it offers a number of positive initiatives that are good for all Long Islanders.

These include a revitalized comprehensive new power plant Siting Law, support for competitive electricity markets, recognition of repowering as a viable alternative, development of a smart grid, construction of new transmission infrastructure that utilizes existing rights of way, and additional investment in research and development of renewable energy and workforce training for a new generation of green collar jobs.

These are bold, positive recommendations that will make a difference for Long Islanders and all New Yorkers.

On the other hand, there are a number of points expressed within the plan that are questionable and require further consideration. First, it is of concern to me that with this goal of pursuing clean and

cost effective energy the plan does not sufficiently take into account the role of large base load projects, such as a Broadwater LNG facility.

Equally troubling, at the same time it seriously considers the removal of more than 2000 megawatts from the electric grid by closing Indian Point. In my view, both such sources are absolutely necessary to economically satisfy existing and growing demands for energy, while protecting the environment.

Even though I fully support cost effective conservation and efficiency programs, it is not credible to assume, as the plan does, that they are sufficient to substantially offset the need for base load facilities.

Second, I would point out that the New York ISO has continued to forecast growing energy demands for nearly a decade, even when conservation efforts are factored into the equation. Although the plan recognizes this to a degree, it places too much reliance on the capability of conservation and efficiency programs to temper growth while, to begin with, not fully appreciating the uncertainties of demand projections.

Third, I would point out that wind energy is an intermittent source of electric generation, and while

it is reasonable for LIPA and Con Ed to partner in studying a wind farm off the coast of the Rockaways, the addition of wind power to the grid cannot and should not be considered enough to make up or substitute for the loss of base load power generation under the scope of the proposed plan.

Finally, I want to briefly expand upon the issue of Indian Point in the context of the plan. Indian Point has been a key to New York's success under the regional greenhouse gas initiatives and will be a critical factor towards ensuring compliance under federal cap and trade legislation.

It produces more than 2000 megawatts of clean, virtually emissions free, energy and is a critical component to New York achieving the distinction of having one of the lowest per capita carbon emissions counts in the nation.

The plan explores replacing Indian Point with a combination of conservation and efficiency programs and natural gas fueled combined cycle generation. It is not realistic or credible to assume that enough conservation and efficiency can be achieved, nor a combined cycle unit depending on a speculative supply of natural gas permitted and built to offset over

2000 megawatts of clean and economic electricity.

The State Energy Plan must recognize that Indian Point's power cannot be replaced without dire consequences resulting from increased greenhouse gas emissions, higher utility costs and a weakened, less stable, base load power supply.

In conclusion, Indian Point aside, I would commend the members of the planning board for conducting a relatively open and transparent process for soliciting public input on the Governor's proposed plan. Your collaboration and open ear will result in a stronger blueprint for moving our state forward.

As you sit and construct the final plan, I ask you to take a good hard look at our transmission assets, our intellectual capital, and our region's growing energy demand. And then I encourage you to construct a final plan that builds on many of the positive initiatives that are outlined in the draft report, while also correcting those certain proposals that would not contribute to a successful outcome.

Thank you very much.

MR. CONGDON: Thank you very much.

Our next speaker is Ronald Lukas from the Atlantic Sea Island Group.

MR. LUKAS: Good afternoon. My name is Ronald Lukas. I am Vice President, Gas Supply for Atlantic Sea Island Group. I have 39 years of experience in the energy business, including over 28 years of experience with KeySpan in the planning and procurement of gas supply for its customers.

When I started my career in 1970 it was with the New York State Public Service Commission. I believe my experience with the PSC has trained me to be particularly receptive to public interest concerns when pursuing new projects.

There are three major points I would like to make today. First, Atlantic Sea Island Group strongly supports the conclusions contained in the natural gas assessment of the 2009 draft New York State Energy Plan which encourages investment in new gas related infrastructure to reliably meet increases in demand in the downstate area.

We believe that our innovative project is consistent with the objectives set forth in the energy plan, mainly, introducing a new supply source directly into the New York area will help relieve existing system capacity constraints, increase gas system reliability and lower natural gas prices.

Second, I want to high light the economic benefits that construction of the Atlantic Sea Island Group's substantial infrastructure project will bring to the local economy in the form of investment, direct job creation, and other financially beneficial spillover effects.

Third, I want to emphasize our commitment to building a project that is environmentally responsible. Our goal is to employ ecologically friendly technology to build the island and to operate it after construction is complete.

For instance, with respect to regasification, we plan to use ambient air equipment with freshwater discharge as opposed to using a sea water based process. Other options being considered are the use of low emission tugs and low emission LNG ships.

I would just like to make an additional comment that there is a misunderstanding among people that when people are building a new energy project you won't use the latest green technology. Even though we are building a project to import LNG doesn't mean that we won't employ the greenest and most ecologically advanced technology during the course of construction and operation of the island.

I would like to note that we don't see our project as being in conflict with the goal of developing a new energy economy. It is recognized by many energy experts and environmental groups that natural gas will play an important role as a bridge supply until renewable energy resources are fully developed. Natural gas produces fewer emissions than other fossil fuels and, therefore, limits their use.

I would like to briefly describe our project. Atlantic Sea Island Group proposes to construct, own and operate a liquified natural gas or LNG terminal called "Safe Harbor Energy". In its first case, Safe Harbor will be capable of delivering up to one BCF per day of a new natural gas supply directly to the New York metropolitan region through an existing offshore section of the Transco pipeline.

We expect to begin service in the year 2014. An essential objective of the project is to have LNG suppliers dedicate supplies on a long term basis for delivery to our terminal.

Safe Harbor facility will include construction of an island and terminal 13.5 miles south of the City of Long Beach, New York. Initially, the terminal will include over 7 BCF of storage capability

which will help meet demand for gas on the coldest days of the winter and even when sea or weather conditions may prevent LNG carriers from delivering LNG.

We believe the unique location of the terminal so far offshore, yet near to the gas market, makes it the best and perhaps only place to locate an LNG facility to supply New York State. The placement of the island terminal in an offshore location provides for easy access to LNG tankers to dock and unload their cargo in a safe environment.

The terminal will be close to established international shipping lanes and will reduce vessel traffic and congestion into New York harbor.

License and permit applications have been submitted to the appropriate federal and state agencies and the project is in the agency review stage of development.

As part of the review process, environmental impact statement, as required under NEPA, is being prepared by the US Coast Guard and US Maritime Administration with full public disclosure and coordination with New York State agencies and legislators.

Now I would like to comment on the Natural

Gas Assessment section of the 2009 Draft Energy Plan. We believe the entire section is technically accurate and offers an extremely well thought out description of New York State's future gas supply needs.

We thoroughly endorse the conclusion on page 41 of the report that states, in part, "The state should take specific steps to encourage investment in natural gas infrastructure, including LNG facilities, that could supply future downstate requirements consistent with the state's planning objectives".

We also commend the statement on page 24 of the natural gas section that says: "Having the flexibility to be able to accept LNG imports could provide New York with added supply access and options that could serve to put downward pressure on prices in the future, particularly during periods of high demand".

All in all, we applaud the authors of the energy plan for recognizing that New York State needs both gas supply and pipeline infrastructure. Even assuming gas supply from shale formations prove to be as abundant and economical as some seem to suggest, and that's a postulation that is unproven, especially with respect to development costs, declining rates and environmental impacts, a tremendous amount of delivery

infrastructure would still be needed to be built to bring gas to the market.

Developing new sources of supply alone without developing the infrastructure to bring it to customers, or vice versa, would not be optimal solutions to New York State customers.

I guess the analogy is similar to what the gentleman mentioned about wind power upstate. You have to use both supply and infrastructure. I thought that was a very good conclusion part of the report which got to those points.

We believe that the Atlantic Sea Island project will provide benefits meeting both supply and infrastructure needs for New York's downstate region.

I high lighted these benefits and comments and submitted them on behalf of the project already in the process so I won't repeat them now.

I would like now to address the significant economic benefits that construction of the Safe Harbor Energy project would bring to the local economy.

First --

MR. CONGDON: If you could just try to wrap up.

MR. LUKAS: Okay. I basically just want to

talk about the economic benefits and they will provide -- it's in my comments that are written -- the total construction costs the city over $5 million of income, during these tough economic times, there will 55 jobs after construction, full-time jobs. We estimate long term benefits from those permanent positions are $340 million. And we also believe that the spillover effects with additional tax revenue, shore based operations and provision of goods and services.

Thank you.

MR. CONGDON: Thank you very much.

Next speaker is Adrienne Esposito from the Citizens Campaign for the Environment.

MS. ESPOSITO: Good afternoon. My name is Adrienne Esposito. I'm Executive Director of Citizens Campaign for the Environment. We are a bi-state organization with six offices around New York and Connecticut, 80,000 members throughout both states.

First off, I have to say thank you for the body of work that the energy plan has produced. Overall, we want to commend you on a job well done. We agree with the vast majority of the plan. However, the purpose of a public hearing is to help you create an even improved version of the plan, so, it's within that

context we offer the following comments. Also, we will be submitting much more detailed comments at the end of the comment period.

The first thing is that, as somebody said earlier, welcome to Long Island, or as we call it ground zero for adverse impacts because of global warming. We get it, so that's why we strongly support the goals stated in the plan of the 80 percent reduction by 2050 of 1990 emissions. That's the right goal. Thank you for being bold. Stay with it.

We would like to see in the plan to that end -- I know the plan says that there will be mid-term targets that will be identified so we would like to offer them to you. These are the same ones that are offered in the LIPA plan. They are the same ones that are offered in the state legislation pending in front of the New York State Senate -- God knows if that will happen -- but they are interim targets that provide us a scale of reaching the ultimate target: 20 percent reduction by 2020, and 30 percent reduction by 2025, 40 percent by 2030, 60 percent by 2040, and 80 percent by 2050. So, we have a graduated target and frame of reference to achieve our ultimate goal.

Second thing we want to comment on is

offshore wind. We recognize and commend New York State for your stated commitment for offshore wind development in both the Atlantic ocean and also in the Great Lakes region. However, New York is falling woefully behind. Delaware, New Jersey, Rhode Island, Texas, all far ahead of us. Frankly, we don't think that needs to be and we feel it can and should change.

As you well know, Delaware has gone ahead, they have already signed a power purchase agreement for over 200 megawatts of power for a project that is slated to generate 450 megawatts of power. New Jersey started their process back in 2006 and selected their vendor in 2007. New York, not so much.

So, we are going to ask the state to expedite the matter, not by cutting down on environmental regulations, not by cutting the process to site specific plans, but rather by doing a couple things: One is that we can install now meteorological towers.

Cape Cod installed their met towers in 2002 and it has provided them with meaningful data that says wind turbines are just as productive in the summer as they are in other months. We can do that here. We can put in the meteorological data and we will have a couple

of years of data as we are moving through the process.

The second thing we need to do is we had, up to March of this year, placed acoustic buoys in the Atlantic Ocean to monitor whale migration. Why is that important, you might say, for wind power? I'll tell you: Because in order to properly site them we need to know the migration of habits of marine mammals.

However, if we don't have an energy plan that talks about wanting to expedite or at least support renewable energies, however, we have abandoned the funding for the marine mammal acoustic buoys. They stopped in March.

Fortunately or unfortunately, we now know from one data that we have white whales and fin whales and humpback whales and blue whales migrating within a mile or two of New York City. Important data, particularly because white whales, of which there's only 300 mammals left in the entire globe, are covered by the Endangered Species Act.

We need the right information for the siting process and we're not necessarily doing that right now and we now could do that now.

Moving along, model codes for municipalities, for residential, commercial and

industrial wind and solar. The Suffolk County Planning Commission, which I am a member of, has embarked on a very rigorous, but also what I believe is going to be a very productive venture to find the best model codes for homeowners and for businesses to be able to have a process that is clear and is congruent across counties.

Right now we are villages and towns, all have different codes. That is onerous on solar and residential wind installers. So, for instance, right now we have two industries on Long Island that want to do wind and yet the municipality doesn't have codes to provide them to be able to do that. The state could take a lead on model codes that will help us implement the objectives in the plan.

Two other things. Bio fuels. The plan identifies bio fuels to replace heating oil and gasoline but it doesn't offer specifics on how to accomplish this goal.

Three things. One, all municipal government buildings should be encouraged to use a minimum of B5 bio fuel blend. This will encourage the market demand.

Two, policies should be crafted to encourage companies who have the existing terminals to distribute a pre-blended biofuel in 10,000 to 20,000-gallon

quantities. In Long Island that would only be two companies. What the smaller companies are telling us is that it's very difficult for them to put aside a tank just for bio fuels only, and that by having a pre-blended delivery it would help the smaller companies use this product.

The third is promote the product. The vast majority of New Yorkers, I'm not just talking about Long Island right now, have no idea bio fuels even exist or it may be an option for them. They clearly have no idea what the environment and economic benefits may bring.

Two last things. One is nuclear power. I disagree with the previous folks testifying. We believe there should not be financial nor regulatory incentives for new nuclear power plants. We can't solve one problem by creating another problem. That's what we believe nuclear power will do. Won't go into the details about why.

Last thing I'm going to say. The plan also identifies and specifies enhanced and efficient public transportation services. I have to tell you, from the Long Island perspective, we feel as sometimes we say, those of us who used to be Alice in Wonderland fans, that we walked in a mirror, that we have fallen into a

different reality.

The problem is the MTA. The problem is that it's not working. We, as Long Islanders in the suburbs of the biggest city on the globe, want terrific mass transit. We need it. We agree with you that lower emissions, we want that, and yet the only option we have is so poorly run, so poorly managed, and doesn't know how to fix any problems other than to raise the price, that we don't take mass transit.

When we had gasoline at $4.50 a gallon mass transit lines should skyrocket because that's more economically advantageous for us. When gas went down we went back to our cars. We don't like driving into the city. It's not that pleasurable. You should do it at 8:00 in the morning. There's nothing fun about it, but we do it because of the MTA.

You want to reduce vehicle miles traveled, lower the cost of the train. That increase with the number of people riding hopefully will help with that massive deficit, that there's no end in sight, and will get people off of the roads.

So, fixing the transit system would fix a lot of problems here on Long Island. The plan doesn't talk, and I know it's not politically palatable for the

plan to say the MTA is broken and not working, but I will say it. It needs to have better management of its budget and its fund and we will have better ideas of how to get people in the trains: Lower the cost.

Thank you for the opportunity and the time.

(Applause)

MR. CONGDON: Couple of notes.

First, the five minute time limit, I just want to give a reminder to everyone that when the bell goes off that's the end of five minutes. And we encourage you to sign up to finish your statement at the end if you would like, because we don't want to rush you through the five minutes. And it's difficult for our court reporter to take down everything when we speak fast. So, we will give you another opportunity to speak at the end if you don't get through your full remarks.

Second point I would like to make is we have heard from other folks specific ideas for detailed recommendations that we should include in the final plan. This is exactly the kind of thing that we hope for in a public hearing.

We issued our draft plan with broad recommendations and it's our intent to put in more detail on those broad recommendations for a final plan

and, in fact, it will include an implementation plan in the final version, which has milestones included, so it's a real actionable plan and we can all be held accountable to it. So, I really appreciate the thoughtful comments and information.

And next speaker is Gordian Raacke from Renewable Energy Long Island.

MR. RAACKE: Thank you. I appreciate those comments and assurances about the implementation plan because that's one of the points I wanted to stress.

For the record, my name is Gordian Raacke, I'm Executive Director of Renewable Energy Long Island. We are a membership supported, not-for-profit organization promoting clean and sustainable energy use and generation here on Long Island.

First, I would like to say that I commend Governor Paterson and the members of the energy planning board, as well as the energy coordinating working group, for their vision and excellent work on putting forward a draft State Energy Plan. And we strongly support its policy objectives, as well as most of its -- pretty much almost all -- of its strategies and recommendations.

We are particularly encouraged by the fact that climate change and the need to significantly reduce

greenhouse gas emissions are featured front and center and very prominently in the plan, and included as the second of the five policy objectives.

We also strongly support Governor Paterson's Executive Order Number 24, which calls for reducing greenhouse gas emissions in New York 80 percent by 2050. We have in our recent comments to the Long Island Power Authority draft energy plan recommended and emphasized to reduce energy emissions island-wide 80 percent by 2050. We hope the Long Island Power Authority will incorporate that as well.

We are also appreciative of the fact that the State Energy Plan recognizes the need to site utility scale renewable energy projects closer to our load centers, through Long Island and New York City, and we applaud the plan for encouraging LIPA and NYPA to pursue a large scale offshore wind park in the Atlantic Ocean.

I would like to submit the following seven comments for consideration. Number one, we need to ensure implementation; hence, I appreciate your comment earlier. The plan contains vital policy objectives, strategies and recommendations but the plan's success will certainly not be measured by how great those

recommendations were, but ultimately how much of it got implemented.

So, to this end, we suggest that the plan should be strengthened by defining and committing much needed support mechanisms in the form of both financial support mechanisms, as well as regulatory and permitting support for existing programs such as, for example, the renewable portfolio standard and, of course, the energy efficiency portfolio standard.

Second recommendation and comment we have to make is the need for legislative and agency support for this plan. To ensure full implementation, I think it's pretty clear to everyone that we need to seek full legislative support, as well as support from the various state regulatory agencies and state authorities. The executive branch and the energy planning board will not be able to do this alone.

Third, we need to lead by example. The state I think can, and should, lead by example. First of all, by full compliance with the executive orders I think the state should lead by example in the implementation of Executive Order Number 24 and begin to work towards the 80 percent reduction goals with the interim steps as outlined.

For example, energy efficiency efforts in making sure that all state facilities meet strictest energy efficiency standards and practices would go a long way to make that happen.

And, of course, additionally, using renewable sources of energy and purchasing renewable energy sources would help. This also goes for Executive Order 111, which hasn't been fully implemented and needs to be implemented.

And to ensure transparency and full accountability I think the state should document compliance of these orders and documents and what we are making in terms of implementation of the important executive orders.

The fourth recommendation pertains to renewable energy deployment in state. We've made significant progress with the development of renewables across the state, but it is important to continue these gains and provide funding, continued funding, for the RPS program and coordination between agencies. Without this, our energy goals cannot be attainable.

I will heed your advice and just raise one other point, which is solar energy issue, which is always near and dear to my heart, which is, number one,

we need to I think establish a statewide solar roadmap that will get us on the path of having 4000 megawatts of solar, electric and thermal capacity in the state by 2017, falling short of what some other states are doing.

The other need is we need to fix net metering. It's clear the expansion of net metering, especially net metering for commercial customers, is well intended, but in practice commercial customers really need to be able to site systems up to two megawatts so that it can meet their annual energy consumption, not just their peak capacity.

I have my comments in written form, so I will stop here and thank you for the opportunity to comment. And thank you for coming all the way down here and listening to us on Long Island.

Appreciate it.

(Applause)

MR. CONGDON: Our pleasure. Thank you very much.

Next speaker is Michael Seilback from the American Lung Association.

MR. SEILBACK: My name is Michael Seilback, Vice President for Public Policy and Communications for the American Lung Association of New York.

I want to begin by thanking Governor Paterson and all of you for holding this hearing and the commitments that you have shown to producing a plan for a cleaner, greener 15 by '15 and 45 by '15 initiatives here in New York.

The Lung Association believes that a sound energy policy and the protection of lung health depend on implementation systems that maximize energy emissions through the use of renewable energy resources. The most effective, expeditious and least expensive means of reducing the use of fossil fuel fired power plants also happen to be those that will best protect the public health from air pollution and will meet the state's continually growing electricity demands.

The fact is that far too many New York residents live in areas that have failing air quality standards. As referenced in the health issue brief, the bulk of these emissions primarily come from fuel combustion generated by the electricity, transportation and building sectors.

In fact, 85 percent of New York's residents live in areas that live below the federal air quality standards and therefore are in non-attainment. Exposure to these pollutants have been linked to a variety of

lung health ailments, including wheezing, increased asthma episodes, exacerbation of COPD and has even been linked to premature death.

In many ways the goals of this energy plan actually coincide with our own organizational goals. Obviously, the stated policy objective of reducing health and environmental risks associated with the production and use of energy across all sectors is a main goal of ours when it comes to energy.

At the risk of reciting a laundry list, I did want to mention some of the aspects of a plan that we strongly support: The goal of increased efficiency; decreased energy consumption; decreased VMT in conjunction with a modern, clean mass transit system; the use of increased alternative energy sources including wind, solar, hydro and tidal; the repowering of our oldest, most inefficient power plants, such as the ones here in Island Park, Northport and Port Jeff; the use of ultra low sulfur fuel along with more efficient boilers; the greening of the energy code; plug in hybrids; technologies to reduce idling, and the recognition that the importance of intervenor funds with regard to siting and EJ concerns.

These are just some of the policy

initiatives that align well with our agenda and that we support. But we also have some concerns that, Tom, you actually addressed some of them, the implementation side of things. Oftentimes in government you can stand around and have press conferences and you create task forces, working groups, draft plans, and we have a great fanfare, but unfortunately, that's all we see. We never see the implementation.

So, we are glad that you are committed to that process, and we hope that you will include many stakeholders here to ensure that implementation process goes forward and once we have a plan that those steps get met.

As kind of an anecdotal reference, there is laws that we have been working on as long as I have been with the Lung Association, specifically the Diesel Emissions Reduction Act that passed two administrations ago under Governor Pataki, and this law still hasn't been implemented.

Even though there's laws on the books that say that X number of the state's owned and operated diesel fleets should be retrofitted that still hasn't happened. That's statutory. So, we are hoping a voluntary plan such as this will somehow have as much or

more teeth than the law.

I wanted to mention a couple of things that we also disagree with. There's kind of a short section in here that talks about coal and how it's going to be a continued ongoing power production site.

We know that wasn't a policy goal that necessarily the administration wanted to harp on, but we believe it's important that we move away from coal and not just have it as kind of an underlying, well, this is what we have to do.

We also want to disagree with the idea with moving forward on the Jamestown CCS plant. CCS is an expensive, unproven technology. Coal is a major air polluter and we know there's other technologies available today which are cleaner and are able to produce more energy.

We say the state should use its limited resources on those endeavors instead of throwing money at a project which may never launch, and even if it does it's going to be produced in such a small amount of energy it's not worth the price.

Lastly, we urge the Governor to sign the legislation which is currently sitting on his desk which would mandate this energy process into the future. We

commend the Executive Order that created this energy process, but we want to know that it will continue on in future administrations. So, we would certainly urge the Governor to sign that law.

We believe that, working together, this energy plan could succeed in helping provide cleaner air for all New Yorkers to breathe.

Thanks.

MR. CONGDON: Our next speaker is Claudia Borecky from the North Merrick Civic Association.

MS. BORECKY: I'm also here on behalf of co-chair of Nassau County Legislature, Dave Denenberg, Task Force in Opposition to LNG Island.

First of all, I would like to say that the 2009 energy plan is a good plan. I am not here to oppose the plan. It's a comprehensive plan that promises a much greener future for New York, but there is one position I will not accept, and that is the need to import LNG, and in particular, Atlantic Sea Island Group Safe Harbor Energy proposal to build an island 13.5 miles off the shore of Long Island to import foreign liquid natural gas.

This proposal will be destroying 160 acres of the ocean's floor. Marine life will be affected.

And it will be situated on the bank, the only natural reef on New York-New Jersey coast. It will kill the migratory ecosystem for fish and sea mammals. The commercial fishermen claim the draft of the island off the shore of Long Beach will have a devastating effect on their industry.

Safe Harbor Energy intends to lay approximately 12.8 miles of pipeline four feet below the ocean's floor. It should be noted the existing pipeline is full to capacity. Bringing in another pipeline to join with the existing pipeline will bring in more natural gas than it can handle. It will just be coming from a second source.

To rip up 116 acres and 12.8 miles of the ocean's floor will take years to complete. The purpose of this island will be depot for importation of LNG from foreign countries. LNG has a 20 percent larger carbon footprint than natural gas. We should not be introducing LNG into this region. We should be taking measures to reduce emissions contributing to global warming.

This will be the first artificial island designed for the import, storage, regasification and distribution of LNG in this country. A similar item was

tried off the coast of California where they found it extremely dangerous.

Closer to home, the Broadwater project was rejected by the US Department of Commerce because the project's adverse coastal impacts outweighed its national interests, and in part because of its location in undeveloped Long Island Sound would significantly destroy its scenic and aesthetic character.

Legislator Denenberg said if it's not good for Long Island Sound then it's not good for our ocean. Will our Coast Guard just become security guards to protect the huge energy conglomerate? It will deny the use of the ocean for the fishermen for generations and we have yet to see how this will benefit Long Island.

Currently, the national gas piped in New Jersey to Long Island is produced in the United States. In fact, 97 percent of the natural gas used in the United States is derived in North America.

On page two from the natural gas assessment report it states that the decline in natural gas production was expected for the balance of 2009 and continue to 2010. Recent improvements in technology and reduced development costs are increasing the natural gas production potential from domestic sources.

New discoveries of natural gas have flooded the region's pipelines and supply, making LNG obsolete.

Second paragraph, page one of our overview, reads, Overall, natural gas supplies are expected to remain adequate to meet the demand, both nationally and for New York. So, why are we even considering importing it?

Creation of this island depot, Atlantic Sea Island Group will be able to reap profits from LNG from the middle east and Asia, Indonesia, Russia, and Iran, power players in world events.

Bringing in fossil fuels at a time we are seeking energy independence and alternative fuels, why would we build a new target less than 14 miles off our shores?

There are many reasons why I believe New York should not have the energy island. The ocean is one of the last of our open space. I can't think of another place on Long Island I can look out and see the horizon that God has created. It has been the view for millions of years and it's our duty to protect and preserve it for future generations.

Thank you.

(Applause)

MR. CONGDON: David Byer, Clean Ocean Action.

MR. BYER: Hello, my name is David Byer. I'm the Water Policy Attorney for Clean Ocean Action. We are a non-profit coalition of 125 organizations in New York and New Jersey working to protect marine resources off our shared coasts.

I'm also here to speak out against the plan's -- and particularly the strong endorsement in the natural gas assessment of LNG, it's antithetical to all of the plan's objectives.

Furthermore, it's cruelly ironic that the reason why we are here today is because of Executive Order Number 2. That was announced by Governor Paterson as he called for the defeat and end of Broadwater LNG from the sound.

That day he went on the record as saying, now, if we didn't have any other alternative but to use liquified gas, perhaps we would have made a different decision, but it would have been a false choice because it would have been a shame on us.

It's shame on us now that we are talking about natural gas. He went on to say, What I want Long Island residents to know is that this administration we

are going to find workable, sensible, achievable ways to reduce our consumption of energy and define renewable energy sources to go into the future.

He went on to announce Executive Order Number 2 and moving forward and bringing back the planning process for energy in New York.

So it's a cruel irony that at the defeat of an LNG facility, we are now talking about more of them again, naming three new facilities off the south shore.

The plan has five key objectives, and each one is clearly violated by imported foreign natural gas in the form of LNG.

First, maintain reliability as the first objective. LNG is not a reliable fuel source. When you look at existing facilities, they are drastically underutilized. Last year the existing LNG terminals imported for fuel in this country ran ten percent capacity.

We are what they call the market of last resort. When these companies have a little bit left over, they drop it during the summer when we don't need it because they are looking to sell it. We don't get any savings and we don't get relief for natural gas when we need it most, in the winter.

When we look at historical imports over the last five years, we are importing more natural gas in the form of LNG in the summer than in the winter. It's not something that actually works for a reliable fuel source in this country.

Further, there is concerns about natural gas delivery, particularly in this region on Long Island, with pipeline constraints. For example, the Sea Island Group, who spoke earlier, talked about plugging into the Transco pipeline. But if that's running at capacity coming into New York, all you are doing is displacing American gas, which is coming from American jobs, with foreign gas. So you are killing domestic jobs to get hooked on a new foreign fossil fuel.

It's like building more ramps on to a packed highway to relieve congestion. If the highway's packed, stick a little more bit more into this area because a packed area doesn't solve it.

There is two ways to address it. One, you can expand the pipelines and then you have access to the adequate domestic supplies that you talked about in your own plan. Better yet, just like highway expansion, that which causes more devastation and just exacerbates the problem, why not pursue efficiency and conservation

goals which is the economical way of addressing this issue.

Number two, reduce greenhouse gases. As the documents supporting the plan show, natural gas is the largest source of CO2 emissions in New York, ahead of gasoline, ahead of coal, including coal imports, because we use so much natural gas for different sectors. It's not the answer.

Yes, we need to get off coal and oil first because it's the worst. We need to be looking at reducing all fossil fuel production because, for example, if we wanted to achieve the 80 percent goal by 2050, we could stop every other form of fossil fuel combustion and every other sector in the state and just leave natural gas as it is, and we would not meet that goal because natural gas is such a huge source of CO2 emissions in the state.

LNG, as noted earlier, only makes it worse. It's 20 to 40 percent more CO2 emissions, making its carbon footprint for lifecycle emissions more closer to coal's lifecycle than to domestic natural gas. So, it defeats that purpose.

Further, the 45 by '15 goal, 15 percent energy savings in the gigawatt hours? That's more than

enough to offset all of the coal generation produced in state New York. The 30 percent additional renewable, not counting that that's already there, the added renewable that you are going to get by 2015, that's enough to take off oil based electricity generation. So, we can get off coal, we can get off oil, without having to increase natural gas consumption.

The third goal is to stabilize energy cost and improve economic competitiveness. How is exporting our dollars overseas making us more economically competitive? How is getting hooked on LNG, which is traded on the global level index to oil, going to be cost effective? We've got the two terminals that came on line last year in the gulf and they filed applications, they filed -- they build terminals and then they filed applications to export what they import, saying the US is not willing to pay enough and until then we're going to flip the product, making money elsewhere.

The last two goals -- I know my time is up so I'm just going to say it very quickly -- reduce public health and environmental risk. I think it's clear that building an island and the other two facilities, Liberty and Exxon, would be devastating to

increasing air emissions.

And the fifth one: Improve energy independence. Once again, a cruel, cruel irony that we are talking about getting hooked on a new foreign fossil fuel. Energy independent for natural gas. And we need to be getting off these fossil fuels. Getting hooked on LNG gets us hooked on new fossil fuel, which is the exact opposite of energy independence.

Thank you.

(Applause)

MR. CONGDON: Our next speaker is Beverly Visconti.

MS. VISCONTI: I am Beverly Visconti, born and bred on south shore of Long Island, and part of the task force in opposition to the LNG Island.

I am speaking in reference to a section of the plan, the 2009 draft New York State Energy Plan, covering the natural gas assessment, and specifically the reference to Atlantic Sea Island Group's Safe Harbor Energy Island for liquified natural gas.

Some of this was mentioned earlier by I believe it was Mr. Lukas, representing ASIG, and by Claudia Borecky.

Atlantic Sea Island Group's Safe Harbor

energy project is a proposal to build a 60 acre island 13 and a half miles off the shores of Long Beach, 23 miles outside the entrance to New York harbor. It will encompass 116 acres on the ocean's floor, a minimum 116 acres on the Cholera Bank, and will be constructed upward in a pyramid-like shape with the island at the top, in approximately 60 to 70 feet of water, and it will stand about 30 feet above sea level.

The purpose of the island is to serve as a depot for importing liquid natural gas. The draft plan designers see the need for more natural gas in our energy future. What they don't see is that all natural gas is not same. Natural gas itself is not a clean fuel, but it is cleaner than coal and oil. Liquid natural gas is not the same. It's the import proposed by Atlantic Sea Island Group for their safe harbor terminal. It's not an equal alternative to natural gas. It has at least a 20 percent greater carbon footprint and the process of liquifying it, transporting it and then regasifying it does this. So, why bring in liquid natural gas?

What else the designers of the 2009 energy plan do not see is the danger in becoming further dependent on foreign fuel sources, especially when the

US has so much of its own. Currently, 97 percent of the natural gas used in the United States comes from North America, 86 percent from the United States, 11 percent from Canada. Only three percent comes from outside, foreign nations.

Why increase that when our goal is American energy independence and not to continue allowing ourselves to become victims of inflated fuel prices?

What else the 2009 energy plan does not see is the negative impact to the environment, namely Cholera bank, the site of the Safe Harbor Energy terminal.

The Safe Harbor Island will be anchored over Cholera Bank, part of the largest natural rock pile formations off the coast of New York and New Jersey. The hard bottom that forms the Cholera Bank is a rare formation on the south shore of Long Island. Most of the ocean floor in this area is sand, which is what makes our beaches so beautiful.

Therefore, this one section of hard bottom has disproportionately high importance as natural habitat and spawning grounds for large numbers and numerous varieties of green life.

Also impacted are recreational and

commercial fishermen who depend on the Cholera Bank for its vastly abundant source of fish. As an example, the Freeport Tuna Club had a fishing tournament to end the fluke season a couple of weeks ago. They had a very bad fluke season until the tournament weekend. Most of the fishermen went out to Cholera Bank.

It's a hike. The largest fish was 11 and a half pounds coming off the Cholera Bank. They had a bad weekend of fishing. That's where we are.

The proposal for Safe Harbor Energy terminal shows that while the island itself measures approximately 60.6 acres at the surface, at the surface of the ocean, the base of the structure covers approximately 116 acres on the ocean floor.

Safe Harbor Energy terminal will effectively destroy the value of the Cholera Bank ecosystem it covers on the ocean floor.

I thank you for the opportunity. I just wish to say, in closing, that the LNG Island proposal is something that we do not need, and we urge you maybe to have you craft an even better version to acknowledge our opposition.

And we urge Governor Paterson, who alone has the veto power, to acknowledge our opposition, to

recognize the negative impact that such a project would have on the environment, and to do the right thing: Reject the ASIG proposal for Safe Harbor Energy terminal. On our behalf, just say no.

(Applause)

MR. CONGDON: Ray Freidel, Concerned Citizens of Montauk.

MR. FREIDEL: My name is Ray Freidel. I live in Montauk, home of the largest commercial fishing fleet in the State of New York, and have been asked by CCOM, Concerned Citizens of Montauk, an 800 member environmental member organization formed in 1970, to comment on an issue of grave importance to both Montauk and all residents of Long Island.

The New York State draft energy plan to guide New York has a fatal flaw that would be an environmental disaster to fisheries, endangered whales, porpoises, endangered sea turtles, and all marine dependent life in the New York pike, including people who catch fish and eat fish.

You are calling for the industrialization of the ocean who want to turn New York over to big energy. You want to find the right location for LNG terminals and to take specific steps to encourage investment in

LNG facilities.

I wanted to come here and curse you out. I wanted to call you morons, idiots, fools, hypocrites, and anybody who calls himself or herself an environmentalist and says LNG is bad for Long Island Sound but good for the even more bio diverse New York pike is both a sell out and hypocritical.

Nobody wants to be called names, so let me enlighten you: LNG is dirty. It's almost as dirty as coal. LNG is foreign. We will never end our addiction on foreign fuel. LNG is expensive, twice as expensive as domestic natural gas, which we had more than 100 years of.

By cooking the planet with global warming gases, half the coral reefs are dead and dying, the rest will be going in 20 to 40 years. Safe Harbor, Liberty Gas and Blue Ocean are all very seductive sounding names, like apple pie, ice cream and motherhood. The kind of names Karl Rove would come up with.

Blue Ocean is Exxon. We know how blue they leave the ocean. Liberty Gas is half Canadian Superior, which is in bankruptcy, and half unknown investors. Safe Harbor is all unknown investors. They could include Moammar Kadafi and Alexander Putin. After all,

LNG is foreign, so, places like Libya and Russia.

Some of the investors could be our good friends on Fishers Island. These are some of the most powerful people in the country, people who will be pushing CCON to support a containment island for the millions of tons of highly toxic dredge spoils that the Navy has been dumping from the fans of the Fishers backyard and will dump again, because the Navy is building another set and will dredge a confluence of many Superfund sites. Electro, General Dynamics in an entire Navy base are all Superfund sites.

Do you have any idea how many spills it would take to build Safe Harbor? This is an 120 acre island that's in the very deep water off Long Beach. Connect the dots. One possible scenario could be all that contaminated Navy muck and the GE PCBs and the millions of tons of dioxin contaminate the Hudson River, the Sage River. That's the stuff used to make Agent Orange. And only have Superfund sites of 125 years of industrial waste and build Safe Harbor with it. No one would ever do that. You will poison everything in the sea and people who love to eat fish.

Who's going to inspect it? We don't inspect the cargo from overseas. A senior New Jersey official

with responsibility for environmental protection said to me, Safe Harbor is a terrible idea. All the fill will be contaminated. We want to be low key on this because we are in a tough reelection campaign.

I followed up with an e-mail and asked him, what about the two projects slated for the mud hole? One is Exxon and Corzine made a fortune from Exxon. Yes, he also made a fortune when Goldman Sachs went public. Nevertheless, I struck a nerve.

The senior official's e-mail response was typical political BS, but he was caught off guard when face to face he told me just how contaminated Safe Harbor would be. The fisheries are dying because of habitat destruction, because they are overfishing, because of the indiscriminate kill of the catch, and because our oceans are turning acid from climate change.

On that subject, LNG is dirtier than domestic natural gas. Its overall targeted footprint from turning it to liquid, shipping it and then turning it back into gas, is almost as polluting as coal.

The bill will speed up the acidification of the ocean. LNG terminals require deep water and those underwater canyons and wholes and shelves in the pike, where energy terminals need to be placed, are prime fish

habitat and critical spawning grounds. It's impossible to have both a healthy fishery and LNG in the same place.

Currently, 97 percent of America's natural gas is domestic. NPR reported on August 27th that there's so much domestic natural gas and the prices of coal are so low, the industry has stopped producing progress it, plus, LNG is expensive, as I mentioned. Nearly twice as expensive as domestic natural gas.

LNG provides absolutely no benefit to New Yorkers, only a private corporate interest, and the money at stake here is massive. You can bet plenty of it is financing the election campaigns of politicians. The New York pike needs to be a clean ocean zone where the only energy development is green, not more polluting, expensive foreign energy.

This draft energy plan to guide New York to clean energy economy is very dirty. Go back to the drawing board. Save our sea. No LNG.

(Applause)

MR. CONGDON: R. Sal Van Nostrand from NYSEIA.

MR. VAN NOSTRAND: Good afternoon and thanks for taking the time. No, I am not here to beat you up.

That's okay, it's probably the order for the day, but thank you for -- we know that all of you are as concerned about the energy system as we are.

My name is Sal Van Nostrand. I'm the Vice Chairman of the Long Island Solar Energy Industries Association, on the Board of Directors of New York Solar Energy Industry Association, and I have a solar contracting company on Long Island.

We have spent a lot of time reviewing your draft energy plan, and I want to make a couple of points before we ask what we are going to ask.

On page 9 of your renewable energy assessment you point out -- rightly so -- that solar has the greatest technical potential for energy in the State of New York. Yet go on to say that LIPA and NYPA have effectively met the Governor's renewable energy task force's requirements of 100 megawatts by 2010.

And you go on to say that New York doesn't really have enough of solar resource to warrant a lot of attention.

Further, on solar thermal, you go on to say that it really doesn't have a big place, although 51 percent of the energy consumed in the State of New York is for space heating and water heating. Solar thermal

is a small part of RGGI and really needs to be a bigger part of the plan.

The energy plan should, but doesn't seem to yet, provide the mechanisms to achieve the Governor's goals. If we are going to hit 40 by '15 we have to do a lot of megawatts in a hurry, of everything. It's not about one energy source. It's about multiple energy sources.

Look where we got when we picked one energy source. We are riding the fossil fuel horse and it's killing us. We need to be deep into all sources of energy. The New York Solar Energy Industry Association would like -- and Garry knows, we were up in Garry's office last month on the subject -- we would like you to, in the energy plan, create a long term plan that creates plenty of incentives for deployment of 2000 megawatts of photovoltaics by 2017. We have been talking about this for years.

We would like to provide a solar solution to the 51 percent of energy that's consumed for space heating and water heating. That's an awful lot of energy.

We tend to focus in the energy plan on electricity, and because hot water is not traditionally

made by electricity we tend to ignore it. There's an awful lot of gas, an awful lot of water being consumed to make space heating and water heating.

We would like you to institute an energy contracting plan so all state agencies are obligated to buy renewable energies in their acquisitions. If they're building buildings, if they're renovating, there's no mechanism. OGS has some small pieces that are available, but not a lot, and there's an awful lot to be done.

We would like you to recognize the unique value that solar thermal and PV provide and are applied in different area. Solar PV is a phenomenal application in load pockets, and we all know the issues with the load pockets.

We can do a lot of good in a tough, little area where it's hard to site a windmill. It's hard to site a plant. Not so hard to put PV on a roof.

We all know, as Garry and I know, and Frank knows, we have issues with the net metering laws that were amended last year and we are going to work our butts off to get that fixed. You guys in the plan need to plan on this.

Lastly, we can turn the economy in New York

around with the solar industry. It's easily sited. It doesn't take a lot of time, like a windmill. It's easily instituted. There is over 400 companies in New York doing solar business already. It's shovel ready, to use the federal term of the day. It's time for us to go. You guys have the ability to do that.

Thank you for coming. Thank you for your time.

MR. CONGDON: Thank you. John Bruckner, National Grid.

MR. BRUCKNER: Thank you for the opportunity to speak at this public hearing. My name is John Bruckner. I'm a Senior Vice President for Electric Transmission and Distribution at National Grid on Long Island.

First, National Grid would like to congratulate the state energy planning board for its issuance of the draft State Energy Plan. The plan represents a monumental effort by the board and its staff with input from hundreds of stakeholders. Today, I wish to comment on three issues that will be critical to the successful implementation of the state's energy and environmental objectives.

The first issue is energy efficiency. The

draft plan identifies energy efficiency as the priority resource for meeting its objectives and sets a 15 by '15 goal by reducing electricity use to 15 percent below forecast levels by 2015.

As we all know, energy efficiency is the most effective way to help customers manage their energy costs to reduce the carbon footprint. It's a win/win solution for customers and the environment.

Achieving New York's ambitious energy savings goal will require a partnering of policymakers and regulators, the state's utilities, NYSERDA, and energy service companies. We need to streamline the energy efficiency program approval process so that we all can bring energy savings to our customers as quickly as possible, and flexibility in the implementation of new energy efficiency programs so that utilities and other providers can work effectively with their customers to achieve the 15 by '15 goal.

Second issue is clean energy. As the State Energy Plan recognizes, renewable energy is another important priority for New York. National Grid fully supports the state's efforts to promote renewable energy as another way to improve New York's energy security and combat climate change. It will be important for our

customers to support renewable energy in as cost effective a manner as possible.

Utility deployment of solar and other renewable energy resources is one way of reducing these costs. Investment in transmission to deliver renewable energy from remote locations to customer load centers will be critical in ensuring that customers can take advantage of the benefit of New York's renewable energy development.

Transmission is the backbone that moves clean, reliable energy from its point of generation to the customer's door.

New York State's Energy Plan should give due consideration to the issues of financing, permitting and building transmission projects to deliver wind and other clean energy to New York customers.

Investing in the smart grid is also key to tapping the opportunities for clean energy in New York.

National Grid recently applied to the US DOE, Department of Energy, for funding for a New York Smart program that will target approximately 82,000 customers in the Syracuse and Albany-Capital areas. This program will enable us to help our customers manage their energy costs and learn how to integrate renewable

resources and electric vehicles into the energy grid of the future.

We encourage the board to develop action plans that will bring the benefits of new technology and renewable energy to our customers in the most cost effective way.

As the plan notes, clean energy development in New York presents an economic development opportunity and the potential for new jobs, and National Grid stands ready to work with the state and local communities to make this a reality.

Third and last issue is the infrastructure investment. As the draft plan recognizes, achieving New York's energy and environmental goals will require considerable investment in the state energy infrastructure.

National Grid stands ready and is eager to make this investment in New York's energy future, but we cannot do this without a supportive investment climate.

New York's policy and regulatory framework must provide for timely recovery of costs and industry-standard returns in order to attract investment needed to achieve the goals articulated in the State Energy Plan.

In conclusion, I want to thank you again for your attention. National Grid looks forward to working in partnership with the board, the state and other utilities, stakeholders, and most importantly, our customers, to implement the Governor's vision for New York's energy and environmental future.

Thank you very much.

MR. CONGDON: Thank you very much.

(Applause)

Our next speaker is William Feltman from the Empire Clean Energy Supply.

MR. FELTMAN: Good evening. I would like to thank you for the work that you put in on this plan and the time you are spending here tonight to listen to us.

I am representing the Long Island Solar Energy Industries Association. I do have a renewable energy company on Long Island, solar distribution company. I'm also on the board of NYSEIA, which is the New York Solar Energy Industries Association.

Previously pretty much everything was covered. What I would like to really point out about the draft energy plan and solar energy in particular is that there really is very little infrastructure needed to deploy solar. And it is produced energy where it is

used.

Because of traditional energy generation and distribution, some of the articles I have read have lead me to believe that the existing system is very inefficient. Sometimes as little as 50 percent of the energy generated at the point of generation.

By the time it gets to the point of use, it's as inefficient as 50 percent. So, reliable efficiency is a very important portion of this energy plan. Siting solar energy is very efficient at delivering power where it's needed when it's needed most.

So, I commend you for your work. I would ask you to consider a large portion of solar deployment at the point of use. Thank you.

MR. CONGDON: Thank you very much.

(Applause)

Our next speaker is Raymond Ellmer.

MR. ELLMER: Good afternoon. My name is Raymond Ellmer. I'm here on behalf of the City of Long Beach, Charles Theofan, City Manager on the City Council.

On February 6, 2009, Charles Theofan, City Manager for the City of Long Beach, after a unanimous

decision by the City Council, wrote to Governor Paterson requesting that he veto the plan of Atlantic Sea Island Group's liquified natural gas island 13.5 miles off of Long Beach.

The City of Long Beach has studied this proposal and the grave environmental concerns would outweigh any benefit to the City of Long Beach. The City of Long Beach is a community of 35,000. It's technically a Long Beach Barrier Island, close to Point Lookout and Atlantic Beach.

This island, a manmade island which basically, from the Atlantic Sea Island's point of view, is slightly out of sight, would have direct impact to the City of Long Beach. Basically, by the massive tanker traffic with the southwest natural current flow would bring pollution on to our beaches.

Even more importantly, this is a manmade island in the middle of the ocean. Atlantic Sea Island Group does not have a track record of building manmade islands. They would be subject to nor'easters as well as hurricanes.

If these storage tanks break up there will be a tremendous environmental disaster for the City of Long Beach and the residential barrier island. Building

a commercial island off of a residential island.

Just this past few weeks with Hurricane Bill and Hurricane Dave, we had buoy markers with huge chains ripped right on to our shores and these tanks could break up during nor'easters.

In addition, this island is being built on grounds where New York City for years was doing ocean dumping. Tremendous amounts of tons and tons of toxic chemicals were dumped 13 miles off New Jersey and Long Beach coast.

It wasn't until medical waste in the 1980s started washing up that the New York State Legislature, as well as the Legislature of New Jersey, passed no dumping in the ocean. And that has made a tremendous impact on the ocean quality. And basically the ocean quality, our waters for our residents, are vital.

It's recreational. Basically, the City of Long Beach hosts tens of thousands of people from New York City as tourists. We allow everybody to come on to our beaches.

Our ocean quality is so important to us. We looked at the economics and there would be absolutely no economic benefit to the City of Long Beach and the environmental impact would very much outweigh any

benefit.

In addition, it's also built on tremendous fishing grounds but it's really the idea that these tanks can break up during nor'easters and hurricanes, and we are very concerned about that.

Also, from a political point of view, Jim Molinari, the head of the Republican Party, has advised us that Alphonse D'Amato, a favored son of the Long Beach area, if anybody has done more for the Long Beach area it's Alphonse D'Amato. He's very well loved and tremendous US Senator.

However, our information is he is a lobbyist for Atlantic Sea Island, which basically puts the City of Long Beach at a tremendous disadvantage. I'm very disappointed to see that Congressman Pete King is not testifying today, State Senator Dean Skellos, State Assemblyman Harvey Weisenberg, Nassau County Legislator Denise Ford, they all represent the Long Beach area, and I believe that possibly everybody's taken a neutral position because it is an election year.

And that very much concerns us, so we are just asking for a little bit of an even playing field, understanding that the only way that this project can be terminated is through veto power of Governor Paterson or

Governor Corzine.

And with a political year, Atlantic Sea Island does have deep pockets, and our politicians are, quite frankly, taking neutral positions, but City of Long Beach isn't. We are opposed to it. We have spoken out at the environmental impact statements outlining our concerns. We are speaking out here today.

Also, Senator D'Amato is a lobbyist for marketing windmills off Long Beach, or Rockaway. Again, please be concerned that they are putting in these windmills and they are digging up the sediments where New York City was dumping for many, many years.

Even though it's the idea of clean energy, it's clean energy above the ground, but where we are going underneath the ocean, and I believe it's going to release tons of toxic sediments into the ocean, which will have a direct impact on the Rockaways, Coney Island, Atlantic Beach, Long Beach, Point Lookout, as well as Jones Beach.

Please look into the fact of where they are putting the windmills and it's going to have an effect on the ocean quality, and please consider urging the Governor to veto Atlantic Sea Island 13 miles off of Long Beach.

Thank you.

(Applause)

MR. CONGDON: Our next speaker is Mike Bailis from Sunation Solar Systems.

MR. BAILIS: I want to thank you folks for coming down here to hear what we have to say. My name is Mike Bailis, Vice President of Sales and Marketing for Sunation Solar Systems in Oakdale. I also represent the Long Island Solar Industry Association as a board member, as well as a board member for the New York Solar Energy Industry Association.

Although we are somewhat encouraged by the inclusion of solar in renewable in your master plan, we feel that it is wholly inadequate, that it needs -- really, much more needs to be done.

My friends have eloquently told you some of the statistics and some of the things already and I'm not going to repeat what they already said, but I want to cover two things.

One, really, job creation, which is what -- this is really what it's about here in New York. With a vibrant solar community, solar industry, we can create far more jobs. My company presently employs 20 people. I could easily be employing 60 or a hundred. I

represent just one of many, many companies on Long Island and in the state that can increase the amount of employment here, and that, of course, adds to a very, very healthy economy.

The present programs right now are wholly inadequate that we have. Budgetary constraints that prevent us from expanding. We cannot -- as a business, we cannot plan for the future because we don't know what's happening next year. The programs are so focused on just short term period. Most businesses need five years to plan ahead. We don't have that.

What we are looking for here is a long term plan that provides very clear, long term incentives that will encourage investment in solar and renewable energy. Ultimately, of course, the end game here is grid power. The present programs do not provide this. They do not provide long term stability to this program.

The best proven program, the number one program internationally is the German model feeding tower. It is proven to have changed their economy. Around the world, these programs are effective at deploying solar.

The program spreads the cost over an entire rate base and entire ratepayers and it's spread over a

long period of time. It's a very, very effective method and it should be considered and recommended to the state for approval and passage this year or next year. Any time soon would be great.

In sitting here, I'm looking at the electricity that's being consumed here, and this electricity that lights this hall was generated by fossil fuels, more likely than not. The sunlight hit this earth a million years ago, and it took about a million or so years to create this fossil fuel, and it's going to take a couple hundred years to use it all up. We got to stop that or it will all be gone.

The electricity could easily have been produced by solar. Modules on the roof could have been producing this electricity and instantaneously consume it right here on the spot, and saving us a million years, and saving us burning fossil fuels and polluting the earth.

It's absolutely essential that we start and turn the page away from fossil fuel technology. I endorse the fact that these people are against the LNG for the reason, simply, that we shouldn't be spending our money overseas and taking our wealth and transmitting it to other nations that don't even like

us.

This money should stay here in our economy. That's what these jobs are about, keeping the money here. Doesn't that make sense? Isn't that logical?

In conclusion, again, green jobs. President Obama's been talking about it. It's about time we start doing it and not talking about it. With more appropriate programs, we could have the best economy in the nation right here in New York.

In your report you said this wasn't a wonderful area for solar. I disagree. It's a beautiful place for solar. It's one of the best places in the country for salary. It's substantially better than Germany and many other places in the world that have much more solar than we do.

So, I would encourage you to revise and redo your master plan and do the right thing, and put solar head and shoulders above everything else.

Thank you.

(Applause)

MR. CONGDON: Our next speaker is Peter Quinn. Welcome.

MR. QUINN: Good afternoon, members of the panel. My name is Peter Quinn, long time citizen

activist, with no money ever funded to me by any vested interests in energy.

I must confess, however, I've been out of the loop for the past year, not paying attention, because I never thought anything would be done. And I didn't even get a chance, therefore, to read your report. I will be happy to do that and file a comment at a later time, but I only heard about this meeting yesterday or the day before, and therefore scribbled some thoughts together.

Let's talk -- if we are going to talk about energy let's talk about money, because there is a synergy between the two that is unbelievable. We need a statewide comprehensive planning process for capital investments in renewable energy. Never mind all the utilities that get their money by going to the Public Service Commission. Never mind all the oil companies that are seeking their money ultimately through ratepayers.

We need to have capital investment in renewable infrastructure which directly benefits homeowners and is cost effective.

That's not happening now, and it's not going to happen if Governor Paterson supports the Magellan

shale project in western New York which drills chemicals into the water supply and contaminates the whole western part of New York.

There could be a better agenda. It's not going to happen if fossil fuel industry pundits get their way in building the pyramid depot off Long Island for LNG, which a number of other people have already spoken about who I support in their opposition to that project where billions of dollars will be spent to accommodate that industry.

It's not going to happen, either, if there is no effort to require refinancing of LIPA's debt, which ten years ago LIPA bought LILCO for $7.2 billion, paid off LILCO investors in full, $4.5 million, and nonetheless, after ten years we still owe $7 billion in debt service, amortization and interest.

And Pat Foy, who was an investment banker and former member of the LIPA trustees, indicated to me on one occasion that the cost of interest on those bonds is roughly two and a half to three times the principal amount.

So, remember: The principal amount was $7.2 billion. If you add in the debt service amortization and interest we are talking about an

additional $18 billion for a total of roughly $25 billion to pay off all that debt.

Then there is National Grid, which bought KeySpan through what they call a merger, I call it a takeover, for $11.8 billion.

Now, if that interest is calculated in the same way that Pat Foy told me over ten years ago, it means $11.8 billion times two and a half to three times the cost. We are talking about over $30 billion in interest payments for over $42 billion of total cost for the takeover.

As a matter of fact, National Grid felt overwhelmed by the purchase of the generating plants, of which there are 53, and they sold the Ravenswood plant for $4.95 billion, so they could lower the cost of their operation and still make a profit from the out land purchase agreement.

In addition, what we are spending for renewables through LIPA over the past ten years was roughly $35 million. Contrast that with the $2 billion they are spending annually for fossil fuels and purchase power, and what does that mean?

It means we are spending an outlandish amount of billions, multi-billions of dollars to

continue a process that needs a remedy, and it's not going to achieve it by pouring more money down a rat hole to oil companies.

There has to be a remedy in the number of speakers here involved in the solar energy plan. I have suggested a remedy. If we accept LIPA's proposal, they want to build solar array in fields and then build transmission lines.

You heard the speaker from National Grid say, well, the transmission, we have got to spend money on transmission. Everybody knows or should that solar energy is most successful when it's placed closest to the user's need.

Why would you build solar arrays out in fields somewhere, at a cost, and then build transmission lines so that the utility can keep its control on centralized power? To me, it doesn't make any sense.

But there is more to it: Bonding. It seems that Goldman Sachs, at the height of the failure of the banks, was negotiating a deal with LIPA for $375 million in bonds, which were arranged with 12 other bonding companies. Rating agencies get full approval. They are conflicted because they get payment from the bonding officials and the banks, so they are not going to say

no.

But the --

MR. CONGDON: Sir, if you --

MR. QUINN: I can go for another half hour but I just got started. What I will do is sum up.

One other example, I will just use that, that came springing to my head. There's talk of giving a rebate of $75 -- well, currently LIPA gives a $75 rebate for a refrigerator. Recapture the old one. They are talking about adding $30 to encourage people to buy a new refrigerator.

I have been concerned with that for years, and what we need to do is have the manufacturers all produce refrigerators that use less than 400 kilowatt hours on an annual basis.

That never happened during the Bush administration. They didn't change a thing. So, we have got a need to have the state -- and by the way, LIPA has to increase their incentive to customers to $250.

They need -- the state needs to say, we are going to add to that by putting another $250 in. What will that do? And we need to give an incentive to the manufacturer to produce those units and we need to give

an incentive maybe of $100 to the retailers so that they push those products.

Marketing --

MR. CONGDON: We got to wrap it up.

MR. QUINN: And the resulting solution will be that you will reduce electric usage, because the refrigerator is the most -- running 24 hours a day 365 days -- is going to consume far less energy and will reduce our bonding needs substantially, as well as pollution.

MR. CONGDON: Thank you.

MR. QUINN: Thank you very much. I'm sorry I couldn't get a chance to finish but I'll write something up.

MR. CONGDON: Our next speaker is Jerry Rivers. Jerry?

Our next speaker then is Dr. Carmine Vasile.

I understand you think you will come back for five minutes.

DR. VASILE: Comment made before, a lot of misinformation.

MR. CONGDON: I just want to be clear you will go for five minutes.

DR. VASILE: Then I will come back.

Dr. Carmine Vasile, Ph.D. in electrophysics. Manage a program. We gave grades to universities on power plant safety, nuclear, probably know more about nuclear. I was a consultant to the Electric Power Research Institute. I used to go to Palo Alto all the time. We were working on the breeder reactor.

President Carter, in his infinite wisdom, killed the breeder. All of our technology, American technology, went to France. They are the lowest carbon footprint in the nation. 85 percent of their electricity is from nuclear. Now, the problem we have here is why did Carter kill the breeder? The rumor was terrorism. France has no terrorism.

I am for solar, don't get me wrong. I work for the satellites. We developed solar systems. The Russians had small nuclear power plants in their satellites. So did the Americans. But they are now lost in space.

Now, if you want to do in solar, use the sun, which is from a nuclear power plant that's 93 million miles away. Don't put a power plant where people live -- nuclear power plant where people live.

The jackasses that designed Shoreham put them where everybody lived, on an island. Indian Point

should be closed. It's too close to the people.

Now, the advantage between solar and nuclear, nuclear is a thousand to one over solar. So, what you have to do is you have to subsidize solar if you don't want nuclear.

It's not going to happen by giving NYPA the power to come up and do a 10,000 solar roof initiative and then build less than a thousand or more than a thousand. I heard these same talks in 1999. I wrote a proposal that I was going to talk about to LIPA. They kept losing it.

What I was proposing is a system using these things to make a zero energy house then based on their 10,000 solar roof initiatives. These are heat exchangers. We have $500 rebates all across Canada. They get tax credits in Oregon. I invented this technology in Huntington. LIPA did everything they could to keep this off the market.

I made the same spiel to Kevin Law. Oh, what is that? I gave him the proposal to do zero energy house. I get a letter back from him, I don't understand it. Instead of having me come in and explain it to him, he doesn't understand it.

Now, one of the things that was missing from

all these talks is how many people these power plants are killing and how they are killing them. People don't understand about wastewater. They don't look into the ground.

The Caithness power plant that was just built, it's touted as the cleanest around. They all leak into the ground. It's going to be pumping 50,000 gallons a day of radioactive water from the Suffolk County Water Authority and they are going to use it to cool a power plant, add the chemicals to it, and it's going back into the ground.

Brookhaven has radioactive waste. 2000 tons of contaminated soil came from Brookhaven National Lab. It's all documented. It's a Superfund site. The landfill, not.

The plume is traveled into the bay. There was a warning to the public in 1996, the CDC issued a warning. It never got to the people on the wells. So, they were drinking radioactive poison water, toxic water for all the years. It's in the bay, beaver dam.

The leachate they pumped from the Brookhaven landfill, they trucked some of it -- what doesn't leak out they trucked to Turning Point. It's processed. They don't process for radioactive waste. And then they

pump it in the Atlantic.

Now, the Kovanta incinerator burns medical waste, industrial waste, to generate electricity. The ash goes into the Brookhaven landfill. There was an article in the New York Times about that. Oh, it's no big deal.

And I will finish the rest later.

MR. CONGDON: Put you at the end of the speakers. Thank you.

(Applause)

Did Jerry Rivers come back into the room? Jerry Rivers?

Neal Lewis.

MR. LEWIS: Good evening. My name is Neal Lewis. I'm Executive Director of the Sustainability Institute at Malloy College. I am speaking today in that capacity. I am not necessarily representing the views of the board of trustees of the college.

I want to echo the comments of appreciation for this whole effort and this process. I think the same should be said of LIPA's master plan process and the fact that they are both being done somewhat parallel seems to me a good thing.

I think Gordian Raacke stated the number two

item, which was the policy goals in this document are right on the mark, and I'm in full agreement on that.

I should point out I'm not going to speak about the LNG or nuclear or solar, which are all very important things, or wind. I'll just pick one section of the plan that we have been involves in issues that we have been involved in, mainly building codes, the energy conservation construction code at the state level.

You may recall that there was a meeting that we had awhile back with this committee, if I remember correctly, and I more or less said then what I am going to say today.

I work on the project. I am going to give you a copy of the most recent report. This is called Clean Energy Leadership Task Force. We work with municipalities on issues we are talking about here today.

It's in that experience that we have -- we came to the conclusion as part of this process and we worked and urged and helped draft legislation that is now in the board of 11 of 13 towns on Long Island -- excuse me -- 10 of 13 towns on Long Island and basically sets a higher standard for residential building codes. It utilizes the Energy Star Homes Program as the basis

for how to do that and very importantly utilizes HZ raters.

That is now the law on Long Island. This has been accomplished, and yet, when you look at the report, it really reads as if you guys didn't catch any of that. It didn't make it into the newswire or whatever, which is fine, but, for example, says Article 11 of the energy law provides that municipalities may adopt local conservation energy codes that are more stringent than the code.

That is, of course, the case. We had a fight over that down here because people said you can't change the code. We pointed that out to the towns and they saw that and said, oh, as long as we go stronger we can do a stronger code.

What you then say is, to date, few municipalities have done so. We have ten on Long Island that have done so. In fact, we now have some experience to be able to look back on and it was basically an amazing success story.

I know I'm going to run out of time so I'm going to jump to the bottom line. Everybody likes to talk bottom line. What did this cost? I think it's a great question. What did it cost?

I love solar, I love wind, but all those things have costs and we always sort of question whether they are worth the cost and we got to fight about the cost.

You know what? We all agree efficiency is the first step. Codes is the easiest way to get efficiency. And guess what? The state doesn't really incur the costs. The taxpayers don't incur the costs.

Sure, there may be some compliance issues, but the rating of the Energy Star homes or homes that are built to these higher energy codes are not done by the local towns. It's done by independent HZ raters.

We created an industry on Long Island for HZ raters. We are committed to training those people. They had to take tests and many of them failed the test. 50 percent failure rate.

This is a serious program, well carried out, and we have a whole new industry on Long Island of people who can rate homes for their energy efficiency. That didn't exist before. Why doesn't this plan as a statewide plan take what we are doing on Long Island and say, let's make this a law across the state.

It's to me crazy to think we are not going to do that. And I could say if there was a strong

argument made for not doing it but, again, doesn't sound like you are really aware of what's happened on Long Island. That's the part I just read.

And secondly, that paragraph ends by saying that financial incentives may not be available -- and what he's talking about here is that if you raise the standard, then the national Energy Star Homes Program, which is an incentive based program, no longer logically applies -- this is their position, I'm not necessarily in agreement on this -- but they are not giving out incentives in those towns that have raised the standard unless you go beyond the new, higher standard.

That's an interesting point, but it's hardly a compelling point that should warrant mentioning in this paragraph. I mean, if you are going to make other points and that's one of the ten it's worth mentioning, but when that's the only point mentioned, what it sounds like you are saying is we are not going to go down that path because of this one reason and, frankly, it's not a very powerful reason.

The incentive is only about $1,000 or $1,500. The homeowners would save that in about the first year of their operations depending on the size of their home.

So, my point I'll end on was I wanted to jump to the bottom line, the cost issue. The most cost effective way, from a taxpayer point of view, to promote energy efficiency, is to raise the codes. All these other things we are talking about today should also be addressed. We shouldn't skip over this one. This is one that can be done at the state level.

And a recommendation from your panel, your board, seems to me could directly go into legislation and implement, but what you are saying here sounds like the opposite. Sounds like you are deferring to the existing process for how we amend the building code and essentially are missing this golden opportunity to take what we're accomplishing on Long Island and make it law.

I did bring two copies of local codes. Southampton one, which I think is the best, it's the last one adopted. And the Town of Babylon. And I hand those two in in addition to the report.

MR. CONGDON: We will now take a five minute break. We will be back in five and finish up the rest of the speakers. Thank you very much.

(Recess taken.)

MR. BROWN: Tom Congdon has to step out for a couple of minutes but I want to get going again so we

don't hold everybody up.

I would like to begin with Captain William Lindroth.

CAPTAIN LINDROTH: Good evening. My name is Captain Bill Lindroth. Although I heard a lot about energy tonight, it's all Greek to me pretty much, but I know when we get the raw deal when I read about this island that they want to put in the middle of the ocean.

I am here to represent not only the Captain Al from Point Lookout, but many who make a living in any occupation, be it party boat, carrying fisherman for hire, right down to lobsterman or any commercial fisherman for that matter.

My family has been fishing the Cholera Bank area for about 60 years. We have found it to be a stop for the migratory fish which pass through this area. Obviously, no one has done any impact study on what this would do to the already dwindling fish stocks that we have today.

The only one who will gain anything out of this are the stockholders or bankers backing this nightmare of an idea.

This would be a catastrophic turn of events to anyone who owns a boat and enjoys a day of fishing.

I feel the same reasons why it was not welcome in the sound actually stand out here as well.

I also have the authority, through the members of Nick's Point Tuna Club, as a past president, to speak on their behalf. We are vehemently against any kind of plan to destroy all and any marine life at the site of the Cholera Bank area.

After listening to Atlantic Sea Island Group's spokesman, not one concern was given to the destruction of any and all aquatic species and ocean bottom known as the Cholera.

In your deliberations, I hope that in some way, shape or form that you take into consideration some kind of impact study be done to get an idea of what an environmentally unfriendly operation this is. To just dump debris in the ocean to form an island is not what I would call eco friendly at all when you don't take into consideration what bottom life you are killing or covering.

Thank you.

MR. BROWN: Thank you, Captain.

(Applause)

We have Dan Yagstrom, representing Legislator Dave Denenberg.

MR. YAGSTROM: Like you said, I'm here representing Legislator Dave Denenberg who unfortunately couldn't be here. He has a legislative session in Nassau County today. He is the Chairman of the Planning, Development and Environment as well as the Public Works Committee on the Nassau County Legislature.

As part of his job there he has worked very hard to put into practice ideas that are both economically sound in terms of new ideas to start to help business, to help growth, but also environmentally sound. With that being said, I'm here to give his ideas against the liquid natural gas island.

As an environmental leader, Dave is big on open space. One of the key pieces of open space, specifically on the south shore, is our ocean. To take 60 acres above ground and 116 acres below ground, as well as combing that area for the 12 point -- almost 13-mile pipeline as well, ruins the signature coastline that the south shore has, as well as interrupts the commercial and recreational fishing industry that thrives in that area and hopefully will continue to, as just heard from the captain, what does this do in terms of fishing industry for the area in tearing up the fish industry, as well as limiting the areas that they can

fish.

It's not a clean energy, as has been said many times, it's nowhere near as clean as natural gas, closer to coal in the amount of greenhouse gases it takes to liquefy and deliquify it at the transport.

The one positive of this aspect would be jobs, but it's not been said who will get the jobs. Since the natural gas is coming in from foreign companies, are the jobs coming -- are the job seekers coming in from foreign markets as well? Would they go to New York State or would they go to New Jersey residents? We have no idea, so it's not helping our job, at least not definitively.

As has already been said, we are at max capacity for the pipeline. That pipeline coming in, they want to feed it but it's already at a maximum capacity. So, what we are doing is taking the 97 percent domestic natural gas that's coming through there and replacing it with less efficient, foreign gas, again, increasing what we need for foreign dependence.

And the last thing, which is one of Dave's big things, we said no to Broadwater. Why are we going to think about saying yes here? What wasn't good for the north shore is not good for the south shore.

I thank you.

(Applause)

MR. BROWN: Next speaker is Mary McPartland from Green Logic. Is Mary here still? See if she comes back. I'll set her aside for a moment.

Charles Hersh.

MR. HERSH: Good evening, folks. I'm Charles Hersh and I'm a retired electrical engineer. I am for the Safe Harbor LNG thing, electric natural gas, because in the long run we need to replace coal with natural gas.

Even with delivery, the process and transport and all, it will still produce a lot less carbon dioxide than coal. And coal produces a lot of other things like sulfur dioxide, mercury, particulate matter. And finally, the air has a lot of dirt in it, heavy metals and all. So, I am for it.

I must say that your energy policy of 45 '15, where you do 30 percent renewable energy, that's not advisable. You should just said 45 percent and let the utilities figure out the most economical way to do it. You just put the utilities in an economic straight jacket.

I looked at this, and by the utilities

repowering their own power plants, switching from steam turbines to combined cycle power generation, they double their efficiency. It's a far more cost effective way of cutting fuel and carbon dioxide than either wind or solar panels.

Those things for the same benefit would cost roughly five times as much. And so you really need to change that law to make it make more sense and let the utilities decide what is the best way to cut carbon dioxide and fuel.

If you look at, for example, the Long Island offshore wind project is an example. $810 million. The average power would have been 35 megawatts. And so averaging $22 and a half a watt in order to cut carbon dioxide.

If you look at a solar panel, a typical installation is $7.50 a watt but it's only for eight hours. For 24 hours you would have to triple that to $22.50 a watt.

Now, if you consider Kevin Law's proposal to repower Barry Island with a combined cycle 500-megawatt power plant it would cost, according to him, a billion dollars, but it would save half the fuel. With that, it would cost $4 a watt.

This is how energy efficiency works much better and is far more cost effective and you really have to think about this. Of course, I believe that the best ways to do things is to move away from coal into natural gas.

Just doing that cuts carbon emissions in half. And then repowering these old power plants because now you could, they would cut carbon dioxide in half again because you get a 75 percent cut in carbon emission from these power plants by just doing those two things.

I would also keep our nuclear plants running. Unless Indian Point is a threat of safety or health it should keep on going. Nuclear power is one way, and cutting -- switching to natural gas and repowering are the two ways to really cut energy -- carbon dioxide cost effectively.

I am afraid that wind and solar are just expensive boondoggles and if you don't change the regulation you are going to put the utilities and their ratepayers in an economic straight jacket, which would hobble your goal of improving the environment.

Thank you very much.

MR. BROWN: Thank you, Charles.

Next we have Warren Barlowe, concerned citizen.

MR. BARLOWE: Concerned citizen, scared citizen. I don't like big government work. I will go with it, I will work with the government and try to improve things.

Not to sound like the redundancy department of redundancy, try anyway, how safe can Indian Point be if they can't even make a simple system of community warning sirens work reliably? It makes me wonder. Doesn't take an engineer to do that.

This Friday 9/11 is the eighth anniversary of the most -- of the worst terrorist attack against America. The LNG island will become a new, and very attractive, target for terrorists because, like the World Trade Center, an attack on it would be a very dramatic media event, which is the goal of Al Queda and the Taliban, not to mention the LNG island will import foreign gas from unfriendly Middle east nations, making us dependent on them, just like we are now. We heard that about 12 times today so far.

On a side note, to improve mass transit, I would like to see something done about that. To improve mass transit impact on automotive greenhouse gas

emissions the MTA needs more funding that can come from more aggressive marketing of the ad space on the trains. Currently, many subway cars waste that space on messages from the City of New York. They would be getting money out of that space, and after all, lower our fares.

I agree with the gentleman who spoke about solar. We have hundreds of square miles of tar and asphalt roofs in New York City that could be replaced with solar surface and be generating incredible amounts of energy without any problem, with ugly siding, but you never even see them.

Give it some thought.

MR. BROWN: Thank you.

(Applause)

MR. CONGDON: Our next speaker is Wendy Dann.

MS. DANN: Hi, I just want to thank you guys here but also want to thank everybody else because I come to all these meetings to learn because I think I represent the majority of people in New York: The confused citizens.

So, it's just when I go to these meetings I hear things that are completely the opposite of each other. What the heck is going on? So, what I decided

to talk about is not about statistics, but what I see directly.

So the first thing we have been talking about the liquid natural gas, and I am not a person that says this is bad here, this is bad here, because I say if it's not in my back yard, then whose back yard is it going to? Oh, so, let them take care of it. That's not what I believe in at all.

What I am confused about is we are going to be getting this from countries far, far away, so how do we get the power to get them here? How much gas does it take on these boats to power it up there and set it up there, bring it across the world to put it back here? That's confusing. How much does that really save to do all that, let alone when we get it here?

Try to learn statistics and figure out what that means. Right here, other types of power.

I am from Brooklyn, but right now I live in Suffolk County. And when I got here the buses do not run on Sundays, holidays and after 8:00 p.m. I was like, huh?

I don't know what it's like in the rest of the state, but I have a lot of friends who for either medical reasons or monetary reasons cannot drive;

therefore, the only jobs they can take are basically ones that they can walk to.

So, that's ridiculous because without the incentive to have better public transportation how do you get these people more jobs? Me, I can walk to just a couple -- a pharmacy, a pizza place. There's no big places that will pay me a lot of money for me to go to, but if I had a bus then I could go to other jobs and work at night or work on Sundays or the holidays. So many open then, that would really help me a lot.

So, I think a lot of money should go to helping public transportation to make it easier for people to have other jobs and go other places because that would really help the people and their economics if they can make more money.

And then, when I am driving around I see -- I live in -- I rent a house so I have no control whatsoever if there is a solar power put on my house, but then I see Brookhaven town hall and I see all the schools which have very flat tops. So, I was, like, the government does have control if they put solar panels on there.

That is close by. We don't have to put it in the desert somewhere else or down in the water. It's

right next to everybody's house. Schools and the town hall and even the gas station. So, you got flat tops, you got sun whenever the sun is up, so I think that's an incentive to say let's put it on the government buildings, put more solar panels.

That's basically some simple things that the government has control over. Better public transportation for everywhere and put more solar panels on government buildings. Direct control, the statistics don't matter.

Those are just basic facts of what I see all the time and could be changed relatively easy. Solar panels on Brookhaven town hall. The White House doesn't have that, but probably all the way around it does get some solar panels. Just basic things.

And the technology they say is more expensive. The more we put pressure on it the better it will get. Just, that's the way capitalism -- if you force them to get better at it they will. That's what I think on my part. That's what I studied.

And I think that's the majority of confused people all over New York are like, what the heck is this thing that they sent me to read and what the heck does it mean? I come here to learn and I'm here to talk for

them.

Thanks.

MR. CONGDON: Thank you very much.

(Applause)

MR. CONGDON: The next speaker is Robert Midura, Environ Energy US.

MR. MIDURA: Good afternoon. My name is Robert Midura. I'm President of Environ Energy. My company produces green electricity. I am also a professor here at Farmingdale, been since '82.

Wanted to make a few comments. I only found out about the meeting yesterday and I just wanted to give you an alternative solution. Green electricity is defined as electricity made from renewable resources, which are wind, solar, hydro, nuclear and biomass.

With the exception of biomass, which can also be made into fuel, liquid fuels, all of the other things will never happen in my lifetime, so, it's just a waste.

Biomass, essentially what my company does is take waste into energy. It's a thermal chemical reaction that produces bio-syngas. Now, the bio-syngas -- and again, I haven't read your whole plan but nobody has spoken about the one source we have unlimited

supplies of: Garbage.

Now, I represent a number of professionals and corporations and I put altogether -- we are doing this in Europe, we're doing it in other parts -- they were doing this a long time ago. The technology is there. There's a state of the art that's been around for many, many years.

I've actually given up on New York. I've gone to NYSERDA, NYISO. I talked to New York, I've talked to politicians, and they all go, yes, that's exactly what Governor Paterson -- yeah, that's wonderful.

I said, okay, fine. I want to pursue this. Tell me how I go about getting the right permits. Let me send you to this one. Let me send you to that one. And it's never been done before so nobody in New York State knows what to do with me to even talk to me.

So, once I get off the phone, okay, it's like let's play telephone tag, right? You'll never get that person. And pass it on to the next person. They say, yeah, that's close, I think we will work with it. Doesn't happen.

Anyway, I'm here also to -- and I can submit some things later on and I will. I wanted to at least

give you the name of my company, and I left my e-mail, that I would like to be part of your planning because right now I could ask here and I'll ask you: Do you know what green diesel is? Does anybody here? No.

Do you know what bio gasoline is? In other words, everything bio, man, okay? All of my things with this thing is carbon neutral, all right? I am neither adding to the environment nor detracting from it. There is no fossil fuels.

Now, a typical small plant, which I am privately funding, we're trying to do but, again, I got to talk to New York State to see where I can place it the best possible position. I am in an Empire Zone. I'm right next to an Empire Zone by Brookhaven Lab there in Riverhead. And so if you do it there, except nobody wants to talk to me.

So, I am willing to talk and I just wanted to leave you that, we can get on it later on. It's a direct solution.

Now, we're talking about micro energy power plants. No 700 million, no big deals. These things can actually -- the equipment is actually transported in because, what am I doing? I'm taking garbage and gasifying it, okay? No emissions go up into the

atmosphere, okay?

The gases that you usually see on smokestacks and everything, this is a closed draft system. Those gases are called bio-syngas. I am putting them and I'm running electrical generation equipment that uses gas turbines.

So, instead of LNG or gas, natural gas, which is all fossil fuels, I am using this gas and firing electrical generators. Now, a small unit, which can be set up in every municipality, getting rid of the garbage, so that means now a hundred trucks a day -- if they close the landfill, 100 trucks a day won't have to go and put in Ohio the garbage. We can stay in New York.

So, we are getting rid of the garbage, which is a big problem, and we're making electricity. So now we make electricity, a 200 to 400-ton a day operation which doesn't have to run 24 hours a day. It can run as it wants, okay?

Power plants, once they start they start. So, I can make 30 to 40 megawatts a day not a problem, okay? That's enough for 30- or 40,000 homes.

I'm going to go -- my company is looking for a spot. We're going to go right into the grid. Forget

LIPA, forget all that, we're going to go right into the grid, which they said they will buy all the green electricity I could produce, plus the state and also the federal government will give me energy credits because it's a renewable resource.

So, that's a good way. I can represent that and do that. I know I am ending. Let me point out that's just a start, it's a small thing, I can be up in operation in six to eight months, okay? I don't even need infrastructure. It's equipment. Now, watch this. Bio-syngas, right? Making electricity.

I feel for Long Island it's the best bet because we pay the highest rates next to Hawaii. We pay, what, 24 cents a kilowatt? Crazy. Watch this. I just want my meter to go around in my favor. I think that's the easiest way.

But wait a minute. Let's take technology, which is off the shelf, take that gas, via Fischer-Tropsch method -- look up these definitions -- right, which has been around. Brookhaven Lab developed the technology.

Now, I can make fuel, 70 gallons, from a ton of garbage of bio gasoline. Now, let's go -- how about 50 tons of green diesel? I only learned this out, and I

was stupid about it, when you get a barrel of crude oil, what they essentially do for simplicity purposes, they put it in a huge distillation thing, right? At the bottom is your bunker oil and it goes up and it goes up and it goes up and it goes up. So, then you get into your higher gasolines and at the top is propane, okay?

Well, I am thinking I will make green diesel, right? How about I am coming from the opposite end so I can make 70 gallons a ton of ethanol. Now we don't have to grow plants. We just can take garbage. How about -- and I'll finish -- how about nitrogen? Not nitrogen, hydrogen, 105 cubic feet a minute of hydrogen so I don't even need electrolysis.

Anyway, you have my information but, please, if you guys don't know what green diesel is, if you don't know what biodiesel is, and it's the only solution that's going to save New York State.

Anyway, thank you for your time.

MR. CONGDON: Appreciate it. Thank you.

(Applause)

Scott Carlin.

MR. CARLIN: Welcome to Long Island. These notes are a little disjointed but I'll give it a go.

So, our society runs on money, data and

love. So, my first question is: Where is the love? We are all delighted to see you here. This room is brimming with powerful, effective ideas, but please come back next month and the month after that and help us to implement these ideas statewide.

My second point is money. Lower costs for things we want to encourage. Raise costs for things that we want to discourage.

Executive Order 24 calls for reductions in greenhouse gas emissions by 2050. That's all fantastic and laudable, but the report talks about stabilizing energy costs.

That doesn't sound like it's going to fly in my mind. The math won't work. If we want to discourage the use of fossil fuels, we are going to have to raise the cost associated with the cost of using fossil fuels.

If we are sitting in a car, riding alone on the Long Island Expressway, we probably should pay a tax at the end of the year for that privilege, a fairly large tax.

If we're riding on the Long Island Railroad somehow we as a state have to come together and say the nation's most effective commuter rail system should be more heavily subsidized at the federal and at the state

level. So, Albany needs to work with Washington and make that happen.

Obviously it's not a new thought. Many people tried and failed. Under this new regulatory era of 80 percent below the levels emitted in 1990 by 2050, a much stronger powerful coalition can come together to make that happen.

If we are serious about meeting that goal by 2050 we need to lower taxes and raise -- lower income taxes and raise energy taxes. France just passed a revenue neutral set of energy taxes that will do just that.

So, now we have this fantastic European example of a nation, City of Paris, that's moving forward with a set of revenue neutral policies that will increase the cost for using energy for those citizens that are trying to encourage the right behaviors and discourage the wrong behaviors.

I am a member of the Southampton Town's Stakeholder Advisory Committee. We advise the Town of Southampton on various things involving energy and greening the town. We are working with many partners on Long Island, including the Institute at Malloy College.

The town enacted Long Island's most

stringent residential energy standards. So, what I mean by that is we have Energy Star standards for most of the construction that's built in the town, but out in Southampton they have these enormous Mcmansion things that get built all the time, and require much more stringent LEED standards.

So, I would concur that why don't we take these Energy Star and make them a statewide mandate seems like the right way.

Again, lowering cost in public transportation expands opportunities for car pooling. College students are locked out of state car pooling resources like the funded LITM program on Long Island. That just doesn't make any sense.

I guess there is legal reasons why they are not allowed to work with the students, but those legal reasons, certainly State Energy Plan should point that out and recommend that to the legislature.

Require utilities to integrate reductions into their production and demand forecast. That's not going to help us if New York State is saying one thing but utilities are then forecasting something else into the future.

You want to also have an intensive effort to

develop penalties and incentives that are strong enough so that these forecasts that the state is setting region by region actually are met over time.

And my last point was data. So, it's love, money and data. Where can I find the data I need to understand the greenhouse gas consumption statistics by a zip code. The state does not provide an easy process to understand how much natural gas, oil and other liquid fuels are sold by zip code or other local geographic boundary.

The Rauch Foundation here on Long Island partnered with an international organization to develop a regional data inventory. That partnership, as best I understand it, was founded partly because it's so hard to get data, but also on another issue of money.

The state should take this on and do this statewide, provide a statewide inventory with municipally available data sets. I just go on that like I would for the GIS data set and I click on how much gasoline was pumped at the local gasoline station, which is a no brainer. I don't even understand why this is not in the works.

I hope out of the Executive Order committees are being formed at the state level and I want to

encourage that very forcefully.

Thank you very much.

(Applause)

MR. CONGDON: Mary McPartland?

Jerry Rivers?

Our last speaker is Dr. Carmine Vasile for another five minutes. Then Peter Quinn.

DR. VASILE: I am sorry I got upset before. They pit nuclear against the solar and oil runs through the cracks. What's wrong with small nuclear plants as back up for solar? Simple solution, don't burn any oil.

The reason I know so much about water is this thing is a heat recovery system that goes in a drainpipe. My frustration is it doubles the output of solar water heater at a tenth of the cost.

Now, if you do a thing called savings to investment ratio, what you have to calculate is savings to incentive ratio formula. The State of Ohio won't rebate anything unless it has an SIR greater than one. Solar by its SIR is much less than one, but we need -- it has to be subsidized.

Now, this thing, the cold water goes in the bottom, hot water down the drain. Preheated water comes out. Water runs down the holes. 15 years ago Army

Corps of Engineers wrote a report that recommended this for Army housing. This past year it was mandated for all new construction. Getting calls like crazy from Fort Drum out east to put these in.

We have these in Army barracks, college dorms, hundreds of them in Canada. None in New York State. College dorms. This unit here, this has got four coils in parallel without all the paraphernalia 33 80-inch units in the octagon building, silver LEED building.

Talked about LEED before. The way LEED works is you are not mandated to put certain basic conservation things in there. They can pick and choose. The octagon is the only one in New York City that has these in.

Now, there was an article about a gold LEED building, first gold LEED hotel. We have two dozen of these in Hilton Garden in New Jersey, not on Long Island. The gold LEED has no waste water heat recovery and other things are used -- heat pump water heaters are used in the hotel to take the heat from the kitchen and heat water and act as air conditioner. Those are mandated in LEED Energy Star.

I was promised Energy Star 15 years ago. I

made five trips to Washington. This was developed on DOE grant. Jackass loses the election, Bush gets in, no Energy Star. I was promised it. They locked me out of new construction programs. Didn't have Energy Star labels for water heaters, how could that be?

They said this thing heats water. No Energy Star for you either. This disjointed energy measures makes no sense. There's no way to compare. I had one of these in -- you know, the Governor in Connecticut went to jail for stealing the conservation funds. Two of these in Connecticut. You better get these out. These were the smart living centers.

I had to go to Connecticut. What was happening? This was mandated by the PUC in Connecticut. They had to put this in. What they were doing was stealing all the literature. I must have spent a thousand dollars a ferry ride going back and forth to replace literature. This is the kind of stuff you run into.

This is the proposal I mentioned. I would like to e-mail it to you, the title of the thing, what a dope, "Eliminating Long Island's Leaking Oil Tank Program and Saving Residential Energy by Converting to Combined Space and Water Heating".

I have a combined space water heater. I have a 15-kilowatt in my house for 12 years -- all the data in here -- with a solar array on those. My roof is zero.

LIPA limits the size of an array put on a roof. Won't you put a tiltable array? All the rules have to be gone. Can't put LIPA in charge of conservation, period.

This thing, Kevin Law promised to look at it. We don't understand how it works. I would like to e-mail this to you.

A month ago I went down to Comfort Partners in New Jersey. This is going to be in the New Jersey green system. New York, nothing. Written community action programs, community action program every month. Buy a couple of these. Put them in poor people's houses. Two out of 1700. There are non-consistent standards.

You have to get an SIR rating, calculate the savings to incentive, and pick what will fit your budget.

Last thing, this thing, this is an Ultrason scale invented in Sweden. They asked me to beta test it. It's a plate on pipe. No power. No nothing. If

you look at my website, this one's on, put on heat loop. Cleaned 40 years of boiler scaleability up in heat.

This one purifies my water. Suffolk County has pristine water. What we have is a blend of toxic water with -- not too toxic water because we can't drill into the load aquifer. The moratorium in Long Island. It's like a coffee pot. Take the stuff out, flush the toilet waste bag into the bag, percolates down, loaded with stuff, and pump it out.

When Brookhaven Lab first built pumping the leach out from the bottom into the top and guess what? The liner overflowed two years after it was started. They hid all the stuff. That's how I got involved in the water.

So, I brought this to the Suffolk County Water Authority, can you test this? Oh, we have good water. This is for crap.

So, I started looking into the water. I was not told about the radioactive water all over Long Island, how it correlates with breast cancer. You don't know about the water. I counted. I have had four tests at my house.

I discovered the Suffolk County Water Authority CDROMs in the library, three closest wells to

me, stratum 89 and radon. I called up the state on Christmas Eve. Why is the radon in water? They said it's naturally occurring. They accused me of falsifying the reports.

The problem we have is this: New York State is an NRC agreement state. That means they have to be invited in. So I have a petition now before the NRC that New York State breached its agreement. As far as the EPA goes, Congressman Bishop ordered an investigation of the Northport power plant. Efficiency was 13 percent.

Instead of tuning up the power plant and keeping it at peak efficiency, we pay for the oil, telling everyone else to save energy. Why doesn't National Grid --

MR. CONGDON: Time is up.

DR. VASILE: Bishop ordered the investigation. EPA contacted DEC. DEC gave them permission to burn waste oil and oil smuggled in from the Mideast and China. DEC tipped them off. Went in there, no problems.

The utilities are not our friends. They are killing people and somebody has to stop it. I have a petition. That's where you can help. I have a petition

to the EPA to remove primacy from New York State EPA. Come in and help us.

MR. CONGDON: Thank you.

Peter Quinn.

MR. QUINN: Thank you for the second bite at the apple.

One way to reduce gas costs and pollution, I had proposed back in the almost ten years ago to Suffolk County a proposal to create a solar station dotting the landscapes across the county. I helped write the whereas and the resolution passed, went to the Department of Public Works, and they deferred it to NYSERDA. NYSERDA said LIPA is a state agency. We have no control over LIPA. Richard Kessel rejected the proposal. It hasn't occurred.

Since then, I want you to consider solar station for a raise up to 50 cars, to plug in electric cars for potential to travel relatively short distances and reduce the cost of gasoline that they are forced to buy.

It's a problem. Every level of government collects a tax on gasoline. What's the likelihood of there being solar stations dotting the landscape? Zero. None of the government levels want to lose their

revenue. And of course we know the state they are in now with lost revenue.

What I wanted to talk about as I began my comments about money and how we can't see renewable energy, consider the manufactured gas plants that KeySpan bought from LIPA, including their liability, full liability, ten years ago, and then National Grid bought manufactured gas plants as well and was required to clean them up.

Billions of dollars to clean up over 20 manufactured gas plants on Long Island, then the 53 generated by National Grid. What is the thermal heat percentage for each generating plant? Maybe part of your agenda should include asking all the utilities that have their generating plants in use what are the percentages?

You heard Carmine say it was 13 percent. The Northport generating plant shouldn't even be in operation. If there is a plant that doesn't at least reach 20 percent, why are we operating it? It operates and uses more gas and natural gas and oil and operates and pollutes even more.

These are insufficient plants costing us money and there has to be a remedy. I urge you to

consider that in policymaking and when the -- let's see. LIPA has wanted to buy some of those generating plants. You got to remember in '98 KeySpan, which was originally Brooklyn Union Gas and Genco and KeySpan, they bought them at book value.

One of the officers on your board, the NYSERDA board, Bob Catell, wanted to sell them to LIPA, and Catell, not once but twice, for $2 billion for market value. They bought them for less than $500 million and now ratepayers are going to assume the cost of over $2 billion to buy some generating plants.

Nonsense. It's time that somebody said, wait a minute. We can't operate that way. If they are ineffective, we ought to know what the thermal heat is before anybody buys anything. That makes sense. You're not going to buy a clunker, are you? I hope not.

And LIPA, after I and others criticized them for a plan back in the early 2000s, Clinton had passed legislation calling for ten areas of the country to create 10,000 solar roofs in different regions, so we appealed to Catell to agree to do that.

They first offered $6 a watt to customers to install solar roofs. 10,000, by the way. Here we are ten years later. They installed 1700. You can see the

minimalist agenda for a utility. They reduced the price from $6 a watt down to $3.25 a watt.

Where is the incentive for consumers to say, sure, I will put a solar roof on? Why not rearrange the deck chairs? Say, let's put $8 per watt for two years and require the utility to pay that kind of money. We will see a change in solar energy on roofs overnight.

Thank you very much.

MR. CONGDON: Last speaker is Robert Midura.

MR. MIDURA: Hello, I didn't think I was going to come back. I wanted to give you the thought that there are alternatives out there but you got to learn about them.

Yes, I would like as a company to build on this, but also I am helping my neighbor. I am helping the country, helping New York State, pointing out things you haven't heard of. Most people haven't been around for many, many years. New York State could become the poster child for green energy in the whole country.

By the way, I just would like to show it to you that could be done. It's very simple. It's something that's privately funded. I am trying to do one. I am going to do one one of these days. Once I do one, everyone can say, let's do it again.

Everybody is afraid. We don't know what it is. We also -- don't even ask -- have been around for many years. State of the art technology recognized by the federal government. One of the mandates that they get this they give to Indian nation so they can earn money and jobs and do something for the Indian nation. We don't have Indian nations stepping up. We will do it with the federal government behind this.

I have all the facts. I am not just going to be putting up a power plant. No, it's not a power plant. They think it's gasification. It's not an incinerate and the bi product of what I'm doing is taking garbage called golden garbage. If I was to take diesel, price of diesel goes up, stuff essentially burn anything, burn -- not a fossil fuel. I could take dewatered sludge and get paid to take it away. Can't get lower than that and make electricity.

Got to find out. It's around. I represent companies that want to make the equipment. They have it state of the art in Europe being used.

I want to point out New York State has just -- in Nassau County just picking up the twigs and things, branches and stuff like that, a million tons just picked up in Nassau County last year. Produce

enough power to take all the garbage and it's all energy efficient. It's buy things as the new technology comes on line.

What's the big thing? Talking about hydrogen. This is the thing of the future. Hydrogen is the best fuel of the future. Most expensive. Why do you need electricity to electrolysis to make hydrogen? Costly fuel.

Mine is out of the waste stream. Take parts of it, bio-syngas and so forth. Technology, I don't know about, I don't care, I want to produce energy with state of the art. I could take 150 cubic feet a minute of hydrogen. I don't want to do that now, rather sell electricity to the grid, be done with it.

It's available. New York State could be the shining star. It's not going to be the shining star of windmills, that's for sure. California is going to be for solar. Sun doesn't shine, don't make electricity.

This is something. It's a small thing, privately owned. It would be self sustaining. Go into the Adirondacks, biomass, wood, produce electricity, provide jobs. A start small, not much money expenditure.

First year alone paid for just the

equipment. I don't need secretaries. I don't need all the other stuff you see in big businesses. It's just equipment and taking garbage and making it into fuel.

Could it be fuel? Yes. Electricity? Yes. You determine that. I am saying look into it. At least do the homework. Show me I am wrong.

Thank you for your time.

MR. CONGDON: Thank you.

Scott Carlin, few more words.

MR. CARLIN: Thank you.

The report doesn't talk about lifecycle costs so there are costs associated with the production of energy that happened out of New York State, out of the United States, and if we adopt a technology like LNG then we want to at least own up to the full greenhouse gas impact associated with all the lifecycle cost associated with that.

Same thing with other technologies like nuclear power. There are lifecycle costs associated with mining uranium or decommissioning of a nuclear power plant. Repowering lifecycle costs, need to be able to do an analysis as a mandate from New York State of how we think about systems in the future.

That was it. Thank you.

MR. CONGDON: Thank you very much.

I believe that concludes this hearing of the State Energy Plan. I thank you very much for your attendance.

Next hearing is tomorrow in Brooklyn, Brooklyn College. Again, thank you very much.

(Public Hearing concluded.)