

**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 Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on **June 18, 2003**.

**Members Present:**

Legislator Jonathan Cooper - Chairman  
Legislator Angie Carpenter - Vice-Chair  
Legislator Brian Foley  
Legislator Lynn Nowick  
Legislator Allan Binder

**Also In Attendance:**

Paul Sabatino - Counsel to the Legislature  
Barbara LoMoriello - Aide to Legislator Cooper  
Roger Podd - Aide to Presiding Officer Postal  
Joe Muncy - Budget Analyst/Budget Review Office  
Joe Schroeder - Budget Review Office  
Nicole DeAngelo - County Executive's Office/IR  
Catherine Stark - County Executive's Office/IR  
Peter Quinn - Long Island Coalition for Democracy  
Vinny Frigeria - KeySpan  
Adrienne Esposito - Associate Executive Director  
Citizens Campaign for the Environment  
Kasey Jacobs - Intern/Citizens Campaign for the Environment  
Dan Zaweski - LIPA/Director of Energy Efficiency &  
Distributed Generation Programs  
Sharon Laudisi - LIPA/Clean Energy Assistant  
Walter Hoefer - LIPA/Special Program Coordinator  
Debbie Raso - LIPA/Special Assistant to the Commissioner  
Kathleen Whitley - Sustainable Energy Alliance/Program Manager  
Bruce Humenik - Applied Energy Group  
All Other Interested Parties

**Minutes Taken By:**

Alison Mahoney - Court Stenographer

---

(\*The meeting was called to order at 11:39 A.M.\*)

**CHAIRMAN COOPER:**

I'd like to welcome everyone to the June 18th meeting of the Economic Development & Energy Committee. Legislator Nowick, if you can please lead us in the Pledge.

### Salutation

We are going to be receiving a detailed presentation on the proposed Off-shore Wind Project, but before we do that, since we have a relatively short, a very short agenda, let's move right to the agenda and then we'll move back to the presentation.

### TABLED RESOLUTIONS

Tabled Resolutions, we have IR 1361-03 - To establish County Office Space Policy for downtown Revitalization (Postal). I'll make a motion to table that resolution.

LEG. FOLEY:

We're not ready to move on that?

CHAIRMAN COOPER:

I don't think so.

LEG. FOLEY:

Okay. Second.

CHAIRMAN COOPER:

We have a motion and a second. All those in favor? Opposed? IR 1361 is tabled (VOTE: 5-0-0-0).

Procedural Motion No. 9 - Authorizing litigation against LIPA to recover County construction project utility costs (Towle). Once again, I'll make a motion to table that resolution.

LEG. CARPENTER:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed? Procedural Motion 9 is tabled (VOTE: 5-0-0-0).

Now we can move to the presentation. I believe that we have four speakers that would like to address the committee. Why don't you introduce yourselves first and then you can lead into the presentation however you wish.

MS. ESPOSITO:

Hi, I'm Adrienne Esposito with Citizens Campaign for the Environment.

MS. WHITLEY:

Kathleen Whitley, Sustainable Energy Alliance.

2

---

MR. ZAWESKI:

Dan Zaweski, the Long Island Power Authority.

MR. HUMENIK:

Bruce Humenik, Applied Energy Group.

CHAIRMAN COOPER:

Good morning and thank you for coming here today. Okay, how would you like to proceed from here, who wants to take the lead?

MS. ESPOSITO:

We have a slide show.

MS. WHITLEY:

We have a presentation for you. I think we're going to do it seated, is that right?

MR. ZAWESKI:

Yes. Is it okay if we do it seated?

CHAIRMAN COOPER:

Sure, that's fine.

MS. WHITLEY:

You can go ahead. Just an overview, very quickly. Most of you are aware, this is the Partnership for the Long Island Off-Shore Wind Initiative which was established in May of 2002. The majority of groups up there of course are with the Sustainable Energy Alliance, some of the more prominent groups working on the project helping move this forward, the 100 Megawatt Off-Shore Project with the Long Island Power Authority.

MR. ZAWESKI:

I guess the first question becomes why off-Shore wind for Long Island? As you're probably all very familiar with at this point in time, growth and energy demand on Long Island continues to grow at levels much higher than originally anticipated back in 1998. Our peak energy requirements grew at 10% from 2001 to 2002; we had set a new summer peak demand in 2002 of 5,059 megawatts.

So far there have been few siting opportunities on land. We have had a couple of turbines they were erected on land, but in terms of looking at a larger scale project, there has not really been the opportunity or the area that would support a sizeable off-Shore or a

sizeable wind project. It's low cost renewable energy source, it's clean, there's no emissions and there's no fuel costs.

MS. ESPOSITO:

Obviously, something you may be aware of, especially if you've been following the recent news articles across the country, is that wind energy is the fastest growing energy source in America today and also throughout the globe. Again, as Dan said, the technology has grown over the last 10, 20 years and it is a proven technology. It is also good for local economic development. Again, no fuel costs, that's a very big factor in the wind industry and one of the reasons it has led to its growing popularity across the country. And last but not least,

3

---

my favorite and perhaps many of yours, is that it's clean, the emissions are zero, and we'll get to a more detailed slide on that later.

MR. ZAWESKI:

The process to date that got us to this, we conducted a Phase I side study -- which I believe we may have given you copies of about a year ago, I think we had mailed them out initially -- that looked at really the feasibility of putting wind turbines off-Shore of Long Island. At that point in time, all -- the entire coast line from Long Island Sound out to the Atlantic Ocean and parts east were all looked at. We did find out, as we went through that study, that the sustainable winds necessary to make a project economic simply did not exist out in the sound and it pretty much established a ribbon along the south shore of Long Island out to Montauk and around the corner.

There were -- the evaluation of the wind source at that point in time suggested that if you were to fully populate that area with technology that was available at the time that you could produce somewhere in the neighborhood of 5,200 megawatts worth of capacity and about 77% of Long Island's energy requirement at that time.

Subsequent to that evaluation, coming off the board was the formation of the Long Island Off-Shore Wind Initiative which you've seen the members of at this point in time. We went further to do a Phase II study which was released earlier this year which I think we may have gotten copies to you; if not, I'll make sure we forward them, but all this material is available on our websites as well. And we issued an RFP concurrently with the release of the Phase II study. The Phase II study in short did a fatal flaw analysis, went into further depths in different areas, whether it be avian marine impacts, water depths, and it resulted in a target area being identified that's off the -- basically off the Ocean Parkway corridor on the south shore of Long Island.

The RFP, as I said, was issued and I think we have a slide a little bit further along, but the bids were due back in the end of May. We're currently in the evaluation process right now and I think we have a schedule that comes up a little bit later; if not, I will recap that at that point in time.

MS. WHITLEY:

Okay. The next two slides go to a global picture of wind power today. The first slide shows you that worldwide wind power is at 31,000 megawatts right now with the bulk of that of course being in Europe who has been leading the way for the last decade. Twenty-three thousand megawatts of power in Europe -- as opposed to 5,000 in the United States, 3,000 in the rest of the world -- is enough to power when translated nine million United States households.

The next slide does show an overview of the map. At the end of 2002, the bulk of that 23,000 megawatts of wind energy, much of it off-shore, is Germany of course, followed by Denmark and Spain. I had a recent conference in Austin by the American Wind Energy Association, they do anticipate a 25% growth in the wind industry in the United

4

---

States I believe over the next decade, I could be wrong, it could be shorter than that.

MS. ESPOSITO:

Also, an interesting factor on that is that the Platts Research and Consulting Company which is the energy information for McGraw/Hill Companies, has predicted a more than 650% growth in wind power by the year 2015.

CHAIRMAN COOPER:

If I could interrupt for a second. U.S. Wind Power, what is the approximate mix of on-shore versus Off-Shore nationwide; do you know off-hand?

MS. WHITLEY:

There is no off-Shore anywhere in America at this time, it's all on land. Predominantly Texas, I imagine?

MS. ESPOSITO:

California.

MS. WHITLEY:

Midwest and California.

MR. ZAWESKI:

Texas, the Midwest, the northwest generally.

CHAIRMAN COOPER:

And how about Europe, on-shore versus off-Shore?

MR. ZAWESKI:

I don't have the mix. I mean, I would say right now the off-Shore is certainly a smaller portion, but almost all of the new work that's going on that's reported in Europe is mostly off-Shore.

CHAIRMAN COOPER:

Okay.

(\*Legislator Binder entered the meeting at 11:49 A.M.\*)

MR. ZAWESKI:

I think I have covered a portion of this already just in short. The Phase II highlights designated an area south shore -- south of Jones Beach basically as being the prime location for initially. The area is approximately 52 square nautical miles, it runs from about two-and-a-half to six miles off the coast. A wind project itself or 100 megawatts, if you were to take the area between the turbines, you know, kind of squared it off, it would probably be about five square nautical miles. When you actually take the percentage of space that the turbine foundations would take up, it's less than 1% of that total area.

The median water depth in this area is 59 and a half feet. Basically, that whole area looked at a range that was no deeper than 70 foot based on the possibilities for the current foundation technology. It needed to provide access to land based substations. The average wind

5

---

speed in that area, and actually across that south shore area was about eight and a half to 19.5 miles per hour, it increases in density as you -- or increases in speed as you move out further east.

The overall risk to most species of birds is likely to be low, that was according to the Avian Impact Study that was done by consultants to the project. And visual impacts were minimized with the further depth or the further distance from shore being two-and-a-half to six miles. This slide right here just represents this total 52 square nautical mile area, based off a map of Long Island.

CHAIRMAN COOPER:

What criteria was used to select that particular siting area as

opposed to other possible alternatives?

MR. ZAWESKI:

It was several criteria and it's really the subject of Phase II. But in short, we looked at water depth -- first it was average wind speed which had been done through the Phase I Feasibility Study and which had indicated basically it was on the south shore of Long Island where you had the average wind speeds to make a project like that economical. So we were working off this ribbon off the south shore.

Number two, we expanded the range. The Phase I Feasibility Study looked at a distance from three to six nautical miles, we brought that back in to two-and-a-half nautical miles, partially because we were going to have the cable that would be out there that LIPA needed to own which would be in -- had to be in State waters.

Additionally, though, the water depth that was assessed when we first looked at this was up to a hundred foot. And as they went through a further detailed study as to how deep could concurrent technology or technology that would be expected to support a project in about 2007 be likely to go from a commercial basis, it was deemed that 70 foot would approximately be about the depth at which the project could still be done in an economical basis.

From there, there were Avian Impact Studies. And part of what happened is that slowly -- I apologize because we don't have these as slides, but if we look through here, they continue to narrow down this area. Another component of this was access to the substations. On the south shore, our intention in doing this project was to not have to go out and either build a new substation or to rebuild a substation, so we looked at substations where there was an ability to accommodate 100 megawatts of additional load coming into the sub. And basically, although it's not shown on this current slide, the nearest one on the east was actually over in Yaphank and then there were three that were centered right around this area over here, one was Brightwaters which kind of represents the eastern tip of that area, the other one was the Sterling Substation and the one that was furthest west was in Bellemore.

CHAIRMAN COOPER:

So you'll be using existing substations?

---

MR. ZAWESKI:

Using existing substations where the cable would come in.

MR. HUMENIK:

And not having to do any additional transmission upgrades either, that was one of the criteria.

LEG. CARPENTER:

Where is the Sterling Substation?

CHAIRMAN COOPER:

There's a question of where the Sterling Substation is located.

MR. HUMENIK:

It's directly south of the Massapequa Mall. It's in the corner of where -- just east of where Sunrise Highway crosses the railroad going north at Massapequa Mall, it's just east of there.

MR. ZAWESKI:

So that was another criteria that was used there. Additionally when we went and did further work, one of the things we wanted to assess was the likelihood of having the project being able to be permitted. So from the avian impact portion of it, it was suggested that we -- on Montauk I think we kept -- I want to say it's about a ten mile radius from the tip of Montauk all the way around, that is the highest -- according to our avian consultants, the highest landing point and usage area for migratory birds on Long Island.

Additionally, all of the inlets on the south shore we kept a three mile radius from for the same reason. And I didn't know this, but apparently birds use the inlets as a natural area, there's a lot of fish movement and stuff like that, it's a prime feeding area so we cited them away from there. There are also a couple of other things that we looked at and one was -- there was a couple of sewage outflow pipes that we had to keep a certain distance away from. So all of those kind of continued to narrow down this area and when all was said and done, going through those criteria, this was the area that finally opened up.

CHAIRMAN COOPER:

And Dan, how many wind turbines are you envisioning in that area?

MR. ZAWESKI:

The project, a 100 megawatt project would likely use between 25 to 50 wind turbines. A lot of that would depend upon what a developer seeks to install. You know, the current state of that technology, two megawatt wind turbines have been installed at this point in time. There are some newer turbines that are -- actually some are in the current testing mode, one in Spain that are between three and a half to four megawatts, so depending upon the size of the turbine it will reduce -- the larger the size the less number of foundations that will have to be put in.

MS. ESPOSITO:

This slide actually adds additional answers to your question, Legislator Cooper. In other sighting issues that Dan just went

7

---

through, but other ones include obviously the bottom conditions of the ocean floor, the geology of the area, sediment transport, hurricane patterns, cultural resources, vessel traffic which was another one that needed to be examined and looked at as well as we just went through the transmission which was where we could transmit the energy back on shore into an existing operation.

The legal and regulatory issues, this project is undergoing and will continue to undergo rigorous environmental review as required by NEPA, the National Environmental Policy Act and all other laws that are applicable. There has been probably a potpourri of review on this from the local, State as well as national level and that has actually been very good for the project.

MS. WHITLEY:

I think we summed up this next slide with Legislator Cooper's question so we'll move on to the next one and Dan can talk about the components of these turbines.

MR. ZAWESKI:

As I said before when you asked about the size, the turbines currently we anticipate will probably be between two to four megawatts, that should be what's available and feasible during the 2006-2007 time frame. The tower height will probably exceed 200 foot, it may go up to around 260 foot. The general spacing for these types of projects are a third to a half mile apart. As the slide indicates, the reuter diameter, now that would be the total circle that's encompassed by the swing of the blade, is 250 to 350 foot depending upon the size of the turbine that's installed and that, you know, basically gives you a blade that's anywhere from 125 foot to 175 foot long.

The rotations on these are actually relatively slow. The technology as time has gone on certainly compared to what was out there in the 80's where you had almost a turbo prop type of arrangement. One due to noise requirements but also due to tremendous changes in the technology are now roughly eight to 21 rotations per minute. So you know, even at one-third or 120 degrees per second, it's not a visually unappealing type of scenario.

The design for the foundation would likely be monopile. We'll have to see exactly what comes in but most of -- actually, I think all of the

projects that have been installed so far in off-Shore waters have been monopile projects. There are talks about some other foundation designs that could be utilized for deeper waters, but right now I think most of them are probably uneconomic.

There will be -- we're calling it an off-shore substation or a collection platform which will basically act as a collection point which will have all of the step up transformers, safety equipment, truncation points for cabling that the marine cable that would connect from say the Sterling Substation would go to.

CHAIRMAN COOPER:

Excuse me. How large would that off-shore substation be and would that be visible from shore?

8

---

MR. ZAWESKI:

Developed on the -- the substation is part of what the developer will propose.

MS. MAHONEY:

Can you speak into the microphone, please?

MR. ZAWESKI:

The substation will be part of the developer'S arrangement. When they develop the project they'll put in turbines as well as a substation, so we won't have a firm handle on that design yet.

From a standpoint of will you see it, possibly but it won't -- this type of substation, it won't be a DC type of collection station or a transformer station which was -- you know, we have seen things in the paper where you have five or six story height buildings. It should not be that type of arrangement, we're going with AC technology here. Will you see it? I guess possibly, you know, it will be up off the water so you probably will see it but at a distance of two-and-a-half miles out, I don't think it will be all that visible from a height standpoint.

In terms of the square footage of it, I don't have a good handle on that because it hasn't been designed yet. It probably will be larger than the 20 foot diameter or 25 foot diameter that the foundation poles will take up on the normal wind turbines, but we'll have to see exactly what comes in.

CHAIRMAN COOPER:

Okay. And also the spacing of it, a third to a half of a mile, is that primarily for aesthetic reasons or are there practical reasons that

they cannot be brought close together?

MR. ZAWESKI:

Generally it's practical reasons so that you don't end up having either back drafts or reduction in wind speeds between the turbines. If you cluster them too close together, the aerodynamics of the turbines start to become ruined and they don't -- because these turbines rotate depending upon which way the wind is turning. If they get too close you basically lose the production out of them.

MR. HUMENIK:

You get a shadow effect.

LEG. CARPENTER:

Could you go back to that previous slide?

MR. HUMENIK:

This one?

LEG. CARPENTER:

No, that. Do you have any way of knowing when that photograph was taken where it was taken from?

MS. LAUDISI:

That's actually -- the wind turbines are actually in -- they doctored it, put the boat in to see, so that's not accurate as far as the boat,

that's a simulation. But I don't really know, I don't have the exact location.

LEG. CARPENTER:

What I'm trying to find out is when someone is on the beach, is it going to appear -- at two-and-a-half miles out, is it going to appear like the first one that you see or is it going to appear like those that are in the background, hopefully?

LEG. FOLEY:

It's in the back.

MR. ZAWESKI:

But that doesn't give us the statistics. In the backup Phase II, and just bear with me one second.

LEG. FOLEY:

Page 34, page 33.

MR. ZAWESKI:

We do have visual simulations that actually show you them at two scale at different distances; for some reason I'm stumbling through trying to find that page.

LEG. FOLEY:

We have it, it's on page 34.

LEG. CARPENTER:

So you were saying that even though it was originally thought to be three to six miles, that the recommendation that is coming forward now is two miles or two-and-a-half miles?

MS. ESPOSITO:

It's between two-and-a-half and five miles.

MR. ZAWESKI:

No, six miles.

MS. ESPOSITO:

It's two and a half and six miles, right.

MR. ZAWESKI:

Basically the only thing that happened was the nearer limit came in by half a nautical mile. Those are all nautical miles which are a little bit larger. That's the area that is currently encompassed by that grid work.

LEG. CARPENTER:

But I thought I heard you say earlier that two-and-a-half -- two-and-a-half to six miles was what they could be sighted at, but that you felt that -- originally three to six miles but now you felt that two-and-a-half miles was more appropriate.

MR. ZAWESKI:

For the lower limit, yeah. For the lower limit we had three to six miles, we retracted the three back to two-and-a-half miles and there

were a number of reasons for that, some of them were perception reasons. There were some initial concerns that by looking at three miles out we were trying to have the project skirt New York State Regulatory Requirements which wasn't an issue.

LEG. CARPENTER:

Okay.

MR. ZAWESKI:

Number two, the cable which is anticipated or which is planned to be owned by LIPA, in order for LIPA to own the entire cable, needs to remain within the bounds of New York State. So if we went outside the three nautical mile area it presented a problem, so the substation, we would expect it to be --

LEG. FOLEY:

Why would that be a problem? Well, I will wait.

MR. ZAWESKI:

The substation which would be the truncation point of the cable will be within that three mile limit, between two-and-a-half and three miles.

LEG. CARPENTER:

Okay, thank you.

CHAIRMAN COOPER:

Why is it that the turbines could not all be sighted five miles, six miles or be beyond; is it cost factors?

MR. ZAWESKI:

It's really the water depths. The six mile was really the extent that the water depth went out. On some of these charts that are here what you see is there's some {groin} work that moves in and out and that's the reason why that back end is fuzzy; a lot of those spots on the back end of that nautical grid are not out the six miles.

MS. WHITLEY:

Just to expand a little, because I think what your question might be is what will this look like to me when I'm standing on the shore looking out? There is a mathematical formula -- I can't repeat it, I wasn't that great in math -- but it calculates height and distance. And when you conduct that formula at a minimum I believe of three miles, if you were to extend your arm, and I believe it's 26 inches, so the average arm being around that, one turbine would appear to be the size of an average thumbnail. And that is very -- pretty accurate. I went out and sort of did this myself and I also stood back and did it with my extended arm looking at the Robert Moses tower and other things to get a feel for it, so it is an accurate depiction of what that would look like when you're standing on shore.

CHAIRMAN COOPER:

We have the photo simulations of three miles versus six and certainly six the turbines are much less noticeable than three.

MS. ESPOSITO:

And also, please keep in mind that two-and-a-half nautical miles is a larger distance than land miles.

LEG. CARPENTER:

Yes, he said that earlier, I heard that. Thank you.

CHAIRMAN COOPER:

Okay, thank you. Legislator Foley has a question.

LEG. FOLEY:

Thank you, Mr. Chairman. Thank you for the presentation so far. I think everyone would agree that it's to our benefit to diversify our energy production and today certainly we're not going to have all the answers but I think a lot of questions will come out of today's presentation.

Among them, if you turn to page 28 of the preliminary assessment, you mention that, "Waters deeper than a hundred feet were not considered by the study but they may become viable in the future when deport of foundations or floating structure designs become available." I would think that with all the off-shore derricks, whether they be for oil drilling and the like, that there must be a number of engineering designs and materials that can be used for deeper water foundations. Have you spoken with your energy counterparts in the off-shore oil business to see what engineering structures that they have used to go much deeper than a hundred feet?

MR. ZAWESKI:

Yes. Part of the evaluation looked at that and --

LEG. FOLEY:

You have to speak closely into the mike because we have a -- move it closer so that way you don't have to lean so far over; there you go.

MR. ZAWESKI:

Part of the evaluation looked at that. One of the issues with -- there were basically two issues with it, one is the economics. Those --

LEG. FOLEY:

And when we say -- I don't mean to interrupt, but when you say economics, is it economics to the developer or is it economics to a public State chartered authority? To whom are you speaking of when you say the economics, the person who's making a profit or for a not-for-profit authority?

MR. ZAWESKI:

I would say both of them, assuming that the developer is going to seek to recapture their costs and it would be passed through to the authority it would eventually hit both. So the economics of that type of platform, given the return that's seen from a derrick structure versus an individual platform for each and one of these turbines did not suggest that the project would be economic.

12

---

Number two, from a technical standpoint, although those are out there they are not in most cases hosting a large weight of rotating machinery substantially above the platform. They're baseloaded, most of them are a type of floating type of operations that are anchored down. The physics of that becomes substantially different when you're -- pitching and {uring} and turning type of rotation.

LEG. FOLEY:

As opposed to drilling.

MR. ZAWESKI:

Right.

LEG. FOLEY:

If you go on to page 20, the last sentence in the first paragraph, it mentions, "Having more distant projects from shore also raises a specter of on-site hydrogen production as a serious alternative to running a transmission cable to shore. Hydrogen can be stored and used as fuel gas, fire-turbines and fuel cell engines that every major automobile manufacturer is now designing." Could you expand on that? What do you mean by it; is that something you're looking at 50 years from now, 20 years, 15 years? Were you involved in this part of the -- writing this part of the analysis or was it someone else?

MR. ZAWESKI:

It was written by our consultants but I'm certainly familiar with it.

LEG. FOLEY:

Okay. As far as hydrogen production, how would that relate to long-term what you're trying to do with the turbines, wind turbines.

MR. ZAWESKI:

These turbines right here, it probably wouldn't be all that practical.

LEG. FOLEY:

So what point is the consultant making here?

MR. ZAWESKI:

That's down the road, off-shore -- there is one option that is out there at this point in time with regard to a hydrogen economy that suggests how are you going to produce the hydrogen and one is basically through reverse osmosis process -- no, that's not the right -- basically using electricity to break the hydrogen atom out of water.

In most of those cases, just because of the losses, it's usually not economic to do that. One thought is if you can ever get renewable energy to the point where it's relatively cheap while it's out there, you could produce hydrogen and almost use it as storage medium to then run it through a fuel cell. I think this was more of a speculative point --

LEG. FOLEY:

Okay.

13

---

MR. ZAWESKI:

-- as to how hydrogen may eventually come from off-shore type of facilities than as a practical point to this effort.

LEG. FOLEY:

I understand. You mentioned earlier that the wind speed, the constant wind speed or minimum constant wind speed was important in your decision making as to where along the shoreline you would place the first wind farm, correct; it had to be a minimum of 18 miles per hour or some such thing? That ruled out the whole of the north shore from Port Washington east to Orient Point? The winds in the sound are not constant enough to deploy a wind farm system?

MR. ZAWESKI:

The winds in the sound are not high enough at an average wind speed.

LEG. FOLEY:

High enough or minimum? Because when you made a presentation earlier you mentioned about the importance of a minimum speed, that it's important for these turbines to keep moving. You didn't so much talk about the need for what the maximum speed should be.

MR. ZAWESKI:

Then I misspoke. It's basically, what you're looking at, there is the average mean speed; what's the average speed of the wind going through there? And in general terms for these projects to be economic,

according to our consultants, you need to have at least an 18 to an 18 and a half mile per hour average wind speed in the sound; certainly it gets higher than that.

LEG. FOLEY:

Correct.

MR. ZAWESKI:

Not on an average.

LEG. FOLEY:

Not on an average. You mentioned earlier about Europe and they certainly are doing a great job in Europe. Do they -- what are the -- did your consultant look at what the average wind speeds are along the shore lines in that particular area and then apply that to this particular geographic area?

MR. ZAWESKI:

I believe our consultant did, I cannot -- I can't answer that without referring back.

LEG. FOLEY:

It would be important to know that to see whether there was a greater minimum speed or less minimum speed. Because certainly as much as -- you know, the Atlantic Ocean is a great renewable resource, certainly I think it bears scrutiny to look at other areas of Long Island as well. And plus, and we've had this discussion before, with some of the other panel members, since this is the beginning of discussions on this, you're really going to have some work cut out as far as the visuals. It's something, particularly those of us who grew up on the

south shore and near or on the ocean and whatnot, it's one of the few areas where you can look out and not see any structures, particularly those of us who live on Long Island where when we look anywhere else there are a lot of structures.

So it's something that no doubt you have taken a lot of time to look at the photo simulations as to how distant they look the further out you go, and that's to your credit. But I can anticipate a number of communities and although right now whatever you're proposing, this is not so much in front of the more eastern Fire Island communities, but the fact remains it would both work in a field where they anticipate what some -- both positives and negatives will be stated about certain things, that the visual impact is still going to be an issue that you have to deal with. So notwithstanding the great importance of

diversifying our energy resources and particularly from a clean resources as this is and it's something that's very well worth investigating and seeing whether it's something that can fit into our energy needs. But anyway, that's going to be a large issue for a number of people. So thank you. Thank you, Mr. Chairman.

CHAIRMAN COOPER:

Dan, you had referred to your desire for this project to be economic, and I was wondering in that light what economic premium LIPA ratepayers would be paying for electricity. In other words, what is the cost for electricity for an off-shore wind turbine versus conventional power generation?

MR. ZAWESKI:

At this point in time, I can't state it definitively. The RFP is currently in the evaluation process and once a power purchase agreement is negotiated we'll have a much better idea as to what the actual cost will be. However, in the initial feasibility studies we did, we reflected a typical cost as possibly being between six to nine cents per kilowatt-hour.

CHAIRMAN COOPER:

And that compares how to conventional power generation?

MR. ZAWESKI:

I believe on Long Island we figure our average cost of energy to be three and a half cents, and that's just a nonfirm average cost, I know we use that in our portable program.

CHAIRMAN COOPER:

And how would you envision the premium cost of wind generation to be recovered from ratepayers?

MR. ZAWESKI:

I can't specify that. I know a decision hasn't been made yet. You know, I think the only thing that's worth mentioning, it would probably be about one and a half percent of our overall energy requirements.

MR. HUMENIK:

The other issue we should point out is the voided cost today of three and a half cents is based on today's fuel price. Over the life of

---

these turbines which was estimated to be 20 years, now we get into forecasting what we expect fuel prices to do and recognizing that

these are not using any fuel. So it's one of the things that we really have to take into consideration when we look at the life cycle cost comparison of these versus a conventional power plant, so it may not be that differential we see today.

MS. WHITLEY:

On behalf of the groups that belong to {LEOI} from sea, there are some facts that we wanted to share with you. When you're assessing the cost and the premium extra costs for wind, you know, what's being ignored here is the hidden costs of fossil fuels that are not accounted for in the rates we currently pay. Also, what you're ignoring is the energy security that wind power can provide. It doesn't consider the contribution to a much needed energy portfolio on Long Island as well as meeting the Governor's stated 25% renewable portfolio standard. And also, LIPA could explain this better than myself, but there are fluctuations in time of day rates where very often we may be paying more than the average rate that we are talking about here. So all these things need to be considered.

A hundred megawatts of power out of the 5,000 is probably by going to have little to no impact on our rates. And also, a fixed cost contract, a power purchase agreement between LIPA and the developer would hold those rates steady and, in fact, over time they may decline and they act as a stabilizer. So when all those things are considered and you look at the little bit bigger picture, you can see that this is a win/win situation economically if, in fact, you factor in all the true costs of fossil fuels and renewable energy. So I just wanted to make that point.

CHAIRMAN COOPER:

Thank you. Are there any Federal or State funds that are available to subsidize an alternative energy project such as this?

MS. WHITLEY:

Well, that's a point that I always make when I go around and speak to people. You know, we have to keep in mind that the big four -- oil, nuclear, gas, coal, particularly nuclear these days -- are not only profit making companies but are heavily, heavily subsidized at the Federal level. And those subsidies clearly are not there for renewable energies, as well they should be, because not only would it promote renewable energy in this country, it could bring much needed jobs, keep dollars in our economy instead of sending them overseas to nasty regimes we may not like. There are a lot of reasons to do that and there are people that argue we shouldn't subsidize the energy industry at all; the fact is we do, and if we're going to continue to do it we need to level the playing field. And that is how these costs will continue to drop for solar, and wind is pretty much there but particularly for solar.

CHAIRMAN COOPER:

Legislator Carpenter has a question.

LEG. CARPENTER:

Dan, with these towers being 200 feet above the water, how vulnerable

16

---

would they be to storms, hurricanes, high winds?

MR. ZAWESKI:

They would have to be designed. A lot of this actually goes to the foundation design more so than just the tower. The towers are usually rated depending upon which manufacture there are, up to about 150 miles per hour. But certainly, the design for the foundations would be very, very important and as -- you probably need to keep in mind that as these projects get financed they will be going probably through the open market to try to receive financing for those projects, so there will be a very kind of owners overall review of those engineering designs to make sure that that asset is out there.

MS. ESPOSITO:

I think also it's worth noting that once the wind speed hits a certain level, the blades -- many of the designs have a lock in place where the blades stop, so instead of getting a helicopter like approach the blades actually cease to work in very, very high speeds like a hurricane.

LEG. BINDER:

There goes all that power.

CHAIRMAN COOPER:

Legislator Foley.

LEG. FOLEY:

Yeah, a follow-up. You mentioned earlier about this three mile limit, if you go beyond that there are difficulties; what did you mean by that, what are the difficulties? More from a -- not from a technical point of view but you're speaking in terms of going outside the State boundaries.

MR. ZAWESKI:

The only -- the issue with that was in order for LIPA to own the submarine cable, we would want to own it right to its truncation point at the off-shore substation, we're not -- as best as I understand our legislation, we are not able to own assets outside New York State boundaries as a State authority. So it's really just a matter of owning an asset that remained inside New York State boundaries.

LEG. FOLEY:

Because how the current law reads, I think it would be worth while to look into whether or not, number one, that could be changed, the law could be changed -- and you know what I'm driving at, I'm getting visual aspects here -- but if the law can be changed. If between three and 12 miles is national territory owned by the Federal government, I don't know whether it is or it isn't. Whether or not a State chartered authority can enter into some kind of long-term contract with the appropriate Federal agency that has jurisdiction over that ocean floor beyond the three miles, okay?

So I just wouldn't in and of itself use the current law as a reason to say that it's difficult to go -- it may be difficult but it doesn't mean that it cannot be overcome. So I would ask that, you know, the authority, you put your attorneys to work on this to see if, in fact,

17

---

under current law you would be able to work with whoever in the Federal scheme of things, to enter into agreement to still own what you need to own beyond that. And if not, what State and Federal laws need to be changed in order to make that happen. Because the further you move this out in the ocean the less opposition you're going to have from some groups. Thank you.

MS. WHITLEY:

With regard to the visual which I know is going to be something that people are concerned about, but for myself personally, and I think other people in our group, you have to then ask yourself the question how do we evaluate or weigh aesthetics against the impacts of pollution on low income communities, on the impacts of global warming, on strip mining that's created when we mine for coal and extraction of very rapidly depleting public resources and all the environmental impacts and environmental justice issues that are out there. So when you begin to look at that, I think you begin to realize that maybe looking at this project out there in the ocean is an opportunity to take pride in something, pride that we can be leaders in bringing about a transition in this nation's otherwise miserable and misguided energy policy.

So I would sort of ask of all of you perhaps to join us in being leaders and, you know, telling the folks out there that this is a good thing; good for us, good for Long Island. It continues our leadership role, we have been leaders in the past in aviation and in other areas and this is an opportunity to make a huge step forward. Personally, that's how I look at it, I believe other people up here do the same

thing. And maybe some day 20, 30 years from now, or less than that, we'll all hopefully look back and say, "Gee, I can't believe we made such a big deal out of this." But it's going to take a little work, as Legislator Foley points out, to get us from here to there.

LEG. FOLEY:

I think a lot -- just if I may continue. I think many of us agree with what you're saying and we need to move away from more destructive ways of creating energy, but if we can have somewhat of the best of both worlds, moving to this as well as meet the issues that I've raised and others have raised and get a little creative between the State and Federal regulations, how we could move further out and I'm sure we can do it. Just as this is a path breaking way of producing electricity, I think another way of looking at it is it is a path breaking way to see whether or not a State chartered authority can, in fact, go beyond State boundary lines to the Federal -- let's say Federal areas of the ocean floor to see whether or not you can still move out, you know? So there's a lot of ground breaking here both from a regulatory point of view as well as from energy creation point of view that both things I think should be simultaneously looked at. Thank you.

CHAIRMAN COOPER:

If I could interrupt for a second. I know that you're waiting for all the responses to the RFP, but do you have any ball park figures on projected overall costs of let's say the construction phase for the project?

18

---

MR. ZAWESKI:

I don't have any -- we don't have anything different than what was originally put in the feasibility studies. Bear with me because I don't want to try to quote these from memory. On page seven of the preliminary assessment, there was a quote for 100 megawatt off-shore wind farm costing between 150 to \$180 million to install; so that is about the extent of what we have.

CHAIRMAN COOPER:

And do you have any idea as to what the annual maintenance costs would be for the wind turbines over and above the construction costs?

MR. ZAWESKI:

I don't have an estimate for that right now. The way the RFP was written, the developer would be responsible for that so we would -- when we have our bids we would expect to see that as part of the energy component cost.

**CHAIRMAN COOPER:**

And what safeguards are -- will be put in place in the contract to make sure that the facilities will be properly maintained ongoing?

**MR. ZAWESKI:**

The power purchase agreement that was attached to the RFP had certain requirements in it for availability and output, so in order to get paid they're going to have to -- that's their means by which recouping their investment will come through, is through the energy output there.

**MS. WHITLEY:**

The developer will own and take all the risk for the project, not LIPA.

**CHAIRMAN COOPER:**

And I'm working under the assumption that this will be a very successful project for all concerned. But playing devil's advocate, if something happens in the future and something goes wrong, will you be writing something into the contract that would require the developer to dismantle the wind turbines if necessary so they don't remain out there and the lack of maintenance becomes problematic?

**MR. ZAWESKI:**

The draft PPA that was out there I believe actually suggested that LIPA may have step-in rights in the event of a bankruptcy or something like that. Probably dependent upon when that actually happened, if there was a useful life time or production period left for those turbines, it might be much more desirous just to have someone else step in and continue to operate them.

**CHAIRMAN COOPER:**

That was actually my next question, what the expected lifetime is for this technology.

**MR. ZAWESKI:**

These turbines will probably be about 20 years. The foundations may

have a longer life period, that was one of the things we asked for a specification on in the RFP's.

**CHAIRMAN COOPER:**

Thanks, Dan.

**MS. ESPOSITO:**

The next -- do you have more questions?

CHAIRMAN COOPER:

No, thanks.

MS. ESPOSITO:

Moving rapidly along, the next slide is just meant to give a little bit of a sense of what does 100 megawatts mean to Long Island. So the off-shore wind project would generate enough electricity for approximately 30,000 Long Island homes. LIPA will receive a hundred percent of the electricity produced to guarantee that Long Island does actually benefit from the electricity produced by the wind farm. Also, this will ease fuel costs of all utility for Long Island. But most of all, the output reduces the summer peak load demand. And as many of you have firsthand knowledge of, there have been community concerns about additional power plants going up in neighborhoods and this particular project would be able to help meet the greater demand of electricity that has been growing on Long Island without actually having that kind of community concerns rise up.

LEG. CARPENTER:

On that, could you just go back to that slide? Under the benefits I see, it's not in the hard copy that we have but you've got it up on the screen, creating local jobs and tourism; would you please tell me how you think this is going to benefit tourism?

MS. WHITLEY:

In Europe there is much evidence to show that people actually come and visit certain areas like Denmark and other areas where there are off-shore projects and on-land projects specifically to see the wind farms, that's also evident Upstate, New York, in Madison County and in Vermont where a wind farm actually has attracted so much tourism to the area that it's helped one of the -- some of the surrounding rural towns. People come and they love it, they think it's great. They're actually quite beautiful to behold, they move very slowly. I don't think they are what a lot of people anticipate them to be and they are quite surprised when they do, in fact, see them.

LEG. CARPENTER:

Where Upstate, where Upstate are they?

MS. WHITLEY:

Madison County there is a wind farm and there's also some further Upstate.

MR. ZAWESKI:

They're also up on the Tug Hill Plateau.

LEG. CARPENTER:

But none of these are off-shore you said.

MR. ZAWESKI:

No, no, there are no off-shore ones.

LEG. CARPENTER:

Okay.

MS. WHITLEY:

And just to answer that question a little further, being that this would be off of, you know, the Jones Beach area, there's a large stretch where it may be -- and by the way, the footprint of this project will be relatively small out of that 52 square miles, we're talking five to six square mile area so it's not that big block of area out there. But the boaters that I speak with are actually quite interested, the party boats and the recreational have come to me and said, "Do you think you're going to need help bringing people out for construction? Do you think we can do tours?" So there is some interest in that already because they know that that's happened overseas. So there is a possibility that what this will do is it will just endear people more coming to Long Island to see this magnificent project and that really is what it is, it's just going to be a magnificent first in this country and something to celebrate for the State of New York, I truly believe that. So there is that potential.

LEG. CARPENTER:

What about at night, are they going to be lit?

MR. ZAWESKI:

I can't say that definitively. I believe that in most cases, depending upon the configuration, they need aviation lights.

LEG. CARPENTER:

Yeah, I would think so.

MR. ZAWESKI:

Also, I mean, the Coast Guard will weigh in on this in terms of stand-off rights and limits, but in some cases overseas they have required, you know, lower level, lower output lighting for navigational purposes. They will also be on all the charts, marine charts and stuff like that.

LEG. CARPENTER:

Okay. Thank you.

MS. WHITLEY:

Some of the additional benefits to Long Island is obviously a reduction in annual emissions that are currently put out by fossil fuel plants. Just some of the numbers for you, on an average 100 megawatt project such as this, sulfur dioxide reduced by 834 tons annually, nitrogen oxide and then carbon dioxide, the biggy, 227,000 tons; that's the equivalent of a half billion vehicle miles driven on our beloved LIE and throughout Long Island per year.

21

---

MS. ESPOSITO:

And also, that should be times by the life span of the project which is 20 years. So when you start looking at those numbers over 20 years, it's extremely considerable.

LEG. BINDER:

Can I ask a -- but that's assuming that it replaces other production, meaning that's if we do 100 megawatts here but not 100 megawatts somewhere else.

MS. ESPOSITO:

Exactly, it would displace that.

LEG. BINDER:

Right. Well, that's assuming displacement. That's a question of is LIPA looking at it as displacement or are we just going to keep building these plants, some of them close to homes which I think are the first objectional ones that should be dropped off if we're doing these kind of things. I mean, I think it's a wonderful thing if it's a replacement, but if it's not a replacement and it's just an add-on, you know, something like the lottery, it was supposed to fund education. If it doesn't do it then it won't save any of those and that's my concern.

MS. WHITLEY:

Well, you know, there's been a lot of arguments also about repowering, about the new A and P plant. And I've actually heard these companies coming forth and saying to communities, "Well, we're going to displace other emissions because we're going to be cleaner." But in fact you're right, if they were going to be closing down some of the dirty, it's the same thing.

LEG. BINDER:

Same question.

MS. WHITLEY:

The thing we have to realize here is we are trying to, LIPA is trying

to and we support that, move us away and it's going to be a slow process at first. You've got to take baby steps here towards a diversified energy portfolio, and if we don't start now then when? And if we don't introduce this technology now and get the public acceptance and get people on board with it, then we won't have the opportunity to continue to build clean energy technologies and projects like this. And we will, as you say, continue to build just more power plants.

So, you know, Long Island's demand is growing on the average of 100 megawatts a year; this already meets that very nicely with this project with the opportunity to do more. It could very well be, I cannot speak for LIPA, that in fact they will choose not to site something else in the future or put a small peaky plant in some other community that may not want that or where it's inappropriate as a result of this project. But I think these are all things right now that our demand is so great on Long Island, we're so unique that way, that there is going to be no magic bullet right away that just stops the tracks for everything else out there. This is an important step

22

---

towards making a diversified energy portfolio so we don't put all our eggs in one basket. And it is going to be a good project, I wish it could bigger but you have to be smart how you do this.

LEG. BINDER:

I think we understand that. The Legislature very early on, before LIPA even started talking about it, actually passed, we passed a Sense Resolution calling for wind power.

MS. WHITLEY:

Right.

LEG. BINDER:

So I think that's what we would like to see. But in the end, you know, one of the hard parts that we've had is since LIPA is being on the scene is that the communication, especially from Suffolk County to LIPA, has been almost nonexistent. We don't have much of a voice there, we don't get to say much, they kind of do what they want and kind of tell us afterwards what they did and how they did it and why which is different than when there was a PSC watching. So now -- because it's an authority, they act on their own.

My concern is that somehow we impress upon them the importance of displacement, that we're displacing other power as we go forward with this and that they do it in a kind of economic way, not only

environmental way but an economic way that it will displace it. If it's not economic then they're not going to displace other power, because in the end it will be an economic decision, they're going to say it's cheaper to build plants. And I hope that doesn't happen, I hope that they do this in a way so those numbers become real numbers and not just you put them up on the screen, they sounded good, they look good, but we built the plants anyway, we just kept building.

And so I think we're in total agreement. I would hope that the environmental groups and the Legislature and Nassau and everybody imposes upon them, the kind of pressure on LIPA to make sure that it does displace other power.

MS. ESPOSITO:

I think you've raised a critical point. And when we look at where electricity was generated in New York State last year, less than 2% of electricity in New York State came from renewable resources excluding hydro. On the other hand, 29% of our electricity came from nuclear power last year in 2002 and 26% came from natural gas and 16% came from coal. So the way my organization looks at it is that we need to drive up obviously the renewables, which I know you agree with, and the ways to do that is to call for more wind power, solar power and other renewables, drive the technology, drive the public demand that increases the use and drives the others ones down. That's the plan. I think it will work, I mean, we've seen it work in other areas, but you're right.

LEG. BINDER:

And I would suggest you just -- as much as you hawk the environmental side of it, which you should, hawk the economic side because the economic side will drive whether you're going to get an environmental

impact. Because once it becomes a showpiece it actually takes too far down the line to break even, that the cost of generation versus -- and development of it versus the cost that we're going to be paying, if it doesn't work economically in the end you'll never get the environmental impact you want. It will stall, it will look good, people will go out to watch it, the first 50, first 30, 40, 50, whatever it is, and then they'll be done, it won't happen again. So I think you guys have to watch, as much as you normally don't watch that, watch the economics of this thing.

MS. WHITLEY:

We will. And I think, remember, once the project is built the cost is fixed at that point. Once that part of it's out of the way, there is

no fuel to purchase, the O and M costs, everything is rather fixed at that point. So in the end, when you factor that against fluctuating oil and gas prices, and given the natural gas shortage we're all reading about lately, there's some reason to be concerned there. I think we'll find that over time it not only levels but reduces.

But just to give you my assurance, and I'm sure Adrienne would like to do the same on behalf of the groups that are part of this initiative, we joined the initiative with the express idea of being able to have a front seat, if you will, and participation to a level that we're permitted to, we're not part of the RFP process and we don't want to be. But we are right there with them making sure that this is rigorously reviewed, that everything is accounted for. We're transmitting the voices of the public, we go out and give presentations all the time and we're making sure that all these concerns are being addressed and I think that's how we see our role. So I appreciate your comments because that is how we view this.

LEG. BINDER:

You have a bigger voice than we do. Thanks.

MS. WHITLEY:

I hope. Just to take another step, the environmental review process, once again, we expect these to be not all, but many of the lead agencies, particularly the U.S. Army Corps that will have a rather large, large voice, much larger than ours in this process. The Coast Guard of course, Fish and Wildlife, and then going on down to all the State departments and many others that will be involved with this process. Again, a set of standards we hope will come out of this that will set an example for the rest of the nation, so this is going to be under a microscope on many, many levels and I think we can all take some assurance in that process.

MR. ZAWESKI:

Since I have spoken all this while, I'm going to just ask Bruce Humenik to follow-up on this, this is one of the critical paths where AEG is working with us as kind of a coordinator to keep all of this process moving.

MR. HUMENIK:

Well, as Dan had mentioned, LIPA is seeking a developer through the RFP process, we're reviewing those right now. You've heard also that in terms of a risk assessment developer will be responsible for

---

constructing, owning, operating and maintaining the wind project. And

that LIPA in turn will provide for the under ground transmission cable that will connect the off-shore wind park to the LIPA facility substation, most likely at Sterling we mentioned earlier. And that LIPA's connection to the developer will be through the purchase of 100% of the electric outfit of that wind park through a long-term purchase power agreement.

LEG. BINDER:

Can you talk about how you're going to develop the amount you're going to be paying on that? How do you develop that? Obviously that's a concern. That's going to be the biggest concern and it has already been for the other place that we're talking about, is a long-term power agreement and how much we're talking about paying.

MR. HUMENIK:

And that will all come out, as I said, out of the RFP process once we get to that level -- once we get into that piece. We're not into that piece yet with the proposals we've received.

LEG. BINDER:

I just suggest that you have to be very open about it, especially with these groups and us. If it's too expensive, in the end you're not going to do it, it's going to be a waste of time and energy, we're just not going to do it. So the key is finding a way to make this inexpensive enough, that we're not paying more even though we're getting the benefit of the environmental impact or nonimpact but if it's too expensive it's just going to be a bomb and that's what our big concern is. I don't want this to go south, I think we really want this to happen.

MR. HUMENIK:

I appreciate that. In terms of our schedule, this is kind of an overview of the overall schedule as we see it playing out. We mentioned the sighting studies that were done in the Phase I and Phase II and we're actually entering into a Phase II that's actually dealing with more detail in terms of the types of studies that are going to have to be done as part of the permitting process. We went out with a request for information back in 2002, the RFP went out last December. As you can see, the longest time frames here, no surprise, having to do with the regulatory permitting process and in parallel the design, and some of that will be very interactive depending upon what comes out of the permitting process. Our target is to begin construction on the 2006, mid 2006 timeframe for a targeted installation and commissioning date in 2007. You can see we have a great deal to do before us in this time frame.

MS. WHITLEY:

Okay, that's it. That's just further ways to contact us by e-mail, phone or fax for any further presentations and I anticipate after the developer has been chosen, it would be an excellent time to take it to

that next step to answer more of these questions. Thank you very much. I appreciate the opportunity to do this.

25

---

By the way, this is what we do, show the civic groups and other industry groups out on the Island, business groups when they request a presentation, we wanted you to be able to see what it is that we are giving them, information wise.

MS. ESPOSITO:

We have been doing numerous civic groups and community group of our presentations at their request.

CHAIRMAN COOPER:

Dan, by the way, when does LIPA expect to choose a developer, any idea?

MR. ZAWESKI:

The goal is to have a recommendation to our board for them to approve sometime in the fall. We hope to have a definitized agreement in hand that will have gone through all of the approval processes in the Comptroller's Office by the beginning of 2004.

CHAIRMAN COOPER:

And how many potential developers have responded to the RFP, to your knowledge?

MR. ZAWESKI:

I can't answer that, I have been advised not to other than to say we've received proposals from developers --

CHAIRMAN COOPER:

More than one.

MR. ZAWESKI:

More than one.

CHAIRMAN COOPER:

Okay. Well, thank you very much. It was a very informative presentation. I appreciate you taking the time to come out here.

MS. WHITLEY:

Absolutely. Thank you for having us, we appreciate it.

CHAIRMAN COOPER:

All right. We have no further business before this committee, so --

oh, I'm sorry, I stand corrected, we have one gentleman who has filled out a yellow speaker card; Peter, sorry about that. Peter, go ahead.

MR. QUINN:

Yes. My name is Peter Quinn, Long Island Coalition for Democracy. I wanted to -- as much as you have enjoyed a futuristic presentation about energy, I wanted to talk about the here and now.

The County Executive has just overturned the SUV legislation sponsored by Legislature -- Legislator Binder and Bishop calling for a reduction in the number of SUV's in the Suffolk County fleet. Let me ask a quick question. You've studied this issue, how many cars are there currently in the Suffolk fleet?

26

---

LEG. BINDER:

Total cars or total SUV's?

MR. QUINN:

Total cars and total SUV's, those two numbers.

LEG. FOLEY:

2,508 is what Lance said.

LEG. BINDER:

2508 was the specific, right, I remember it was about 2,500 and we have about -- they say 127, 150, it depends in terms of SUV's, probably ranging near 150.

MR. QUINN:

Well, the reason I am speaking about this issue is that I am calling upon this body and the full Legislature to overturn Gaffney's veto. It seems to me prudent if we're talking about pollution and if we're talking about saving money in a County that is desperate to save money, that it would be prudent to pass this legislation. And as I pointed out at the last Legislative meeting, it should dovetail it with the Solar Port legislation, it should dovetail the override of the SUV legislation with the Solar Port legislation that was passed a year ago. As a matter of fact, June 11th, a year ago, the full Legislature passed a Solar Port bill that called for a comparable kind of Solar Port with what Santa Monica, California had which was 39 electric cars located at one Solar Port that provided enough electricity to run those vehicles plus the civic auditorium in the City of Santa Monica.

And it occurred to me we have a long, narrow Suffolk County, but we

have two locations, Hauppauge and Riverhead. And that it seemed to me that putting in electric cars at a location where there is a Solar Port would save the County money, would reduce the number of SUV's, it would be -- you were talking about trade-offs before and balance, this would be a good way to displace the SUV's with the electric vehicles.

And the disturbing part of the thing is at the -- earlier this month when I spoke with Maxine Postal about getting a copy of the report, included in that legislation 5/05 I believe it was, it said -- it was supposed to be taken up immediately and passed, but there was a kicker clause in there in the RESOLVED that said there would be a study by the Department of Public Works for 330 days; well, June 11th to May 11th would have been 330 days and the report should have been made available to you and to the public. And I made a request at that meeting and Maxine said, "Sure, just speak to the Clerk and get a copy." Well, one of the Clerk personnel has been running around trying to get me that copy for over a week, called two people in DPW, can't get it, so I'm making an urgent plea that that report be made available not only to you but to the public because you can't pursue legislation unless you have reviewed what the report says. And I just want to see that report and I will come to the Legislature next Tuesday requesting it if I still don't have it. It just seems to me a bureaucratic delay and a nonsensical one at that.

27

---

CHAIRMAN COOPER:

Peter, I'll follow-up today with DPW and try to expedite a copy.

MR. QUINN:

All right. And in addition, I had made a proposal back in April about a revenue bond which would not require up front funding by bankers, investment bankers. It called for \$300 million and investment bankers would, through a system of setting up model numbers and equipment and solar power microturbines, geothermal, etcetera, and they would determine the cost for installation. Then they would, by saving the County money, by saving residents money or businesses money, each would share in the \$100 million of the \$300 million total and the investment bankers would get a return on their investment from the savings that the customers undertook through alternate energy, and it just seemed to me that that has been languishing.

Our group, the Suffolk County Electrical Agency of which I'm a member, passed a resolution calling for the Budget Review Office to do an economic study and that's been delayed. I can understand it because you had to do deal with the Capital Budget in Budget Review Office, but now that that's over it seems to me that should be undertaken,

especially since it's from one agency to another agency. But I was told by Fred Pollert it has to come before a five member Budget Review Committee before it can be determined that that will move forward, and I said to myself why? If our agency called for that economic study, why can't it be done? So I am urging that you request Budget Review to undertake an economic analysis of that proposed resolution. It's never going to become a resolution or legislation until that economic review is done. So I would simply urge that it be undertaken.

And finally, I just received -- I saw in today's newspaper, you know I've spoken to you before about Industrial Development Agency arrangements with various companies, and it turns out that Henry Shine is back again at the table seeking another. Now, they happen to be an extraordinarily successful company and I would think it would be imprudent of the industrial development agency to be extending to Henry Shine any more tax abatements, any more sales tax eliminations, mortgage transfer eliminations or any other kind of funding when this County is struggling to balance it's budget. Thank you.

CHAIRMAN COOPER:

Peter, thank you very much.

LEG. FOLEY:

Thank you, Pete.

LEG. BINDER:

Let me ask that my votes be in the majority on the two resolutions.

LEG. FOLEY:

Second the motion.

CHAIRMAN COOPER:

All those in favor? Opposed? So carried.

28

---

Now this really is all she wrote. This meeting is adjourned. Thank you very much.

(\*The meeting was adjourned at 12:52 P.M.\*)

Legislator Jon Cooper, Chairman,  
Economic Development & Energy Committee

{ } - Denotes Spelled Phonetically

