

ECONOMIC DEVELOPMENT & ENERGY COMMITTEE  
of the  
SUFFOLK COUNTY LEGISLATURE

Minutes

A regular meeting of the Economic Development & Energy Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on August 2, 2001.

MEMBERS PRESENT:

Legislator Jon Cooper - Chairman  
Legislator Andrew Crecca - Vice-Chairman  
Legislator Ginny Fields  
Legislator Martin Haley

ALSO IN ATTENDANCE:

Paul Sabatino II - Counsel to the Legislature  
Gerard McCreight - Aide to Legislator Cooper  
Linda Bay - Aide to Presiding Officer Tonna  
Legislator Carpenter  
Legislator Binder  
Todd Johnson - County Executive's Office  
Peter Sverd - SCEA  
Mark Serotoff - Townline Association  
Richard Cahn - SHARED  
Klaus Feindler - CAP  
Gordian Raacke - CAP  
Todd Stubbins - NYPIRG  
Ernie Fazio - Energy Demonstration and Education Center  
All other interested parties

MINUTES TAKEN BY:

Donna Barrett - Court Stenographer

(\*THE MEETING WAS CALLED TO ORDER AT 2:45 P.M.\*)

CHAIRMAN COOPER:

I'd like to welcome everyone to the August 2nd meeting of the Economic Development and Energy Committee. Legislator Crecca, if you can lead us in the Pledge, please.

LEG. CRECCA:

I'd love to.

SALUTATION

CHAIRMAN COOPER:

Thank you. I'd like to lead off with a couple speakers that have signed cards. First, we have Richard Cahn, from the South Huntington Alliance for Responsible Economic Development.

MR. CAHN:

Thank you, Mr. Chairman and members of the committee for the opportunity to appear here this afternoon. As the Chairman has indicated, I am here on behalf of SHARED, the South Huntington Alliance for Responsible Economic Development. That is an association which has been formed, and the constituent members of that association are some of the largest and best established business corporations in

the Melville area, including Arrow Electronics, { Gilbert} Displays and { Marchon} Eye Wear. The alliance, which has its center of interest in the Melville area, has serious issues, in particular regarding the LIPA/KeySpan proposal to erect a power plant on Spagnoli Road in Melville.

I recognize that that is not the specific subject of the resolutions that are before your committee for consideration today, but I think in the interest of the full disclosure, I should tell you that that has certainly attracted the attention of the members of this growing alliance. There was a meeting last night, at which representatives of approximately 20 business corporations attended. This group, in addition to its specific concerns, has serious concerns about the overall intentions and plans of the Long Island Power Authority with respect to the development of energy sources and supplies for this area.

In May of this year, clearly riding on a wave of energy crisis headlines from California, the impact of which has been severely blunted by subsequent events, which show that there is no energy crisis in California after all. KeySpan and LIPA announced the proposed Spagnoli Road plan, which I previously referred to. Perhaps it was hoped that the often cited but never demonstrated need for more power on this Island and the reported threat the rolling blackouts would cause the local business community to ignore the many threats that that particular plant poses to the health and safety of employees, residents of the area, the quality of life, the zoning plans of the Town of Huntington.

Some of these issues are common to any site where one might propose a power plant to be sure. Although, none of the 24 proposals, which are presently pending before the Public Service Commission to bring power

to Long Island are characterized by being 1.7 miles from the intersection of the two main runways at the Farmingdale Republic Airport. I would respectfully request that in your considerations today of Sense Resolutions 64 and 65, that you consider the following issues. We believe that LIPA has no coherent strategy or comprehensive energy plan, which not only do we, as citizens and workers on Long Island, deserve, but which the Long Island Power Authority was mandated by the State Legislature to provide. In the absence of an energy master plan, there is no way to know whether or where power plants will be needed in the fragile environment of Long Island.

For example, the premature rush to judgment on the Spagnoli Plant is of great concern, not only because of the particular characteristics of the site, but because it is not an ingredient of an overall master plan, and the siting of that particular plant appears to be arbitrary and may simply reflect the fact that KeySpan already owns that particular property. The members of SHARED believe that LIPA is putting KeySpan's business and its own agenda, whatever that may be ahead of the concerns of Long Island's citizens. The staff of the Public Service Commission just yesterday released a preliminary document commenting on the preliminary scoping statement for the Spagnoli Road Plant filed by KeySpan, and quite properly throughout those comments, refers to the residents and workers and businesses and property owners of Long Island as the stakeholders in the siting of any plant and in the process of deciding whether or not a plant should be built. We are all stakeholders with respect to whatever happens on

this Island. I respectfully submit that we are stakeholders in having a strong interest in the development of a master or comprehensive plan.

As I indicated earlier, there are many proposals pending before the Public Service Commission for the importation or creation of power for Long Island, 24 in all at last count, and it is not appropriate procedure nor fair to the public, nor efficient for LIPA or KeySpan to urge the construction of any particular project until after a master plan has been thoroughly aired for the public and for the interested stakeholders. We respectfully ask this committee and the Legislature as a whole when the bills -- or if the bills should reach the Legislature, to consider favorably Resolutions 64 and 65. Thank you very much.

CHAIRMAN COOPER:

Thank you, Rich. Next speaker is Mark Serotoff from the Townline Association.

MR. SEROTTOFF:

Good afternoon ladies and gentlemen of the Legislature. I'm also here from the SEA, Sustainable Energy Alliance. It's an affiliation. I'm the Science and Research Officer of the Townline Association. I'd like to combine my comments regarding Sense Resolutions 64 and 65, if it's okay. Comments on proposed LIPA master plan proposed by Legislators Binder and Haley. The increasing demand has for energy has resulted in a proliferation of proposals for building new fossil fuel power plants. All proposals in Suffolk County are for new sites. And the concern arises that with current and future development, these

sites will cause a degradation in the health of surrounding communities. In the case of the proposed Kings Park Power Plant, for example, the site is within five miles of over 60 schools, 15 senior residences, State, County and Town parks, hospitals, athletic fields, a dairy, two poultry farms and within 200 feet of homes. Existing KeySpan plants were built decades ago when development near the plants was not an issue.

The Suffolk County Legislature deserves high marks for doing its job and looking after the welfare of the people. The California experiment and deregulation is a colossal failure, and we're learning from it. In Sense 64, requesting LIPA to issue a master plan is an example that some regulation is needed in this vital area. The proposed law is clear in its intent. Nitrogen, sulfur oxides and ozone result in heart and lung damage; particulate matter, soot and volatile organic compounds cause cancer. The LIPA Act mandates a master energy plan as well as approval of power plants. In addition renewable energy and conservation are to be emphasized as well as public outreach. LIPA is in a unique position to determine what is needed, recommended sites and a time frame. The State Article 10 process is a travesty of inequities. Plants are allowed to be sited anywhere an applicant wants to set up shop. The overall picture is not considered, such as multiple proposals in contiguous areas as well as existing environmental burdens, such as nearby incinerators industrial emissions and contaminated water. LIPA State Authority has a direct conduit to the State PSC and it is imperative that Mr. Kessel and company utilize their mandate and sensibly make energy decisions that will affect us for decades. And I'd like to add that a master plan is absolutely required.

Concerning Sense Resolution 65, proposed waivers of hazardous material storage introduced by Legislator Binder. Sense 65 requesting the County Health Department not to grant waivers for the bulk storage of hazardous chemicals over aquifer recharge areas is crucial to the protection of our sole source water supply. I apologize again, but Kings Park Energy seems to be the poster child for everything bad and satanic in society, and here it is again. Out-of-state for profit power plant developers such as Pennsylvania Power based Kings Park Energy for example is proposing to store approximately 400,000 gallons of hazardous materials over a federally designated water management protection zone.

In addition, they have the unmitigated gall to claim that it is not a deep recharge area, as per Article 7 restrictions. Also, if one waiver were granted, it would set the precedent to grant other waivers and could eventually result in a destruction of our water supply. Suffolk County Sanitary Code, Article 7, was instituted over 15 years ago to protect certain deep recharge aquifer zones. Since this is our sole source of potable water, it is imperative that Article 7 be upheld. Because LIPA -- because a LIPA master plan would identify appropriate sites and take the options out of the hands of private developers, it is essential that no waivers be granted until such a master plan exists. State Article 10 can override local laws. I assume it was drafted without the knowledge that Long Island gets its water from recharging aquifers compared to the overwhelming rest of the state that gets its water from runoff of streams and rivers. Had

they been aware of our unique water supply, I believe Local Article 7 would have been included in Article 10. Even though this is a Sense Resolution, it sends a clear message to Albany, the out-of-state power companies and LIPA that we are serious about our health and environment. I urge your approval. Thank you.

CHAIRMAN COOPER:

Thank you, Mark. Any questions?

LEG. CRECCA:

Yeah, I have a question. On the previous resolution, Sense Resolution that we approved, I guess it was the last meeting or the meeting before, where we sent the Sense Resolution to the Health Department asking --

MR. SEROTOFF:

Sense 40.

LEG. CRECCA:

Yeah. I supported that. I still support that. Sense Resolution 64 makes a lot of sense calling for a master plan. And I agree with that. I guess my question to you is on Sense 65, I don't understand the connection between asking the Health Department not to issue any -- the Board of Health, I'm sorry, I keep saying the Health Department, you're right, I apologize, thank you, Legislator Fields -- asking the Board of Health to reject all requests for waivers regarding hazardous materials storage facilities until LIPA does a master plan. The problem I have with it, I understand the thinking behind it, but I think we're going over the same material that Sense 40 already did, and I don't want to link what the Board of Health does with -- directly with what LIPA does or doesn't do. We certainly have no legal authority over LIPA to mandate them, that's why it's being done in the sense of a Sense Resolution 64, but again, I think 65 is

just taking it a little bit too far. I mean, I know it's a Sense Resolution, but -- I could address it to the sponsor or to -- you know.

LEG. BINDER:

I can comment if you'd like. The point is Sense 40 was specific about one particular site. This is really more overall because without a master plan, how could you be talking about -- when you're talking about waivers in groundwater, the effects can be cumulative, and it has to take into account other things going on in each of the areas. And we're talking about more than one site. So in a sense, what you're talking about is an overall question as whether -- whether our Health Department or the Board of Health should be giving waivers out before they understand what the whole impact is going to be on the whole region.

LEG. CRECCA:

I was going to answer him, but I'll defer to --

LEG. HALEY:

My comment is, is that it looks like - and I just want to remind everybody I have a six o'clock appointment. We have to get going here. I just have question of Counsel. I thought that, as they did

with zoning in the towns, it was a State Statute that provides for relief from statutes concerning zones and stuff like that. Is there a statute that requires the Board of Health to consider waivers? So that I think it would be contrary for us to say, you just can't consider waivers. Counsel, do you -- question for Counsel.

LEG. BINDER:

It says issue waivers, not consider the waivers. Well, there is a big difference between holding on and issuing.

LEG. CRECCA:

It says reject all requests for waivers.

LEG. HALEY:

Counsel.

MR. SABATINO:

There is a two part answer. The Legislature clearly couldn't pass a law saying you cannot and, you know, you shall not and you wouldn't be able to any consider any waivers applications. So we couldn't do a resolution to that effect. This is a Sense Resolution, which is requesting the Board of Health to postpone its consideration of the application until such time as the master planning is in place. So the resolution -- the resolution is clearly within the Legislature's power to do as long as it's understood that it's not unilaterally stopping the waivers from being either applied for --

LEG. HALEY:

Well, most senseless resolutions are like that. But what I'm curious is that in the interest -- what gives the Board of Health the authority to even consider waivers? Is that by Charter, County Charter or is that by State --

MR. SABATINO:

All that is under the Suffolk County Sanitary Code, which is adopted by the Board of Health pursuant to State authority. That is not local

legislation, even though it's called the Suffolk County Sanitary Code. So they're operating pursuant to their own charter, so to speak.

LEG. HALEY:

If I was on the Board of Health, the question I would have is can I even consider such a request, not to delay any --

MR. SABATINO:

The Board, I mean the Board has fairly wide latitude in discretion. You know, I mean, we've asked the Board in the past to do things, and you know, sometimes they've ignored those requests, sometimes they've actually implemented them. I mean, the reason we have --

LEG. HALEY:

Depends who we ask.

MR. SABATINO:

-- legislations right now. The reason we have, you know, the extended tatau restriction in prohibition is because this Legislature asked them to do it, and they did it. But they can exercise an independent

judgment. You're absolutely correct. They can say, you know, we believe that the waiver on the merits make sense, and we want to consider it. I think the bigger issue is whether or not it's going to get to the waiver stage because of the interplay between Article 10, the State Law and the Local Articles in the code. But if after that interplay of applications, there is still something pending, they would have the viewpoint of the Legislature to consider it.

LEG. HALEY:

All right. It's just like sending them a signed letter or something. I understand. I'd like to defer to Legislator Fields because we had a meeting earlier today, and there was discussions from -- maybe she can better categorize what the -- Dr. Bradley bought up.

LEG. FIELDS:

We had some discussion this morning regarding this bill. And at one point, we asked Commissioner Bradley to go - to write a letter to the them to ask them if they would -- apparently they -- she's reached out to the county Executive's Office, to the County Attorney's to see whether or not we even have jurisdiction here or we have a play or a part of this. And they have not answered her. So there was discussion this morning as to whether or not we should even write a letter -- and Marty had a good point when he suggested that perhaps you don't want to get involved in writing this letter, because it might create an even further problem. So I think that what we ended up doing was -- was it deferring it to here and then --

LEG. HALEY:

I think we asked her to reach out. The problem is, is that they're not even going to apply to the Board of Health because they apparently can make application to the state, and if the local -- Local Ordinances, if they can provide to be -- prove to be onerous, that they can absolutely discount any consideration by the County.

LEG. FIELDS:

So supposedly they're going to bypass the Suffolk County Board of Health completely anyway. So this --

LEG. HALEY:

They're not even going to ask.

LEG. FIELDS:

Right. This legislation really is moot.

MR. SEROTOFF:

May I add something?

LEG. BINDER:

Ask the Chairman.

CHAIRMAN COOPER:

Please. Go ahead.

MR. SEROTOFF:

Even though this is a Sense Resolution without the power of law, it has a very important function, which is to send a clear message to the

Albany Siting Board as to how important our environment and our quality of water, our sole source aquifer and protection thereof, must be maintained. Even though Article 10 can override all local zoning, this will send a clear message to the Siting Board. And that's another major function.

LEG. FIELDS:

I don't think this goes before the -- to the state. This is not -- I don't think -- I don't think this is State Memorializing Resolution. It designates it to the Suffolk County Board of Health. It wouldn't go to the state.

CHAIRMAN COOPER:

Mark, I think your goal was accomplished by the resolution, the Sense that we passed a couple of meetings ago, which was directed specifically towards one side, and with some specific health concerns that were well enunciated. And that's why it carries some weight. We heard testimony, we responded to the testimony and we passed a Sense Resolution opposing the Article 7 waiver. I think the issues that have been raised today are that this is, number one, perhaps too much of a shotgun approach. Also a concern that I have is -- it sort of goes to the heart of both resolutions -- is how do you define a master plan? And, if right now, if this master plan as these resolutions are written, all it calls upon is for LIPA to develop a master plan. I don't know whether I would agree with whatever the plan is that LIPA will finally make public. Apparently they have a plan, they just haven't put it in writing.

I don't know whether environmental groups would agree with the conclusions of that plan, whether the vast array of organizations have come together in the Citizens Energy Plan Organization will be in final concurrence with LIPAs plan. So that's another issue. Is it enough for LIPA to just publish a master plan and then suddenly all these sense resolutions will go by the wayside or should Suffolk County and environmental organizations and civic groups and labor organizations, etcetera, have some sort of a role -- play a role in developing this master plan? Should we leave it to LIPA or should it be a more collaborative effort? I happen to think that it should be a more collaborative effort, and that if anything, these resolutions-- maybe they're not on point at all, but if they are, maybe it doesn't go far enough. And it's going to let LIPA off the hook a little bit too easily. So I agree with concerns expressed on all side for

various reasons. Legislator Binder.

LEG. BINDER:

Thank you. First, in terms of this being Article 10 and the State can override, they could have done it on Sense 40, pass it anyway. We understand that. I sent Sense 40 up to the Siting Commission, the PSC so that they know that we passed it. I know it wasn't directed at them, but they are aware that it was sent. So they understand what the Suffolk County Legislature wants to do. In terms of this one, to say now that we don't have jurisdiction, because the State can override us so it might not go to them anyway, again, that's -- I think it's wrong. The fact is that I'm going to do the same thing with this when it passes -- 65 passes, I hope, I'm going to sent it up to the Siting Board and send it up to the PSC and let them know again

that what we're looking for down here is a master plan because the master plan affects the environment on top of everything else. So before they come and override, before they come and tell us how we should take care of our health concerns, not only with Kings Park, but even beyond that, in terms of how we're siting plants and putting up distribution and how were creating this -- the power that we need down on Long Island, I wanted to send -- the idea of 65 is to send a clear message. We even want to hold up on giving any waivers, doing anything until we get some kind of master plan. Now when we talk about the question that you brought up, Mr. Chairman, about specifically the master plan. Whether we're going to agree or anyone's going to agree with it, that's not a question. We're not asking for something we can agree with. I didn't ask for specifics other than some specifics as to what should be in there. There are specifics as to things we're looking for. We may not agree with it, but for the first time we're going to have information. The idea of asking for a master plan from LIPA is so that we can have something to discuss, something that would be in the public forum and something that we can attack if we think it's bad, agree with where we think it might be agreeable, but you have to have something. And it shouldn't be something that we do with them because we can't do it with them. They're going to have to make their thing. They're going to have a create it.

By the way, they spend nearly \$2 million on PR when they have no -- they don't have anyone to compete with them, yet they spend millions of dollars on PR around Suffolk County, Newsday -- in Newsday with other media. So why not spend some money on a master plan. So that's my question. So again, I don't understand why we should say, well, will you please do one, but we want to make sure we agree with it. The idea is just we're asking for a master plan so we could have a basis for debate and discussion and public forum as to how we're creating and generating power and then we have groups out there that are going -- are definitely going to be commenting on it and there's a group out there putting together their own plan. So there's no reason not to pass Sense 65 because of Article 10 and they can override us. That's not the point. We can send this up to them and let them know we are concerned about our environment. And Sense 64, we shouldn't wait to say well, we want to make sure that we agree with the plan, give us one so we can have public discussion. And that's what those two are for.

CHAIRMAN COOPER:  
Legislator Fields.

LEG. FIELDS:

I don't agree about 65 because of testimony given by Commissioner Bradley this morning. I don't believe this is even going to at this point go before the Board of Health because she felt that they don't have jurisdiction, and they're not even being asked to be part of the consideration for this or even think about a waiver. So I'm going to make a motion to table this when it comes before us.

LEG. BINDER:

Can I ask a question? How is the Board not going to be considering waivers when I know Kings Park is already looking to ask? Now they

may not have applied for a waiver, but I know Kings Park is. And then why did we -- if that's the case, then why did we pass Sense 40 unanimously or at least with 14 -- not unanimously, but with 14 votes, we passed Sense 40, which would be the same question. So why all of a sudden. Something is not right here. Something smells.

LEG. FIELDS:

Well, then I would make a motion to table and at the next meeting, we ask Commissioner Bradley to come before us and she can tell us the same thing -- she can tell you the same thing that she told us this morning.

LEG. BINDER:

That's fine.

CHAIRMAN COOPER:

Thank you very much. Mark, thank you. Next speaker is Gordian Raacke from Citizens Advisory Panel.

MR. RAACKE:

Good afternoon. I bring my big briefcase with me, but that's not my prepared remarks in here. I'm just coming from a meeting this morning of the coalition that the Chairman referred to. It's called the Citizens Energy Plan, Coalition for Citizens Energy Plan. A number of groups are working on actually trying to put together a comprehensive plan from a citizens perspective. It will be very different, of course, then what we would expect to come out of the utility company -- out of LIPA, but in a sense it will provide, hopefully, a sense of what the members of that coalition see as a direction we should be going in when we will be looking at how we want to meet future energy demands. I did want to just comment on the Sense Resolutions here this morning. I did want to point out that Jon Cooper just made, I think, a very good point, which is that the resolutions would ask for LIPA to submit an energy master plan, but the question really is it going to be a plan -- I have one here from '91 from LIPA. Is it going to be a plan like this or is it going to be a plan like this? Somehow if you every decide to move forward on that resolution, you may want to look at that. But on the Citizens Energy Plan, I just --

LEG. BINDER:

Gordian, can I ask you question?

MR. RAACKE:

Sure.

LEG. BINDER:

Did you read it that the Sense Resolution asked them for policies -- well, demand -- from high demand to low demand, facilitated

development of cooperation of public participation, comprehensive lease cost plan, then you go to the next resolve it has current and estimated demands for electricity within our operating jurisdiction through 2021, all current proposed power sources meet such estimated demand, and it goes on as is to things they want. So when you say, well, is it -- could you just ask for something with one page or a report, at least there's a basis --

MR. RAACKE:

It sounds more like this one.

LEG. BINDER:

Right. Well, that's in here.

MR. RAACKE:

I don't have that in front of me so --

LEG. BINDER:

Okay. What -- the request in here is comprehensive. We wanted comprehensive master plan. So you should know that -- that it's in here. The request is there.

MR. RAACKE:

Okay. That's good. The Citizens Energy Plan, as I said, is going to be a very different document. It's based on what we've called -- what the group has called a declaration of need for a Long Island citizens energy plan. That declaration basically states that the undersigned organizations, which is a growing list of civic groups, environmental groups, health groups from all over the Island from Nassau County, Suffolk County, including ABCO, The American Lung Association, Catholic Charities, Environmental Committee, Concerned Citizens of Montauk, Environmental Economic Roundtable, League of Conservation Voters, even the Natural Resource Defense Council, some major hitters, The New York Public Interest Research Group, the Environmental Advocates and so on. It's a long list here. I can't read the whole thing right now, but these groups and this growing list of groups in this coalition say here that they see an urgent need for a energy plan for Long Island that represents the public interest and that will work towards the creation of an energy plan. They state that given the increasing demand for electricity on Long Island and the numerous proposals under consideration, a comprehensive electric energy plan for Long Island should be compiled as soon as possible, and such a plan should begin with long term load forecasts and conclude with a sensible mix of resources that will be used to meet our electric energy needs in an economically and environmentally acceptable way.

So basically I just wanted to cue you in on what's going on at that level, at the citizens level there. We have had two or three meetings now. We will continuing to work on the outline for that plan. And, of course, keep you updated on that plan. I'd like to ask the committee, since I've been actually spending a considerable amount of time on this -- on assisting this group with the drafting of the energy -- of the citizens and since I foresee spending additional time going forward, I'd like to get your direction as to whether I can continue that work and whether this is work that is authorized under the contract?

CHAIRMAN COOPER:

I, for one, think it's a very worth while expenditure of your time and effort. You did not go sufficient detail, I believe, about the goals

of the coalition and the broad range of organizations multi faceted organizations that have come together. I think it's vitally important that, although it's critical for LIPA to do -- hold up their end and contribute to the underpinnings for this master plan, I don't want to

rely on their voice alone. I think it's very important that we receive input from the environmental community, from civic organizations and many other groups as well. All of whom should have a voice in the drafting of this master plan for Long Island. Again, that's one reason that I'm hesitating in supporting the two Sense Resolutions, but I've been very impressed by the work that's been done in the past few weeks by the coalition, and I think that your contribution, Gordian, has been critical to the work that has been done so far. And I would certainly support your continuing this effort.

LEG. BINDER:

Did you ask Counsel to -- I think there was really a legal question as to the contract that he has, and I'd just like to make sure that, on the record, that Counsel states if what he's doing does meet the four corners of what he is supposed to be doing under our agreement with him. And I think he needs that also to make sure that he's clear that our Counsel is comfortable with his actions.

MR. SABATINO:

Well, what you need is you need to get the approval of the committee saying -- that would fall into one the categories where you'd have to get the approval of this committee saying, yes, you're hereby authorized and powered and directed to do that. In the absence of that, no, it wouldn't because it's not one of the specified seven or eight categories. So to take it to the next level to do something, you'd have to get a vote.

LEG. BINDER:

If -- Mr. Chairman, if I can ask another question. I guess my concern is -- and not to diminish what Gordian does -- but Gordian's already gone out and started the process, and I don't know -- and I have a concern. You know, you've gone, the committee hasn't preapproved this whole direction. You've spent a lot of time on this and even had a meeting today and such, so I'm just concerned from the legal standpoint that this was -- that where you've gone you might -- you might be on shaky legal grounds.

MR. RAACKE:

No. Just to be clear on this. Of course, I have not -- since I have not had authorization from the committee to pursue that work under the contract with the Suffolk County Legislature, I have, of course, not billed under the contract for any of that work. Frankly, I've spent a lot of hours at night on this. I was working until midnight last night and started back again six o'clock this morning. That's not billable time that I've billed to the County Legislature, of course. But it's --

LEG. BINDER:

I just wanted you to say that on the record.

MR. RAACKE:

Yes. But obviously I need -- in order to sustain this effort, I need direction and authorization from the committee to assist the Citizens Energy Plan Coalition with this work.

CHAIRMAN COOPER:

I make a motion to grant authorization to Gordian Raacke to continue in this role with the coalition.

LEG. FIELDS:

I would second that.

CHAIRMAN COOPER:

Legislator Binder.

LEG. BINDER:

Though I'm not a member of the committee, my thought is before you have a motion and such, you might want to have a written report and proposal so Legislators, even not on the committee, could see exactly what Gordian is doing, what he plans on doing and how far he plans taking it. Just so there's a report so you have something in writing, before saying we support him and kind of have a generic motion. I'd be much more specific and make sure you have a written proposal for Legislators to look over and then make a motion on that written proposal and then you're probably on good solid ground.

CHAIRMAN COOPER:

Gordian, how quickly would you be able to put together such a proposal?

MR. RAACKE:

I mean, yeah. I can do that in less time than LIPA can put together this comprehensive energy plan.

LEG. BINDER:

Probably.

MR. RAACKE:

No. I can do that within the week or so. That's not a problem.

MR. SABATINO:

What's going to take place -- our next meeting is three weeks from today, which would be August 23rd. So what's going to be taking place between now and August 23rd that would be relevant to this group's activities?

MR. RAACKE:

Well, the next -- the group today actually established working groups and set up an outline and specific tasks for the various working groups. I've been asked -- by the coalition, I've been asked to assist each one of these working groups with technical assistance and so on. The next meeting of the whole group is scheduled for August 9th. Between today and August 9th, the various working groups have to come up with some drafts and materials. And I would think that I would have to help and assist them in doing that and then there may be another one or two meetings scheduled between the 9th and 24th, you said?

MR. SABATINO:

The only point being is it may be -- maybe the middle ground would be to just authorize, you know, participation by CAP to lend, you know,

some expertise and gather information with this group, but not to -- and report back by the 23rd, but not to make a full fledged, you know,

commitment to finalizing a plan until they've come back on the 23rd. This would allow the process to go forward, but it wouldn't be a blanket open ended commitment. I think that might be the solution to what's pending in front of us.

LEG. CARPENTER:

Will we have something in writing or not?

CHAIRMAN COOPER:

We'll have something in writing by the next committee meeting, but in the interim, we'll authorize Gordian to continue the work with the coalition on a short-term basis.

LEG. HALEY:

Mr. Chairman, I apologize. What are we going to get in writing?

LEG. CRECCA:

Say that again because I'm a little confused too. I understand what Legislative Counsel is saying, but I don't know --

MR. SABATINO:

I thought that maybe to try to strike a compromise and bridge the period between now and the next meeting of the 23rd would be to authorize CAP to meet with the groups and participate in their meetings and lend technical expertise, but not to be part of completing or finalizing or issuing some kind of a final report because you're supposed to bring something in writing back to this committee on the 23rd as to what the total package will be based on those preliminary meetings and then this committee will decide whether or not you want to go forward, you know, based on the information scattered between now and then.

LEG. HALEY:

Why does he need approval to attend the meetings?

LEG. CRECCA:

Because he gets paid for it.

MR. SABATINO:

Because he's going -- because he's going into an area that is not specifically one of the categories in the contract. There's a catch all portion in the contract which says if we're going to up a new front if we're going to move in another direction it's got to be with the approval of this committee. The idea is to have some oversight and to have some direction that may have been missing --

LEG. HALEY:

Wouldn't he normally provide something in writing, a proposal to do such. I mean, something to chew on. I mean, just to say go ahead and do something without us providing something in writing to him or vis versa, I mean there's, you know, I mean we have a responsibility here.

CHAIRMAN COOPER:

That's why the issues come up.

LEG. HALEY:

Okay.

CHAIRMAN COOPER:

So I move to grant this interim approval to Gordian to proceed with

your contacts with the coalition in return for your commitment to provide us with a written report by the next committee meeting.

LEG. CRECCA:

Gordian, do you have any idea what that's -- how much time commitment that's going to be on your part before we just go head and give that blanket authorization? And I'm -- a fair guesstimate would be all I'm asking for. But I just want to make sure we're not authorizing, you know, a tremendous amount of time or input or hours. Is it going to cost us a lot of money?

MR. RAACKE:

That's a fair question. I don't know -- I mean, I could not tell you today, and it's going to be difficult to estimate, even in a written proposal, what the total number of hours would be throughout the whole process to compile a Citizens Energy Plan or assist the groups to compile a Citizens Energy Plan. But I could tell you that between now and the 23rd, I would not expect to work more than let's say -- let's say on average two hours a day on this issue. That would be on the interim, and that's a rough guess, you know, that would be on the interim approval.

LEG. CRECCA:

That's still, I mean when you say two hours a day, that's still 30 to 40 hours, am I right? You're talking about now and the 23rd.

MR. RAACKE:

That would be about 10 hours a week.

LEG. CRECCA:

Right. And we're talking about three weeks from now. So it's like 30 hours. Fred, where are we at now, if you know, as -- if I could ask Budget Review or Jim or Fred. It doesn't matter. Where are we at now with CAP, and are the reports -- have the reports and billings been timely, and where are we at money wise with that?

MR. POLLERT:

Yes, reports have been timely to the Budget Review Office. We're current with the billings to CAP. Their contract is a not-to-exceed contract. So when they reach that limit, their charges would be rejected by the Budget Review Office. So they have an annual CAP. Currently they're on track with their expenditures to completely spend their budget by the year end.

LEG. CRECCA:

I guess my concern is adding another 30 hours on top of that now over and above what they normally do, we could be -- my concern -- I'm saying this both to Gordian and Fred, and, Fred, you can respond. No, you can respond, but my concern is, is that I don't want to put us over that on a project that we may not have him continue on. So what do you think of that?

MR. POLLERT:

Well, what would happen with the Budget Review Office is that we would not process any payments that would exceed the CAP. So if they totally expended their budgets in November, that would be all the payments that we would expect to make to them. So to the extent that they continue to work after November, they would be doing it at their cost.

CHAIRMAN COOPER:

My position is that I can't think of anything more critical right now then to develop a comprehensive energy plan for Long Island. And if Gordian and CAP contribute to that process, I believe that they can, then I think that it's a worth while expenditure. And maybe at one point we won't need an energy watchdog organization any longer. But in the short term, I think it's critically important that you add to this process, and in the sense keep LIPA honest. And again, I strongly support this effort.

LEG. CRECCA:

I have to ask Mr. Raacke another question. It is possible for you to put together this plan without tending and putting, you know, this extra 30 hours worth of work in between now and the 23rd? I just think there a hesitancy on some Legislators part, and I would like to see somebody writing and know what we're getting ourselves into before I authorize, you know, spending that kind of money. That's all I'm saying. Because I forgot your hourly rate, but 30 hours -- what is the hourly rate?

MR. RAACKE:

It's 150.

LEG. CRECCA:

So you're talking about 30 hours at 150, what is that 4500 bucks; am I right?

LEG. HALEY:

What's you hourly rate.

LEG. CRECCA:

More then Gordian's.

LEG. FIELDS:

You get what you pay for. So we're getting a deal.

MR. SABATINO:

Again, maybe just to clarify to try to break the logjam. The report is not going to be prepared at written between now and the 23rd.

MR. RAACKE:

No.

MR. SABATINO:

Okay. Because there would be no authority to do that. So I think if we just narrow down what's going to actually happen between now and the 23rd, to give us a comfort level, maybe we can put a cap on the hours just to --

LEG. CRECCA:

Yeah. I mean, I agree with that. I want to know what's going to happen. Why is it going to take two hours a day?

MR. SABATINO:

Absolutely.

MR. RAACKE:

I'm taking a guess and, you know, i didn't come here prepared to present this as a proposal. So I apologize for not having better numbers at my disposal here. I can tell you at today's meeting --one,

two, three, four, five -- six work groups were established. And I can just quickly tell you what they're going to work on. There's a legal regulatory in Article 10 work group that's going to review laws regulations and processes on this topic of energy planning that would summarize applicable laws, regulations, and processes, recommend changes where necessary as they impact power plant siting and other decision making. There is an energy alternatives and renewable energy working group that's actual been combined with a --

LEG. CRECCA:

Gordian, I don't mean to interrupt you, but you don't need to go through the list or anything. What do you need to do between now and the 23rd that you think you need to spend 30 hours between now and the 23rd? I think that's what Counsel was driving at too. Give us an idea of what it is that you feel you need to dedicate 30 hours to get us to the 23rd.

MR. RAACKE:

The groups have very little experience in the area of energy or energy law or energy regulations so they would probably be looking for some guidance as to where to even find the applicable laws. And, you know, I would write up a summary of the Article 10 or give them even just, you know, pull out an Article 10 summary document that the PSC makes available and say, well, you know, you should take a look at this. There's a LIPA study from '91 looking at the energy efficiency potential for the Island. There's a Pace Cap Study from '99, there is this, there's that, those are the things that we are going to have to look at. You know, I may summarize those, present those to the group and so on.

MR. SABATINO:

Who's going to ultimately prepare the report? I think that's what it gets down to. I may have misunderstood what was described before.

MR. RAACKE:

The report will be compiled by many people in the various working groups. They'll be submitting drafts on various chapters and then the Steering Committee has been established to actually merge these drafts into a comprehensive report.

LEG. CRECCA:

See the problem I have is, is we're going to authorize spending money for a group that we don't really know much about or have anything in writing on and things like that, and we're using tax payer money to do that. It is good, it's just that we don't have any documentation or

writing to show how we're spending our money.

MR. SABATINO:

With all due respect to everybody, I think the bigger issue is whether or not -- whether or not there's a desire to commit to doing a report. I really think -- it maybe my fault, I may have it backwards, but I thought this was just going to be a process to try to uncover some information, you know, preparatory to discussing doing a report. But it seems to me that the threshold question really is does -- is there a desire to see a report, you know, different from what LIPA is preparing being done? If that's the case, you know, then everything flows from that. So really -- I think the real vote maybe do you want to have a report?

CHAIRMAN COOPER:

Another report.

MR. SABATINO:

If that's the case, then you vote to have a report and then have them come back with an outline as to how it's going to be done.

LEG. CRECCA:

But the reports not coming from CAP.

MR. SABATINO:

Well, listening to what was just described, I think it is. I think the groups are going to be --

LEG. CRECCA:

Is the -- is it report going -- I don't mean to interrupt you, Paul, but is the report going to be ultimately of Citizens Advisory Panel?

MR. RAACKE:

No. The report is -- let's not say report. The plan is called the Citizens Energy Plan. The Citizens Energy Plan is a project of the Sustainable Energy Alliance for Long Island, and that consists of a number of groups -- and I have just read some of the groups that are have signed on the declaration of need for a Citizens Energy Plan. I have the full list here. Of course, I'd be happy to read them to you or have you look at them. As I said, they're very many respected and well known groups in there that have worked for many, many years on a number of issues. Many groups, of course, you're familiar with; The League of Conservation Voters, The New York Public Interest Research Group, Natural Resource Defense Council, to name just a few.

LEG. CRECCA:

Right, but I don't know if we should be using CAP funds to fund them. I mean, maybe authorize spending from the Legislature for that group, this alliance of groups for the report and all that. But we're using CAP money then to help produce this report. And I don't know if that's necessarily what the Legislature wants to do. I don't know if the committee has the authority -- and Paul, you'd be able to answer that -- to even authorize CAP spending on that.

MR. SABATINO:

We do. This is why we rewrote the contract this year. And also,

we've had a much different process then the year before where the committee is really exercising the role that it should, which is to give some direction. I mean, this came up a year ago, but it just kind of fell by the wayside. The real issue is for the committee to decide do you want to go off in this direction as a concept. That's the critical vote. If you want to go off in that direction as a concept, you know, then that's a vote that I would suggest that you put some perimeters on, but that would really require CAP coming back to you with what, you know, who's going to rise out of it. I think the threshold -- I can't unilaterally say to them under the contract that you got the ability to go out and do this. So it's really up to the committee to say that you want to go in that direction. We're opening up a new direction.

LEG. CRECCA:

I need to know what this is, and I think that's right. And if he needs to do a little work to do a little work to know what that is,

I'm willing to let him do that. But I want that by the next meeting, and I want a cap the amount of time that he's going to be put in this. What I would request -- what I'm going to make -- I will make this motion -- and you tell me if you want me to modify this a little bit -- but for you to come back with us with a report by the next meeting, which is what you're looking for, right, as to whether we want to go in this direction. And I would authorize you, you know, to spend about 10 hours on this. I think that's more sufficient to do that. It may limit the amount that CEP gets as far as your expertise, but I don't think -- I think we want to see this report before we authorize you to provide expertise to CEP. That's my feeling. Do you understand that, Gordian?

MR. RAACKE:  
Sure.

LEG. CRECCA:  
It's not that I don't want to use CAP money, money that we're authorizing for you to act on our behalf to advise CEP and be their expert unless we decide that's something that we really want to put our money into. And I think we need the report and we need what we're talking about before we can commit to that. Okay? And I'm saying that you may need a little leeway between now and the next meeting to meet with them, to find out a little bit more about exactly what's going to happen so you can give us a thorough report on the 23rd. But I think 10 hours should be more than enough to do that. And I would ask you to limit your time to that and that would be my motion.

MR. SABATINO:  
Just to reword it, I think it's kind of a combination of what we've just described before. The idea would be to authorize CAP to meet with, participate, gather information from these various groups and then come back with a proposal as to what -- as to what exactly, in terms of resources, the organizations would require from CAP in order to produce this energy plan, is that a fair --

LEG. CRECCA:  
Then we'll know what we're authorizing CAP ultimately to do.

CHAIRMAN COOPER:  
Gordian, do you think that 10 hours would be sufficient for you to put together that proposal and have some contacts with the coalition and not lose a month in this process?

MR. RAACKE:  
I'll loose some sleep, but I'll definitely be able to put that proposal together for you by the 23rd. You know, if there's extra time, I'll have to extend on working with these groups --

CHAIRMAN COOPER:  
How about we'll the baby 15 hours?

MR. RAACKE:  
Okay.

LEG. CRECCA:  
Do we paying for proposal then? Do we normally? I'm asking Counsel.

MR. SABATINO:

What we're paying for this case is the preparatory work for developing a master energy plan. In this case, it happens to involve working with these organizations who are going to need some degree of our expertise. So it's a legitimate -- it's a legitimate expenditure because at the point of getting back the report, you may decide you don't want to go forward and provide that expertise. But you have to get a to point to find out what it is that they're looking for. So I don't have a problem with it.

MR. RAACKE:

Here's what I'm thinking. It would be that I would submit an outline to you on the 23rd, and I would submit that outline, if I'm authorized to perform the work later on, I would submit that outline to the Citizens Energy Plan Group and that could be the basis for this report. That way you know the perimeters and the framework of that plan, of the CEP Plan.

LEG. CRECCA:

We want to know what CAPs role is going to be in that.

MR. RAACKE:

Right. Of course.

LEG. CRECCA:

What we want to know is what role CAP is going to play in that and what the expense is going to be to us and what ultimately we can expect at the end, both from CAP or CEP. I mean this is no different then, you know, Counsel putting together a proposal to hire a lawfirm to do something for us and everything else like that. That's really what it is.

MR. RAACKE:

Okay. Okay. But let me clarify one thing. Is this proposal then in addition to the contract that we have? In other words, if I put a dollar amount in the proposal, is that going to be over and above the limit that we have now under the County contract?

LEG. CRECCA:

It's my anticipation that it will not be, but certainly we'll have that option if we think that we should do that or shouldn't do that. But I think everyone's thinking that -- having you do the work within the contract. If anything disagrees with me --

MR. SABATINO:

You fairly accessed that. At the beginning of the year, we allocated \$20,000 and we said that there's a possibility we could do more if something came up during the course of the year, but right now we're not at that point.

MR. RAACKE:

I just want to clarify that.

CHAIRMAN COOPER:

Okay. So let's move on that. That's the proposal before us.

LEG. HALEY:

This proposal is -- go ahead. Let's repeat the proposal again.

LEG. CRECCA:

I'd ask Counsel to state it.

MR. HALEY:

Yeah. I want to know who to blame it on.

MR. SABATINO:

The proposal is to authorize CAP to meet with and participate with organizations between now and the 23rd up to a maximum of 15 hours to prepare a proposal or an outline with regard to what level and degree of expertise the CAP organization can provide to the preparation of a comprehensive energy plan. And they'll be a separate decision at that point as to whether or not you want to go forward and commit resources to developing that plan at that point.

LEG. CRECCA:

There was a limit of 15 hours.

CHAIRMAN COOPER:

Okay. I make that motion. Is there a second?

LEG. FIELDS:

Second.

CHAIRMAN COOPER:

All those in favor?

LEG. CARPENTER:

On the motion, and I know I'm not on the committee.

CHAIRMAN COOPER:

This is correct.

LEG. CARPENTER:

So I'm going to ask a brief question. Why are we paying up to 15

hours to have him do a proposal? I don't understand that.

CHAIRMAN COOPER:

It's not just a proposal, it's also the work that he'll be doing with the coalition in the interim so they don't lose a month.

LEG. CARPENTER:

Well, it's not a month, it's only a couple of weeks until --

CHAIRMAN COOPER:

Three weeks.

LEG. HALEY:

What work is he doing with the coalition? He's just gathering information, right?

LEG. CRECCA:

He's only gathering information. He's not going to provide -- I think we just went through that. Part of the motion was he's not going to be providing necessarily expertise to them, we're providing services to CEP. The only reason for the 15 hours is to allow him whatever contact he needs with CEP to give us the proposal. That's why I think 15 hours is too much, and I hope, Gordian, will exercise good discretion. But I'm willing to give him up to 15 hours to do that should he need that much time. But I agree with Legislator Carpenter. I'm going to approve that motion, but it's my understanding that that motion includes not providing expertise to CEP, but gathering

information he needs to report back to us on CEP, the final project and what CAP for all would be.

CHAIRMAN COOPER:

Gordian, are you comfortable with that, or do you really prefer authorization to do some consulting with CEP during the next three weeks.

MR. RAACKE:

This is a difficult line. I mean, if you say I should gather information, and as Counsel just said, I should prepare an outline, it is difficult to do that without at the same time providing assistance to CEP because --

LEG. HALEY:

I don't think that's within our authority. I can't remotely support that. I would like the full Legislature to consider before we provide counseling of services to a another organization, whether it's through an RFP process or whatever. You know, it's a little bit different then just simply asking him to go and to gather information for us.

MR. RAACKE:

I can prepare a proposal and I can prepare an outline that I would propose for a Citizens Energy Plan, but the moment that outline is reviewed by one member of the coalition, you can say, well, you've now provided technical assistance or other assistance to CEP so that's all I'm saying.

LEG. HALEY:

Gordian, can I ask a question? Gordian, you understand your relationship with us, right? Now you go out and you -- you -- you're in a private sector, you go out and you provide services for a fee. Some of us do this outside of this -- outside of this job as a Legislature, and most times before I get any approval for consulting work or anything like that, I provide a proposal. It seems to me that if you're looking for additional fees above and beyond that which was normally provided for in the Legislation, that you should provide us with a proposal to do the same.

CHAIRMAN COOPER:

He's not asking for additional fees.

LEG. HALEY:

What?

CHAIRMAN COOPER:

He's not asking for additional fees.

LEG. HALEY:

Yeah, but this seems to be a little bit out of the purview of what he was originally charged with. I don't mean that in a legal way, but, you know, I think it's out of that realm, and I think we need to investigate it. I don't think -- I think we're a little to arbitrary in just saying, go ahead spend this money, and we don't have any substance to it.

CHAIRMAN COOPER:

Legislator Fields.

LEG. FIELDS:

Could you provide an outline to the full Legislature on Tuesday and then let the whole Legislature decide whether or not this should be something additionally that you would provide in your services?

MR. RAACKE:

I can provide that by Tuesday.

LEG. FIELDS:

We meet again on Tuesday, and not to push it off for three weeks, but to push it off just for a few days. You can probably put together something that would be more concrete for everyone to feel very comfortable with as to whether they approve or disapprove.

LEG. CRECCA:

I agree with Legislator Field's suggestion and -- because I have uneasy feelings about this, but I might feel better if there was something more specific and concrete in front of us. And I would make a motion to defer this issue -- I don't even think we need to make a motion, do we, Paul?

CHAIRMAN COOPER:

Okay. I make a motion to support that proposal.

LEG. CRECCA:

Can the committee put something on the agenda?

MR. SABATINO:

Well, if you want to get it to a formal, then make a motion to -- make a motion to refer consideration of this item to the agenda so this way the Clerk's Office will show it on the agenda. It will be clearer for everybody to follow.

LEG. FIELDS:

I would make the motion to do exactly what he just said.

MR. SABATINO:

It would be a motion to refer consideration to a CAP proposal regarding an energy plan to the Tuesday meeting of August 7th.

LEG. CRECCA:

Second.

LEG. FIELDS:

I feel dizzy from all of this discussion.

CHAIRMAN COOPER:

All those in favor? Opposed? Resolution is approved. Next moving to the rest of the agenda, we have Ernie Fazio, Executive Director of Energy Demonstration and Education Center. Ernie, thank you for your patience.

MR. FAZIO:

Good afternoon.

CHAIRMAN COOPER:

Good afternoon.

MR. FAZIO:

I want to thank you for having me here. I have something that fits very well with what you've been talking about. It's this Energy

Demonstration Project and Education Project, and I'd like to go through it, and I'd like -- I think the reason is principally because there's so much legislation that could be derived out of knowing what is available in terms of energy. You have a moving target as far as what your planning for the future is concerned. So it makes it so difficult for what you're about to do in terms of this planning thing. But this project doesn't help unconfuse the matter by any means.

What I'm proposing is something that is a Visitor's Center on the surface, and it would have a great benefit to the County and the bi-county area in that regard, in fact, regionally. But it will be built in a building that is actually very, very energy efficient using the technologies that we know to be available right now. Nothing is going to be experimental here. And, in fact, we're recommending that the heating system and the air conditioning system be that which is presently going into a hotel in Woodbury, and it's being built by Jack Kulka. So we know what -- the reason why builders don't use these technologies is because A) they don't know them, they may know about them but they don't want to sell them because they can sell their projects in the old technology mode much easier. It's not -- it's not their role in life, and I don't disagree with them, to promote new technologies even though it's good for the final tenant and owner of the building. Their business is to build buildings. So what we have to do is create demand. And we have to take people and teach them what's available to them.

And the reason why I use the Visitor's Center is because we get a lot of play, a lot of people would come there for various reasons, and we would want to be able to influence people over a long term, that means getting children to know what's available. Power in the building will be of very, very high quality. One of the things that we -- most of us do not know is that the receptacles around this room can be delivering anywhere from 95 volts to a 135 volts, which is okay for most of the things we plug into it. But there some critical equipment that you never want to have those kind of variations. That's not called power quality as well as harmonics and other problems that happen in the building. We can do these things employing some very, very known technologies and solar photovoltaics and fuel cells, which happen to do these things better than the central power stations for various technical reasons, but I won't get into that now. The idea is to have all of this knowledge be discussed by the universities, by Brookhaven National Laboratories, which is, by the way, a partner here, and by the people in the LIPA.

LIPA has the responsibility of creating enough power so that whenever you and I want it, we can have it. And that requires management. For example, we have a system -- as a matter of fact, I was instrumental in getting the funding for the patents for it that will allow the utility company to take 10,000 refrigerators off-line without lose of refrigeration to the subscriber and put off-line for as much as four hours. Now, that takes a little different kind of equipment in your home, but not more expensive equipment, just different equipment. And it would have to be keyed to the utilities. So we're going to demonstrate things like that. The projects would serve various institutional constituents; among them would be the New York State Parks, the Federal Parks, Long Island Visitors and Convention Bureau, Long Island Power Authority, Brookhaven National Laboratories, New York Economic Development and all of Long Island's Higher Education and Architectural Schools. The way they would serve all of these constituents is different in every case.

LEG. CRECCA:

Mr. Fazio, can I just interrupt you for one second? No, I'm not going -- I'm going to let you keep going, I just want to ask you a question. Are -- the reason you're here, is just to inform us about it or will you be a partner, or you're looking for money or -- I mean, you know, just so we know the perspective of what we're listening to.

MR. FAZIO:

Well, I don't know that you're in any position to give me the money, but you do have the responsibility of creating legislation. And without the backdrop of knowledge, it's harder to create legislation. For example, we have an energy standard in this state for building houses, which is antiquated at this point. In other words, I can show you construction that's probably three times more efficient, and we

can demand that the builders can go out and building a better building. So that's one of the reasons. And if there is money available for a portion of this, in other words, we'll be getting grants from various places to do it and then I would like you to participate in that level too.

So I just wanted to give you a little anecdote. I was out at a friend's building site. He builds luxury homes, and he had four buildings on the property site, and they were selling for \$650,000 all of which were sold long before the construction was completed. And I showed him the building system that would save him a lot of money on energy costs when the buildings were up. And I said, do you know much about this Mike? And he said, no, I don't. And I said, well, it's really very good. And he said, well, I know a little about it. I know it is very good. And he said -- I said, why don't you use it? He said, well, because first, I have to learn it then I have to teach it and then I have to have the customer buy it because I sold. And he says, I don't have to do any of that right now. He says, I give them a pretty house that's meets code, and I get my \$650,000 and the game is over. And you know what? That's perfect logic, and if I were in his business, that's what I'd be doing too. We need as people to come to the builder and say, Mike, I want this in my structure because I don't want to spend as much money on fuel as other people do for a house this size. I want to be cheap. So therefore, that's the kind of a chicken and egg problem we have with using these new technologies.

I intend to enroll schools into this. We're going to have a media center in the building. So the schools can bring children to the schools and teach them what's needs to be known. You know, if there's a bunch of 40 year old environmental engineers, environmental lawyers and other people involved with environmental issues and they came out of the 70's and that's what we have to do. We have to pave the way so that when people my age are no longer in the picture, that we've created a momentum that will sustain life on this planet, if not this Island. So we want to establish solar energy. In other words, we want to show that solar energy is viable. And it is. The problem with solar energy is perception in many cases and price. And price is coming down dramatically. As a matter of fact, you can go back to the 60's and the install price of photovoltaic at that point was \$80 per watt. Today it's around three -- well, it's probably for like four. Now, to give you that -- some kind of perspective, a central station plant is \$1 per watt.

So therefore, the easy thing is to build the \$1 watt, but then you have to have fuel and maintenance, with solar you don't. We think the break even point is around \$2.50 or \$2.75 so that you become more competitive with the central power plant. And it doesn't necessarily mean that the people in the schools that will put these in will have -- you know, have to own them. They could be owned by KeySpan, they could be owned by LIPA and they could be billed off a meter that's connected to the building as it is right now. So what we want to do is change the methods of production of electricity because the methods of production of electricity right now are not satisfactory. They are producing pollutants. And I'll tell you this, the plant that is on Spagnoli Road is an excellent plant. It has very low emissions and

it's using the best technology possible, but it's in addition to what we already have, and that's the problem. So in addition to education we want to create jobs. There's very few jobs generated by making essential power plants. There are when it's being built. But there is no service. I see these things being serviced by the oil companies that are going to be displaced. The oil companies have all of technical know-how to create, you know, to create a work force to make these things work and maintain them. And at the same time we're discouraging oil, we can be helping an industry that will have to transition itself, and I think that's important.

One of the things I said was quality standards. We must create quality standards of power so that people who are buying the power can monitor it and know what they're getting for their money. In fact, I see some customers willing to pay a higher price for power of quality than they are for the stuff they're getting now. I have a client who builds -- who does analysis -- chemical analysis, and he runs his chemical analysis equipment for days at a time. Sometimes he take a week to get the results that he needs. If he has power glitch in the middle, all of his efforts are done, they're over. He has to start all over from the beginning. Would he not be willing to spend 20 cents per kilowatt to make sure that never happens? And it does happen.

We have to lobby for energy standards and promote distributed energy. Let's take a building like this. This building can be run off a small micro turbine or maybe in combination of hybrids, a fuel cell or some photovoltaics. And when you're producing too much energy in this building, it can be fed back into the LIPA grid. You know, I never see the LIPA grid or any grid in this country ever being displaced by these new technologies. I think what they're going to be is the lace that holds up -- holds together all of these production centers of energy. So that is why I have the un -- you know, the unlimited support of LIPA. They are very, very enthusiastic about this because I'm not trying to replace them. You know very well that I was one of the most outspoken people against LIPA. But when the battle was over, the fact of the matter is, we have to live on this Island, and we have to pay those bonds, and we have to make sure that that unit is successful. And this is part of it.

But it's successful -- their success is not like a success of say KeySpan where they have to pay stockholders. Their success is maintaining a power supply that's always there. And we can help them with this. We want to promote other green technologies that are not necessarily involved directly with energy, but that will come later. Our media center will be open to anybody who wants to use it for the purpose of generating some cash for the foundation. But the main

reason we have a media center is so that we can have discussions on new technology and new installations and connect to other places in the country and perhaps, even in the world where we can be constantly bringing in new ideas. And that we can also be teaching contractors and builders and architects and people who are going to create this physical infrastructure that we live in and that we work in. And I think that's important. And another thing is going to be public access programming. Now, this is my -- where we going to have production costs, this might be a place where the Legislature could

create some funds for us because there are some productions costs in creating good television programming.

We're going to have other financial resources, among them is Brookhaven National Laboratories has given us three scientists to work with, and I couldn't afford that on a bet. And Long Island Power is committed to about \$500,000 in electrical equipment in the building. And KeySpan's cooperation with us is, at the moment, unknown, but I think it's going to be very substantial. And I'm talking to them now. On the premises will be compressed natural gas fuel facilities so that people with alternative feed cars and fleets can get fuel. We need more places to get fuel. We need a restaurant in the place which would be concession aired out. A science and technology shop like a retail and museum shop for childrens toys that teach. Electronic {keos} so that people can put their products into the building for a fee, of course, so that they can promote their production and to show the consumer, whether it be the builders or the architects or the individual consumer, in terms of household things be able to see what's available.

And our advisory staff is comprised of Clifford {Braggdon}, he's the concept designer in that center, Matthew {Cordiero}, former vice president of LILCO and creator of Mid Western Independent Service Operator and now a professor at LIU, Randy {Croxtin}, a world famous architect in Green Architects, Jack Culka, which we all know and love, William {Wilhelm}, he was formally a Director of the Solar and Thermal Applications at Brookhaven National Laboratories an Richard Dunn from Grumman and Paul {Rubenstein}, retired partner of {Holtz Rubenstein}. So we have a very impressive group of people that are behind this, and I think -- we have, I think impressive goals. What we're going to do with the monies that we derive out of this is we're going to take, by some chance, a lottery and select a library and power it at no cost to them.

We're going to select beach houses and put solar thermal in because they're spending money on oil, polluting the air, and costing the taxpayers money. And we're going to have a list of public buildings that can benefit by the advances that we are promoting and we will do that as we find ways to make money on this -- essentially a non-for-profit-organizations. We will have staff, but they'll be no returns to investors. I really have finished my presentation. Thank you.

CHAIRMAN COOPER:

Ernie, thank you very much for that fascinating presentation.

LEG. CRECCA:

If you guys have a written proposal too at some point, or, you know, that -- I would ask that you just send to us either to the committee or to the full Legislature.

MR. FAZIO:

I do have this, Mr. Crecca, and it's rudimentary by standards of having great detail, but it does tell you everything I told you today. And I will make this copy available to you. And also, I want to you to know that I have a website, and you have to go into it by using

[http://](http://energycenter.org) and not [www](http://www.energycenter.org). And it's [energycenter.org](http://energycenter.org).

CHAIRMAN COOPER:

Is that on your paper work?

MR. FAZIO:

It is on there.

CHAIRMAN COOPER:

Great. Ernie, thank you very much. And once again, I appreciate your patience.

MR. FAZIO:

I just want you to know I was so ill today, and I said, I've got to be there. I just want to do this.

CHAIRMAN COOPER:

Thank you. All right. There being no further speakers, the committee can move on the agenda.

#### TABLED RESOLUTIONS

IR 1521-01 (P) Directing the Legislative Office of Budget Review to conduct an economic analysis of the benefit to Suffolk County of its Atlantic Ocean Beaches. (Carpenter)

CHAIRMAN COOPER:

Starting with tabled resolutions. I think we can skip right over 1521, right? Does anyone have any comments or input on 1521 before we --

LEG. FIELDS:

I do. Fred, in this legislation, don't we already have analysis of this type going on all around us?

MR. POLLERT:

The Budget Review Office is starting to scope out what a preliminary work plan would be if this resolution was adopted. Phase one of the work plan would be to review the literature on existing reports that currently have been prepared, including those by the USGS and by the Army Corp of Engineers. So part of the report would be to do a literature review. It's our understanding that a number of reports have been prepared with respect to what the impact would be to Fire Island.

LEG. FIELDS:

But you already began this before this was passed?

MR. POLLERT:

No. Basically what we did is we sat down with members of the Budget Review Office just to scope out what the required workload would be so that we can complete the fiscal impact statement. Preliminarily what

we intend to do on Phase One is do the literature review and then we will probably get involved with both the Department of Real Property Tax Service Agency as well as the Planning Department to provide data to us so that we can complete the report.

LEG. CRECCA:

Motion to approve.

LEG. HALEY:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed?

LEG. FIELDS:

Opposed.

CHAIRMAN COOPER:

Resolution is approved. APPROVED (VOTE: 3-1-0-0)  
(Opposed; Legislator Fields)

LEG. CARPENTER:

Thank you.

IR 1531-01 (P) To establish Eco-Tourism Task Force to evaluate the potential of an ecologically based tourism industry on Long Island.  
(Tonna)

CHAIRMAN COOPER:

On IR 1531, at the request of the sponsor, I'd like to make a motion to table that resolution.

LEG. HALEY:

Second.

CHAIRMAN COOPER:

All in favor? Opposed? Resolution is tabled. TABLED (VOTE: 4-0-0-0)

Sense 44-01 (P) Memorializing Resolution requesting State of New York to grant authority to Suffolk County to repeal the Suffolk county portion of the Sales and Compensating Use Tax on hybrid electric vehicles. (Tonna)

LEG. CRECCA:

Motion to approve.

LEG. HALEY:

Second.

CHAIRMAN COOPER:

Is there any estimate as to what the fiscal impact would be if it was passed?

MR. POLLERT:

Yes. I believe that we had looked at it. Normally we do not do fiscal impact statements with respect to the Sense Resolutions. Unfortunately, I don't recall what the number is. It's questionable what the market share will be of the hybrid vehicles and the extent to which they are subsidized. I just don't recall what the number is at this point in time.

LEG. CRECCA:

This question came up before and I just remember -- again, I don't remember the number either, but I remember it was minuscule because they're such -- they're really are no hybrid vehicles on the market yet. Did you think it was a large number or a little number?

MR. POLLERT:

It's a relatively small number. The vehicles are not going to be marketed until 2003.

CHAIRMAN COOPER:

I'll second. All those in favor? Opposed? Resolution is approved.  
APPROVED (VOTE: 4-0-0-0)

#### INTRODUCTORY RESOLUTIONS

IR 1602-01 (P) Directing the County Department of Public Works to prepare co-generation RFP for County facilities in Yaphank.  
(CARACCIOLO)

CHAIRMAN COOPER:

I understand that the sponsor of this resolution is awaiting comments in writing from DPW that were not yet prepared so I'd make a motion to table this for one cycle.

LEG. FIELDS:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed? IR 1602 is tabled.  
TABLED (VOTE: 4-0-0-0)

Moving onto the Sense Resolutions.

#### SENSE RESOLUTIONS

Sense 52-01 (P) Memorializing Resolution requesting State of New York to roll back sales tax on price of gasoline. (Cooper)

CHAIRMAN COOPER:

I make a motion to approve.

LEG. CRECCA:

On the motion. My concern here is -- I read the bill. Do we have any idea or at least a ballpark of what the fiscal impact would be to our collection of taxes here in Suffolk County. In other words, we're going to be losing the taxes on everything over a dollar for every gallon of gasoline that's sold. So I'm just concerned about how that will affect the County fiscally.

LEG. HALEY:

Are you going to roll back the state's portion or the County's portion?

LEG. FIELDS:

It doesn't state it.

LEG. CRECCA:

I don't understand.

CHAIRMAN COOPER:

No. It's the New York State portion.

LEG. CRECCA:

Oh, I thought it was the county portion also in there.

LEG. FIELDS:

They have a surplus so --

LEG. CRECCA:

What's that?

LEG. FIELDS:

Doesn't the state have a surplus?

LEG. CRECCA:

You know, I didn't know the state -- I thought I'd ask either the counsel --

MR. SABATINO:

It's limited to the first dollar. That's the other thing too.

LEG. CRECCA:

Yeah, but it's limited to the first dollar, but doesn't it also affect the County's portion of the tax?

MR. SABATINO:

No, it's just a state portion, which is the 4% portion of the first dollar.

LEG. CRECCA:

It says in the respective local shares and municipalities that impose a local sales and compensating and use tax to the first one dollar. Can we do that here in Suffolk?

MR. SABATINO:

Yes.

LEG. CRECCA:

So we would lose the County portion of the tax on gasoline also.

MR. SABATINO:

You're absolutely right.

LEG. CRECCA:

Right, and that -- I'm not trying to be difficult. I agree with it in concept, yet I'd like to see -- I'd like to have a ballpark number because right now I have learned that the --

LEG. HALEY:

Motion to table.

CHAIRMAN COOPER:

Can we check on this? We'll move to another resolution and -- the original version --

MR. SABATINO:

Sorry. There is a June 21st corrected copy, I'm sorry, which goes back to -- it's just a state portion of 4% on the first one dollar.

LEG. CRECCA:

Well, then that just changes everything for me guys. Who cares about the state?

LEG. HALEY:  
Second.

CHAIRMAN COOPER:  
My sentiments exactly.

LEG. CRECCA:  
Exactly. So I will actually -- I don't know, is the motion seconded already?

CHAIRMAN COOPER:  
No.

LEG. CRECCA:  
Second the motion.

CHAIRMAN COOPER:  
All those in favor? Opposed? Resolution is unanimously wholeheartedly approved. APPROVED (VOTE: 4-0-0-0)

Moving on to Sense 64.

Sense 64-01 (P) Memorializing Resolution requesting Long Island Power Authority (LIPA) to issue master plan for proposed power plants.  
(Binder)

LEG. HALEY:  
Motion.

LEG. CRECCA:  
Second.

CHAIRMAN COOPER:  
All those in favor? Opposed?

LEG. FIELDS:  
Abstain.

CHAIRMAN COOPER:  
Abstain.

LEG. CRECCA:  
Motion to table.

CHAIRMAN COOPER:  
Is there a --

LEG. HALEY:  
Second.

CHAIRMAN COOPER:  
All those in favor? Opposed? Resolution is tabled.  
TABLED (VOTE: 4-0-0-0)

Sense 65-01 (P) Memorializing Resolution requesting Suffolk County

Board of Health to reject requests for waivers of for hazardous materials storage facilities. (Binder)

LEG. HALEY:  
Motion.

CHAIRMAN COOPER:  
Is there a second? Motion fails for lack of a second. FAILED FOR LACK OF SECOND.

That's all they wrote. Thank you very much.

(\*THE MEETING WAS ADJOURNED AT 4:20 P.M.\*)

{ } denotes being spelled phonetically