

ECONOMIC DEVELOPMENT

HIGHER EDUCATION

and

ENERGY COMMITTEE

of the

SUFFOLK COUNTY LEGISLATURE

Minutes

A regular meeting of the Economic Development, Higher Education & 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 Wednesday **February 9, 2005**.

MEMBERS PRESENT:

Legislator Lynne Nowick • Chairperson

Legislator Angie Carpenter • Vice•Chair

Legislator Brian Foley

Legislator Jon Cooper

Legislator Jay Schneiderman

Legislator Cameron Alden

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ALSO IN ATTENDANCE:

Mea Knapp • Counsel to the Legislature

Joe Schroeder • Budget Review Office

Joe Muncey • Budget Review Office

Ilona Julius • Deputy Clerk of the Legislature

Ben Zwirn • County Executive's Office

Carolyn Fahey • Economic Development

Robert Gaffney • representing Broadwater Energy

John Hritcko • Broadwater Energy

Charles Stein • Suffolk Community College

George Gatta • Suffolk Community College

Adrienne Esposito • Citizens Campaign for the Environment

Maureen Dolan • Citizens Campaign for the Environment

Peter Quinn • LI Coalition for Democracy

Mark Serotoff • Sustainable Energy Alliance

All other interested parties

MINUTES TAKEN BY:

Donna Catalano • Court Stenographer

(* THE MEETING WAS CALLED TO ORDER AT 9:46 A.M. *)

CHAIRPERSON NOWICK:

Okay. I will call the meeting to order, and we will start with the Pledge of Allegiance led by George Gatta.

SALUTATION

CHAIRPERSON NOWICK:

Good morning, everybody, and welcome to the meeting of Economic Development, Higher Education and Energy. We have a few speakers that we will start with. Marge Acosta. Good morning, Marge, please, if you could either sit or stand at the podium and state your name. And you have three minutes to speak to the committee.

MS. ACOSTA:

My name is Marge Acosta, and I'm a resident of Centerport in Suffolk County. I heard that •• at Setauket, I heard a meeting where Broadwater presented the proposal, and frankly, I was aghast at the scope and the size of it. For the past 40 years, I've been hearing how harmful fossil fuels

are to the environment and how our dependency on them in foreign countries for oil is endangering our national peace and welfare.

And we certainly can see today with all our entanglements in the Mid East how that's so. And now we're looking to new foreign sources for our energy, and I think it's totally in the wrong direction. They are estimating that we might obtain 25% of our natural gas from foreign sources. And it's putting our money back into fossil fuels instead of renewable energy sources. I've heard that New York State recently adopted a renewable energy standard that requires 25% of its electrical needs to be produced by renewable energy and that LIPA has been proposing plans to use renewable sources.

I think if we spent •• start spending \$700 million to produce this facility, it won't be a bridge to using renewable sources as Broadwater states, but it will be the death of them for the next 30 years. Also, I think we underestimate global warming, it's a real threat. And while Broadwater states that the natural gas power plants emit much less carbon dioxide, they don't really state that the methane gas which can be emitted in leaks and unburned methane is 21 times more effective in trapping heat. So it is a significant addition to global warming.

Also, it's estimated that just the process of liquifying it, transporting it, regasifying it will use 20% of the •• of the natural gas that we are getting from foreign sources. And the other thing is that while Broadwater argues that the natural gas is a much cleaner fuel to use in power plants, it's not talking about replacing the coal or oil burning plants that are in existence, but these are additional gas burning plants, some of which I'm sure are anticipated for Long Island.

So this proposal will be adding pollutants, not cleaning up our air. Of course, you know, one of the major concerns is safety, especially we're concerned with terrorist attacks. And various studies that I had looked at and some report talk about pool fires that can be half a mile wide

and would not be extinguishable by, you know, something else. We'd have to wait until they extinguish themselves, vapor clouds, flammable vapor clouds that could spread the fire anywhere from one mile and some estimate even several miles away. The Algeria fire from a natural •• liquid natural gas plant had killed 27 workers and injured 74, and they said the blast blew out windows seven miles away. I think Broadwater is understating the threat to our safety.

Also, of course, we are concerned, very concerned, about the environment of the Long Island Sound, which right now is tenuous. And we have to worry about the dredging both for the facility itself and for the 25 miles of pipeline that can cause a decrease in the oxygen and particles that are suspended that will affect our shellfish and our fish. We have the discharge waters. I know just for the ballast that they have to take in water, the screens, will capture, you know, different organisms and fish and so forth and kill them. And if they do discharge water that's used to cool down the machinery, that affects the temperature of the water in the surrounding area. If they keep it internal as I've heard they're talking about doing it, then they have to use more energy in order to cool it back down again to use •• to cool the machinery again. I think that, you know, the Long Island Sound is a trust for us. We have a lot of boating, fishing, we use it for recreation.

CHAIRPERSON NOWICK:

Wrap it up. Your time it up.

MS. ACOSTA:

Yes. And a tourist industry. And I think that it's wrong for us to start using it for industrial purposes. Also, the security I've heard can cost over ten million a year, which almost half of which will be paid by the local and state governments. So the thought that this is going to bring us a lot of revenue is going to be counteracted by that. So I think we have to •• I would ask you

to protect us against this facility.

CHAIRPERSON NOWICK:

Thank you. Peter Quinn. Good morning.

MR. QUINN:

Good morning, Madam Chairman and Members of the Committee. My name is Peter Quinn, Long Island Coalition for Democracy. I had some reservations about coming here today because I'm aware of over a long period of time of coming here that Sense Resolutions, unless they are hardly endorsed by the full Legislature, are generally not worth the paper they're written on. But I noticed that the Sense Resolution had bipartisan support, and I noticed also that it was accompanied by a resolution, 1092, calling for green power to improve environmental quality, redirect energy policy, promote energy efficiency, and hopefully create clean energy reduction and clean energy markets, would be taken as a coupling link in a serious way to do something for our environment and our •• the redirection of energy policy.

And I wanted to suggest that it's not any accident that LIPA has, over the last year, promoted four options for change. And I think it's a highly political effort on the part of the Governor to escape from LIPA by either privatizing it or selling off •• buying the generating plants and attempt to roll them over to a private entrepreneur out•of•state. And one of the calls is for municipalization. I think one of the ways to achieve that is to resurrect a resolution that exists in Albany right now, which is A•1602, that calls for the original intention of LIPA to have an elected board.

Now it turns out that that resolution is supported by •• in a bipartisan way in Albany and the Assembly, but there are no Senate sponsors. So I would encourage those on the Republican side

of the aisle, I would encourage those on the Republican side of aisle to seek a Republican sponsor from Suffolk County in order to get the ball rolling to create an elected board.

We can't control our energy destiny on Long Island if we don't have local control. And so rather than have control from Wall Street and control from Albany, we need control from Long Island. And one of the ways to achieve that is through having •• and it's written into the law. I helped Paul _Hamburg_ write that law that calls for 21 representatives on an elected board, both Cuomo and Pataki have ditched it.

CHAIRPERSON NOWICK:

Thank you Mr. Quinn. I'm sorry, but your time is up.

MR. QUINN:

Let me just finish my sentence then. We need some redirection without empowering an out of state company to build an LNG plant in the middle of Long Island Sound after spending so much money trying to preserve Long Island Sound environmentally. Thank you very much.

CHAIRPERSON NOWICK:

Thank you. Maureen Dolan. Good morning, Ms. Dolan.

MS. DOLAN:

Hello. Maureen Dolan with Citizens Campaign for the Environment. The Broadwater proposal is

not the right energy plan for Long Island. We need an energy plan that does not shackle us to fossil fuels for the next 30 years. We need a plan that has reviewed all of our options. This misguided project establishes our region's energy plan for the next 30 years, causes unnecessary degradation to Long Island Sound and blocks the development of renewable energy. The public has said no to this, and the Suffolk Legislature should say no as well. Thank you.

LEG. ALDEN:

I have a question.

CHAIRPERSON NOWICK:

Legislator Alden.

LEG. ALDEN:

You made a statement that it establishes Long Island's energy policy for next 30 years, how does it do that?

MS. DOLAN:

Well, because it's set up to run for 30 years, and it makes us dependant on natural gas for the next 30 years.

LEG. ALDEN:

Right now, we're dependant on fossil fuels, we have coal plants that are supplying our energy, and they date back to probably the '20s, so how is this any different? This is a private enterprise. It doesn't establish any policy for us.

MS. DOLAN:

Exactly. Exactly. Coal plants were built, and we're still relying on them today. That's what we don't want to happen. We want to ••

LEG. ALDEN:

Okay. But, you know, you made some broad statements that I take exception to. This doesn't establish any policy for us. We set the policy here. And whether this happens or not, that's not •• it might not be our policy. Our policy might be a whole windmill plant or some other type of renewable energy or even go to gasohol in a more, I guess, expanded fashion. But you made some broad statements there that I don't think you have any backup for. This doesn't establish any official policy. It's a private enterprise.

MS. DOLAN:

It does establish a policy, it makes us reliable on natural gas.

LEG. ALDEN:

But right now we're reliable on what? How are we going •• in other words, how am I going to go to my constituents and tell them you can heat your houses, you can turn the electric lights on, you can have your refrigerator running? How do I tell them that? There's more and more demand placed on electricity or for electricity for power on Long Island. More and more gas is consumed on Long Island. There's more and more miles traveled on Long Island. What am I supposed to tell my constituents?

MS. DOLAN:

We need to work to develop renewable energy. We need to embrace the offshore wind energy project.

LEG. ALDEN:

Fine. That's a better statement than what you made before. And I'll agree with what you said just now, but I disagree 100% with what you said before. This doesn't establish any policy at all on the part of Suffolk County. And we will work very hard to find sustainable and other types of renewable energy that are very clean. But your other statements, just, you know, like, I think they're off the wall.

MS. DOLAN:

Well, I disagree. Thank you.

LEG. FOLEY:

Madam Chair.

CHAIRPERSON NOWICK:

Legislator Foley.

LEG. FOLEY:

Is this is the first time you have spoken before the Legislature?

MS. DOLAN:

No.

LEG. FOLEY:

Okay. So you're used to the give and take of discussion that occurs particularly at the committee level. And it is an area that, particularly in the energy field, that we've had a lot of discussion over a period of years. And there are some very strongly held beliefs both pro and

con about ways to develop and conserve energy. And you've heard some from a colleague of mine, Legislator Alden, who has had a number of positions on this issue over a number of years. So the fact remains that you don't have an official policy in the County Government. That's technically correct. However, I think what you are saying is if this moves forward, there will in fact, be a de facto policy that will come about by the installation of this particular •• or the approval of this project by the higher levels of government.

And it should be noted for the record, and I'm sure the presenters later on will make mention of this, that the main players here particularly are FERC, Federal Energy Regulatory Commission, as well as a variety of state agencies. What we're trying to do on the County level is to be an avenue by which and through which we can hear the people speak on the issue, hear from those who both oppose as well as support this particular project in order to create a public record that the public can use and utilize in the future to make up their minds on what can be done and should be done in this particular project.

And I would say, Madam Chair, that this particular proposal is just the beginning, I think, of an ongoing discuss about the potential commercialization and industrialization of the Sound, but that's another •• not a tangential issue, but that is a direct issue related to this project, but I think in larger terms of what could happen with other proposals in the future, if, in fact, this goes through. I want to thank you for your comments. I didn't want you to think that there are those who simply disagree. But there's a lot of give and take on this, and you caught a flavor of that earlier. Thank you.

MS. DOLAN:

Thank you.

CHAIRPERSON NOWICK:

Thank you, Legislator Foley. Mark Serotoff.

MR. SEROTTOFF:

Good morning, Ladies and Gentlemen of the Legislature. My name is Mark Serotoff. I'm the Coordinator of the Sustainable Energy Alliance of Long Island. For the record, we would like to submit these comments. The Sustainable Energy Alliance of Long Island or SEA opposes the construction of an offshore liquified natural gas or LNG Plant in mid Sound.

It raises an unacceptable level of cost versus benefits. Also, the Connecticut Attorney General, Richard Blumenthal expressed grave doubts. SEA opposes the LNG plant on a number of grounds. Drilling for natural gas in many cases destroys the environment, LNG facilities present safety risks like leaks, explosions, shipping collisions and terrorist targets. LNG processing increases global warming gasses. LNG manufacturing decreases usage of renewable fuels like wind, solar, tidal, geothermal, as well as conservation. Renewables cause no health or environmental problems.

The \$700 million for this LNG plant would be much better spent in repowering old plants. This would double on-island generation, could cut pollution over 90% and reduce fuel usage and increase tax benefits to host communities. It's a win-win situation. And this is expressed in a new report, the cover of which I'm submitting for the record, from the Center for Management Analysis by Matt Cordaro on repowering KeySpan power plants.

And finally, I'd like to submit this graph taken off the Iroquois Pipeline website this morning. Remember these numbers I'm about to tell you. 1998, 1999, the usage of Iroquois natural gas in firm contracts was 997 megadecatherms a day, 99 to the Year 2000, the same. Year 2000 ••

Year '00 to '01, 1005, and the same thing from 2001 to 2002. And finally, 2002 to 2003 the usage is 1064. So looking at the bar graph, its usage of Iroquois gas for the last five years is virtually flat, which shows that the need for additional gas is spurious, it's nonexistent. We don't need the gas from Broadwater. The Iroquois usage is virtually flat. And I submit this to the record. Thank you.

CHAIRPERSON NOWICK:

Thank you. Adrienne Esposito.

MS. ESPOSITO:

Good morning, Suffolk Legislators. Always a pleasure to be down here with you all. My name is Adrienne Esposito, I'm the Executive Director for Citizens Campaign for the Environment. And I want to make one additional point this morning that has yet to be made, and that is that this concern is a concern over the Long Island Sound in addition to establishing a failed energy policy for the next 32 years, Legislator Alden.

The Long Island Sound as, you know, is an estuary of national significance. It is known to be one of the top three most productive estuaries in the United States of America. You all know that. You have worked so very hard over the last two decades to restore and preserve this body of water. Why are we now being asked to make a choice between continuing the preservation and the open natural resource of the Long Island Sound and filling an energy need? What we're saying is we don't have to make that choice, and it's not our choice to make.

The Long Island Sound is a public resource. It is been in the public domain for generations past. What we're saying is let's keep it in the public domain for generations to come. Once you allow and you set precedent for it to go into industrial hands or to go into commercial hands, you have

set a precedent for decades to come. I'm telling you right now, whether you think it's off the wall or not, it won't stop here.

After we give a two or three square mile over to Shell or Trans Canada, again, a couple of years from now, what are you going to do when Exxon comes in, what are you going to do when BP comes in, what are you going to do when someone else comes in and wants a piece of the Sound? Where will it stop? Just the same way you would not entertain putting this facility in the middle of the Pine Barrens or in the middle of Central Park, we shouldn't entertain putting it in the middle of the Long Island Sound. The Long Island Sound is a public resource, it is not an industrial parking lot. And we're asking for you to, please, if we need energy, let's figure out a plan that works for everyone. Let's figure out a plan where we get to keep the few natural resources we have left and make wise choices about an energy decision. Thank you.

LEG. ALDEN:

I have one question.

CHAIRPERSON NOWICK:

Thank you. Legislator Alden.

LEG. ALDEN:

Whose failed energy plan, yours or are you referring to my energy plan? You made a statement to me, my failed energy plan or yours?

MS. ESPOSITO:

No. I didn't call your energy •• I don't know what your energy •• what is your energy, oh, I didn't know you had an energy plan for the next 30 years.

LEG. ALDEN:

I've been fighting for certain things to be done in Suffolk County for eight years, but obviously, you haven't paid attention to that. But you made a reference to me personally.

MS. ESPOSITO:

Well, I think when you call my staff people off the wall because they make a statement that by establishing ••

LEG. ALDEN:

It's not backed up by any facts, it's not backed up by anything that I saw that was concrete.

MS. ESPOSITO:

Okay. Well, I think you don't have a clear enough understanding of this project then, Legislator Alden, with all due respect, because it's intended to supply an astronomical source of natural gas, not only for Long Island, but New York City and Connecticut. And by de facto is what we're saying, and maybe we didn't saying it clear enough, but let me attempt to do that now, by de facto, once you have established that kind of energy source, that then will become your energy supply.

LEG. ALDEN:

Let me ask you a question. Isn't this America? Isn't this still America? So people are free to choose? They can go and buy home heating oil, they can go and buy natural gas, they can buy wind power, they can buy •• isn't this still America? Don't people have a choice?

MS. ESPOSITO:

You know what? Maybe rich people have a choice, but for me to switch my house over from one ••

LEG. ALDEN:

Thank you.

MS. ESPOSITO:

If you're going to ask a question, then I think I have the right to answer to it. I'll check with the Chair.

LEG. ALDEN:

I didn't ask a question.

MS. ESPOSITO:

You said, isn't it America and don't people have a choice? And so I'd like to be able to respond.

LEG. ALDEN:

Go right ahead.

MS. ESPOSITO:

Thank you. I appreciate that. And I think that what happens here is that many people don't have a choice. You know, the cost for switching a house over whether to oil or natural gas or back from natural gas to oil again, that's a prohibitive cost that many people can't always make even if they'd like to. So what happens is that the energy needs are met by what the supply is offering. And that's what we mean when we're saying it may create a situation that we may not want to have in 10, 20 or 30 years, that's all.

And, you know, I'm sure you want the cleanest and the best energy plan. I'm sure that's true. And that's what we want. Alls (sic) we're saying is let's not rush into this, let's figure out what would work best for all the people of Suffolk County and Long Island. That's all. And I think we

probably agree on that.

CHAIRPERSON NOWICK:

Thank you. Marie Pendzich. Marie, how are you?

MS. PENDZICH:

I'm going to stand, I've been sitting too long. The name is Marie Pendzich, and I'm here representing Sierra Club, Long Island Group.

CHAIRPERSON NOWICK:

Marie, it's nice to see you again.

MS. PENDZICH:

I found in my archives a newspaper article from November •• Newsday, November, 2003, and the title is, "Long Island Officials Make Stink about Stink." The Iroquois pipeline was just mainly venting on a certain day, and the gas that escaped made many people in Huntington sick. I'd like to submit this if anyone wants a copy.

We're talking about a controlled venting there, and this was not an accidental leak that couldn't be controlled, and hundreds of people got sick. Sierra Club is here to support the resolution introduced by Legislature Jon Cooper, and we also oppose the Broadwater project for many reasons. This project pales by comparison an objection that the public posed for the offshore wind project, which had to do with aesthetics. The Long Island Sound is a federal designated

estuary worthy preservation. That's why the Federal Government gave us \$7 million in 2004 and

- to enable us to restore it.

Over the years, the Sound has endured its share of problems; hypoxia, the die-off of lobsters in 1999, brown tides, the questionable dumping of toxic dredge material in the Sound, disappearing species of fish. As a recreational body of water, the Sound brings \$5.5 billion to the local economy through tourism and fishing. Just when the Sound seems to be making a rebound, we have yet another assault.

Then there's the issue of safety. An explosive gas leak would kill or injury anyone in its path for two and a half miles. That means that that area surrounding the terminal would be off limits to any fishing, boating or recreational activity. It's not a comforting thought to know that the vapor cloud would travel miles before hitting an ignition source, that it could explode on land. What if a tanker is near Plum Island or Millstone Nuclear Power Plant when its hit as a terrorist target? As for the argument that there will be extreme security from Broadwater, just remember, we were also told that the Titanic would never sink.

The Sound has endured many, many environmental assaults. The digging of the extended 25 mile pipeline would loosen sediment and organic matter causing more hypoxia, tankers making two to three times a week deliveries and the process of converting gas to liquid and vice versa would use fossil fuels, thus reducing the efficiency of the LNG project. This continued dependence on fossil fuels would be counterproductive to Governor Pataki's renewable energy portfolio standard. And although cleaner burning than oil, the drilling for gas not only releases methane, which is 25 times more potent than CO₂ as a global warming gas, but it also damages the environment wherever they are drilling for it in the world. So we also have to think of world global environment, not just ours.

Some of the other things were already mentioned, so I'm not going to go into that. But we don't need a 30 year bridge to renewable energy. That technology is here now and it's spreading all over Europe. We should be following in their path. We need to be taking a stand now on global warming as scientists, including those from our own Pentagon are saying that the situation is much worse than they thought and warrants immediate attention. We need to cut this addiction to fossil fuel and go into the 21st Century with cheap, clean renewables. I hope that Suffolk County will take this lead. Broadwater is looking in the wrong business. They should be in the business of renewable and then we would welcome them with open arms.

CHAIRPERSON NOWICK:

Thank you. Okay. That was the last card that we have. I think before the presentation, I just want to ask if anybody from the college wants to address the committee for anything? Okay. Is there anybody else that needs to address the committee? Okay. Then I will call up the representatives from Broadwater. If you have anything you want to pass out to the committee, we can do that.

MR. GAFFNEY:

My name is Bob Gaffney. I'm from _Myers, Suozzi, English and Klein_ representing Broadwater Energy, who is proposing to build an energy project in the Long Island Sound. I've heard the discussions that were •• occurred earlier. There is a lot of misinformation and a lot of incorrect information that's been disseminated with regard to Broadwater; what it would do from a safety perspective, what its environmental impacts might be, discussions, many of them untrue, with regard to what the energy needs are for this region and for Suffolk County, Long Island in general •• in particular.

There's a lot of discussion with regard to the impacts that would occur, the environmental impact to the Sound and the state of Long Island Sound in general. It's not our intention today, unless

those questions are asked, we certainly would welcome any questions from the Legislature, we prepared to answer anything that you might ask us, but rather than go into item by item rebuttal at this point, what we thought we would do is make a presentation which to a large degree will answer some of the questions and correct some of the erroneous information.

Now, with me today is John Hritcko who is the regional project director for Broadwater on my left. On my right is Thomas _VanEssen_ , who's with Guliani Partners and is going to be dealing with the safety aspects and certainly competent to answer any kind of question regarding the safety aspects of the project. So the three of us are here.

At that point, what I'd like to introduce, again, John Hritcko for some preliminary comments, then I believe he is going to do a Power Point demonstration.

MR. HRITCKO:

I'd like to first off thank the board very much for inviting us here today to hear the Broadwater story and give you some indication as to why we are proposing what we're proposing. We know this is a bold project in this region, but we also know challenges of meeting our •• we know that this is a broad •• a bold proposal for this region, but we also know as well that the challenge are equally challenging to meet our energy needs for Long Island and Suffolk County in particular. So what I'd like to do today, rather than •• as Bob has said, rather than getting into some of the details of the project itself, which are going to be subject of extensive regulatory review over the next two years, is to give you a sense as to why it is we're proposing what we're proposing and what this means if either •• if this project, in fact, goes forward or if it doesn't go forward.

Why do we need LNG? Why all the fuss now? We hasn't heard about LNG being used extensively in the US prior to this, what's all this about? The fact of the matter is that natural gas is a fossil fuel, but it's the cleanest burning and most efficient of the fossil fuels today. We

need more natural gas primarily as a result of the demands of the electric power generation needs. That's what driving the increased demand, not only for new power projects that are going to be built to meet our increasing power requirements, but also to repower, refuel existing power plants that are burning dirtier older fuel such as fuel oil and coal.

Those plants are not meeting clean energy standards today. Something needs to be done. And without a new reliable source of natural gas to provide a basis for power generators to convert those plants to cleaner burning fuels, nothing will be done to clean our air. Our traditional resource base in North America, which has served 100% of our loads up until now, is mature and not able to meet the rising demand. At the same time, I have to point out that it will still provide the majority of the natural gas being used in North America and particularly in the United States today. However, as we increase our demands for this produce, the existing resource base is mature and is at essentially a flat production level, and in certain cases, declining. So we cannot continue to rely on meeting our new increased demands with the existing resource base. We have to look for some alternatives.

In order to keep pace with that, one of the alternatives is LNG. LNG can be brought in large volumes to the US, tap the vast world resources, and be brought on in a relatively short time frame, and when I say relatively short, within the next five to ten years in order to meet this requirement. What about Long Island? How does Long Island play into this situation? Long Island is at the end of the pipeline. We are in the northeast corridor which uses most of its natural gas in the winter, although increasingly, we have higher demands in the summer time. We're seeing two peak day requirements. We're seeing not only winter peaks like we have these past few weeks in January, but we're also seeing peak days in summer time for power generation.

We've seen spikes in our pricing here just over the past few weeks, five to six times the national base price for natural gas. Something is definitely wrong when you see prices spiking in a particular region on that dramatic a fashion. Obviously, the demand for natural gas is there.

Obviously, we have a problem getting the gas in this region.

Also, New York suffers from the highest commercial electric rates in the country excluding Hawaii. That's a known fact, it's been stated in studies. The Wall Street Journal pointed that out in a recent editorial. We are in an area that is extremely high cost for energy, among other things. So Energy is definitely a priority for this region if it's to continue to prosper, if it's to continue to keep its people here working on Long Island, if it's to continue to allow people to pay their utility bills, both gas and electric.

Cleaner air from repowering is going to be dependant on new supplies of natural gas. Someone quoted the CW Post study here earlier. That study did come out a few weeks ago. And one of the foundations •• one of the fundamental premises of that foundation was that new supplies of natural gas are going to be needed if this repowering is going to take place. And repowering isn't just something that is done for business purposes so that they can burn a cleaner fuel or to get more efficiency so the utilities or the power generators can make more money. Repowering has a dramatic impact on the amount of emissions that these plants emit.

The three plants in Long Island that the CW Post study had looked at showed decreases in emissions up to 80%. Eighty percent. That's a phenomenal amount just by using natural gas. But those repowering efforts will not be undertaken unless we get more natural gas and diversify our supply.

Finally, the high cost of energy in this region. It's simply another tax. We have seen studies. I keep reading the paper time and time again; Newsday, other papers, lament the fact that we have a youth flight from Long Island. This is a quality of life issue. The people cannot afford to live here any longer. The young people can't afford to buy housing. They're burdened with taxes. This is simply another tax on the people of the Long Island, particularly the young people

struggling to try to make a living here and to live where their parents have lived. So if we don't do anything today, the situation continues to get worse.

This is broader than just an energy issue. This is an economic development issue, this is a also quality of life issue. What do we do? Well, there's a number of things we can do, and some of the things were already talked about today by some of the speakers who oppose the project. In fact, you will hear me say that Broadwater supports some of the things that they are saying, first of which, we can do nothing. One of the things that I learned •• made an impact on me when I took my first management course in college was to do nothing is an executive decision. And we have been very good at making that decision on many of these projects that have come forward recently to meet our energy requirements. But if we do that, what results is that the problem simply continues to get worse. We continue to breath dirtier air, we continue to see prices spike, we continue to see people leaving Long Island, we continue to see the quality of life in Long Island deteriorate as a result of this high energy cost.

We can add more pipelines. There's been a number of pipelines that have been proposed to this •• for this region. And more pipelines are, in fact, needed. I keep asking •• getting asked continuously on both sides of the Sound, not only on the New York side, but on the Connecticut side, if you're project goes forward, do we need Islander East, which is •• I'm sure most of you know, is a very controversial pipeline project, that would bring natural gas to the North Shore of Long Island? We need them both. Pipeline capacity will allow us flexibility to move natural gas molecules around the system. We need that for •• not only for dependability, but also in order to get gas where it's needed.

What Broadwater will bring is a new supply into this region. Both are necessary if we're to meet the demands of the future. Nuclear, well, we've been there done that, won't even talk about that for very long. Conservation renewables. People say that if you do this, this is the crack •cocaine of energy, that we continue to depend on natural gas that we won't develop alternative energy sources because we'll be dependant for the next 30 years on the supply of natural gas

that Broadwater is going to bring into this region.

Well, the fact of the matter is, we need renewables, and we need conservation. We're •• we support that proposition as well. I point out that Shell, my •• the company that I work for, has committed to spend a billion dollars between 2002 and 2005 on new energy sources.

Eight hundred million of that one billion dollars is for new renewable sources of energy. So we are not •• we are not continually pressing for simply a hydrogen or a fossil fuel economy.

We are looking to the future. We are putting the money in for research. The problem is we aren't there yet. We have demands right now because of the need for energy in this region that need to be solved today. The process for renewables, the technologies that will be made available won't come until well into the next decade and beyond. We are in the early stages of developing those. We can't even think about bringing those to market as yet. We're putting money into them, they need to be promoted, we are promoting them. However, we need to do something today, and that's the focus of what our decisions that we make today are going to impact this region and Suffolk County now.

We cannot continue to say no to these energy projects and expect that the problem will be solved by relying on a future technology. Some day it will, but we're not there yet.

Broadwater's proposal is •• I won't go into details, but as you know, it's LNG port facility that will allow tankers to bring in natural gas in the form of liquified natural gas, deliver that to this facility, and allow it to be rewarmed and placed in a gaseous form back into our pipeline system.

Located in the middle of the Sound, primarily, we spent a year•and•a•half studying various potential sites, not only in Long Island Sound, but all up and down the East Coast, onshore locations as well as offshore. This is not a quick decision made by a big energy company

deciding that they want to move in and capture a market. This was a very well thought out deliberative process that we wish to have a chance, an opportunity, to be able to explain to people how we came to the conclusions that we did. There is a lot of information, a lot of detail behind why we've chosen where we're chosen •• where we located the •• the choice that we've chosen is where we've located it.

We are undergoing an extensive regulatory review process, and this process is going to take place over a period of about two years. This is a major project. As I said, this is a bold move for this region. Many of the issues that people have raised today are •• are, in fact, legitimate issues, and we don't fault people for raising those issues, those are the type of questions that need to be asked before such a facility gets placed in a location as sensitive and as populated as this area. But we have anticipated those questions to be asked. We know people want answers to those questions, and that's why this process, which is led by FERC, the Federal Regulatory Energy Commission at the Federal level, but with close coordination and participation at the State level as well as input from bodies like yours who will ask additional questions in this process.

There is room for questions and participation by Legislative bodies such as yourself to ask questions and be there to get your questions answered during this formal process. But decisions cannot be made about such an extensive far ranging project without having the information, without being informed. We have to have the facts. So that's why we say don't rush to judgment, let this process run its course, take place, let the experts who are experts, and we have people from environmental scientists, engineers, specialists in LNG, safety experts, the Coast Guard, all departments within the Federal Government and State Government that are concerned about issues that this would relate to, examining this in detail. Participate with them, watch what they're doing, question what they're saying, get the answers from people who are experts in this field and then make your decision as to whether this is a good project or not.

I commend the Suffolk County Legislature for seeking a consultant to examine this process at

the beginning, because you're the general public. I'll •• I've been in the energy industry my whole career, and I can tell you from experience, there's a lot of people within the energy industry that certainly aren't experts on LNG. We cannot expect you to be experts on day one about LNG. So what you are doing to hire somebody to examine some of the questions and point you in the right direction so you can participate on an informed basis in this process is a very commendable action that you've taken.

Our guiding principals. I've said it time and time again, we have three overarching principals; this facility has got to be safe, it's got to be environmentally sound, and it's got to balance the benefits to the people of Long Island and the region along with protecting the Sound itself. If it can't do that, it's not going to be built. And the regulators aren't going to allow us to build this. They will either condition this facility such that we have to do things that •• to meet those requirements, and if they're so conditioned that we can no longer go forward, this project won't be built. But we will work extensively with all parties from the regulatory all the way through to the local party •• local interested parties to address issues that are raised so that this process can go forward and we can either avoid or meet all the requirements needed in order to site this facility in this region.

Finally, in conclusion, our position is that you can't expect any single source of energy, whether it be this project or renewables or coal and fuel oil to solve this region's problems. It's going to take a balanced mix of supplies. And LNG is one of the pieces of that, conservation is another, renewable is another. So if we are going to have a rational economic policy going forward to meet the needs of this region so that people can, in fact, afford to live on Long Island so that we can generate business and keep the lights on in Long Island well into the future, we have to have a policy that blends all of these various aspects in. One particular piece of the puzzle will not do it.

But we are at a point where we have to make some decisions about a very important piece, that being natural gas.

We cannot afford to continue to just say no any longer. We see what's happening to us today, we see what's happening on the price side, we see what's happening to people in their lives on Long Island, young people leaving in droves. We can only project out what will continue to happen if we don't act today. This project was announced in November. It won't come on, you won't see the first molecule of natural gas coming to this region until 2010. That's how long this process takes. Much of that involved in an extensive regulatory review process that's going to delve into all aspects; the operational, the environmental, the safety aspects, the technology. Everything will be fully vetted in very much detail. All of your answer will have to be •• all of your questions will have to be answered before we are allowed to proceed forward with this project. Let that process go forward.

Broadwater is committed to •• in closing, Broadwater is committed to this regulatory process for this regulatory review. We know that there's a lot of concern. We know that there are a lot of questions. We don't have all the answers. We're still gathering data. We will have boats going out into the Sound over the course of the next few months actually doing sonar, hazard surveys, doing soil samples, testing so that we can determine how best to construct this facility, where it should be located, how to mitigate, how to avoid problems that people are raising here today. Once we have that information in hand, we can then make informed decisions in terms of how we go forward.

I have •• a very close friend of mine told me at one time, and I think it's true, particularly in this particular case, nothing is obvious to the uninformed. So without the information, without being informed, you cannot have an understanding, nothing will be obvious about this process, and everything will scare you about this facility until you get the facts, and that's what we ask this body to consider, is to allow the process to go forward and get the facts. Thank you.

MR. GAFFNEY:

If I might just add a few comments. I'm not going to personally discuss necessarily the safety

issue or the environmental, but there is one group of issues that I think we ought to have on the table. What are the cutting edge issues that effect the people that you represent? Primarily, at this point, they are affordable health care, affordable taxes, affordable housing, affordable energy, and to a degree, affordable transportation. What are the reasons why our young people are leaving? Why is it that so many people are so concerned about what Long Island is going to look like 20 years from now? Why are people concerned about the fact that their children are leaving, that their grandchildren are going to be born in other states? Why are people concerned about that? Because it's changing the quality of life of Suffolk County and the Long Island region in a way that nothing has changed it in a long time. And it revolves around certain issues that we all can identify with. Our taxes are too high, our health care is too expensive, our housing is too expensive, our transportation is extensive, the traffic is unbelievable, and our energy costs are among the most expensive in the country.

Now, if you look at transportation costs, they're among the highest in the country. If you look at housing, it's among the highest in the country. If you look at health care, it's among the highest cost in the country. But when you look at energy, it is •• it's not among, it is, with the exception of Hawaii, it's the most expensive •• we live in the one place in New York State that's the most expensive from an energy perspective. And New York State is the most expensive with the exception of Hawaii of any other place in the country. Anybody who thinks that that doesn't have an affect on affordable housing, on affordable health care, on the quality of life in this region that we live in doesn't understand the basic economics.

While this debate should be more than economics, it should also include that as a major component in any decision making process. If we are to compete •• if we are to compete nationally and even globally for the kinds of jobs that will let our children and our grandchildren stay on Long Island, given the fact that we have these for the affordability issues, if we are going to create the kinds of jobs that permit people to earn enough money so they can stay here and raise their families and be with their children and grandchildren, we're going to have to have affordable energy and affordable housing, because you can't •• you can't remain a viable economic entity, you can't attract the high tech, bio tech jobs if you can't provide reasonably priced energy, reasonably priced houses and reasonably priced services that those people need,

otherwise why would you come to Long Island?

I mean, there are great environmental advantage, but for someone coming out of college in the Mid West and seeing that price of everything is three time more here than it is there, we're going to those people. We're already losing them. And we're going to lose the companies that depend upon them in order to do business. So I think we have to look at this as more than just an environmental issue, it's more than just a safety issue, it's an economic development and economic survival issue. And when I think you fold that into the process, you begin to have a broader perspective of what this is about.

Now, I'm not suggesting that we need to disregard any of those other aspects. And Broadwater •• Broadwater is fully prepared to go through the process and provide all of information necessary so that there can be a complete environmental, safety and public policy review of the proposal. What we're suggesting is that this is a process that has to take sometime to complete itself. And it's not fair to anybody to attack it without actually finding out what •• what all the facts are. And with that, unless Tom has any comments, we'd welcome any questions you might have. By the way, thank you very much for accommodating us here today and agreeing to listen to presentation from Broadwater. I very much appreciate it.

LEG. NOWICK:

Thank you. Thank you very much. Just so you know, that's why we're here, we want to hear all the different sides. We want to hear your presentation, we want to hear different sides, and that's how we will learn and make our determination. And that's what we're going to be doing. And just for the record, the fear of our children moving away, it's that fear, it's the fear that they will stay and live with us. We have a few Legislators who would like to ask questions. Legislator Alden.

LEG. ALDEN:

Thank you. First, I just have some broad questions that I'd just like to go over. Government money, are you seeking grants in federal or state help in building this plant?

MR. HRITCKO:

No. This would be funded totally by internally generated funds of the two partners of Broadwater.

LEG. ALDEN:

So Broadwater is •• you said before, you are Shell or Mobil?

MR. HRITCKO:

Shell and •• a joint venture between Shell and Trans Canada Pipeline.

LEG. ALDEN:

Okay. Where the gas actually coming from? Now, we've got prudent resources up in Canada and other •• so Africa and remote areas, is that where you're going to tap into?

MR. HRITCKO:

When you have a facility of this nature, you can get gas virtually from anywhere in the world. However, for this particular project, we would look for Atlantic Basin supplies, which would be South America, Africa and Europe. There's existing projects on the drawing boards that will generate LNG and provide supply for this region.

LEG. ALDEN:

so it's cheap enough at the source that you can actually liquify it, transport it, bring it here, and actually then reheat it and send it out competitively. So my question is competitively it's going

to help the •• you know, my constituents, the rest of the people that live in Suffolk County as far as competing on dollar for dollar basis?

MR. HRITCKO:

The US Gas Market is a liquid heavily traded market. The price is in the United States. That price is then netted back to suppliers, and that price is sufficient to allow these projects to go forward. The •• because of the situation that North America is in in terms of demand, the price has risen such and all projections going forward for the foreseeable future would see that the price in North America will be sufficient to allow this to continue to attract supplies.

LEG. ALDEN:

Okay. So you are not going to be competing on price, you're not going to offer, like, a lower price? What you're going to be doing is offering volume so that the price doesn't spike up like it's done in the past.

MR. HRITCKO:

We will be a price taker. The price is set in North America. We will have to sell into that market.

LEG. ALDEN:

Okay. Now, your supply is going to be to Long Island, Connecticut, New York City, New Jersey, where?

MR. HRITCKO:

Broadwater will not get down to a sort of retail level, if you think about it, as say KeySpan or others, Con Ed, would do. However, we would sell large volumes on wholesale to the KeySpans, to the LILCOs, to the Con Eds, to the Connecticut Natural Gasses of the world, who will then in turn •• and to marketers as well, who in turn sell it to retail customers.

LEG. ALDEN:

So this is a Northeast facility then basically?

MR. HRITCKO:

This is a Northeast facility. It serves •• it's designed and projected to serve this particular area of the Northeast.

LEG. ALDEN:

Is this platform or floating?

MR. HRITCKO:

This facility is actually a floating facility, however, it's moored permanently in place by a mooring tower that will •• is the only piece of the facility that's connected to the bottom of the Sound. So it will sit there in place moored by a tower. And a tower, you can think of it almost as a •• you might liken it to a drilling platform that you might see in the Gulf of Mexico, however, there is nothing on it other than the fact that it holds this facility in place.

LEG. ALDEN:

Other parts of the world they •• you know, these type of plants are traditionally offshore. This is actually surrounded by land, even though, you know, like, you have got eight miles between us and where the platform is. I believe it's ten miles ••

MR. HRITCKO:

It will be nine miles off the New York Coast and 11 from Connecticut.

LEG. ALDEN:

Okay. Why did you choose in the Sound rather than an offshore platform?

MR. HRITCKO:

Technology and reliability primarily. We did, in fact, look extensively in all regions of this area, but the fact of the matter is in order to get the reliability so these tankers can unload, particularly in the winter time when we need the gas the most, the wave conditions, the sea conditions offshore were such that having •• we certainly could build a facility out there, but there would be times when the carriers would not be able to unload. And during those particular times, it's generally when the gas is needed most. So we were not comfortable with the reliability that we'd get by locating it offshore.

LEG. ALDEN:

Can I ask one •• it's diverting a little bit from this, but since he does represent a major oil company, can I ask one question that's not exactly on point? We use a little bit of gasohol in the United States, and it's based on corn. In Chili, they use a lot of gasohol, and it's based on sugar, either sugar beet or sugar cane production. Why aren't the companies in America using more gasohol and those type of fuels?

MR. HRITCKO:

Gasohol in essence is alcohol, and it's achieved through bio sources, whether it be from corn or, as you say, sugar beets or whatever. However, it's used as a fuel for motor fuel for transportation, not as a source or supply for power generation. We just simply don't have enough of it, and it's not the type of fuel that you would use for generation of electricity.

LEG. ALDEN:

All right. So basically you're not in the, like, the fuel end of Shell or?

MR. HRITCKO:

No. No. That's a totally different •• I'm in gas and power, that's part of your •• what they call

oil products, finding and selling of the gasoline.

LEG. ALDEN:

Okay. Great. Thanks.

CHAIRPERSON NOWICK:

You know, I just want to mention one thing. While we sit hear and listen and we understand that there is a shortage, and we understand about economic development, but I think as Legislators and as public officials, what we're trying to bring out and what I think our main concern here is, number one, safety, and number two, environment. So we understand, I believe, the need. But we are very concerned with the safety and with the environment and with our island. So this is what we're trying to bring out. Legislators Caracciolo and Losquadro and myself did go to FRES last week, and we got a little update there. So just so you know, that is one of our major concerns. Legislator Cooper, I believe you have a question.

MR. HRITCKO:

May I say one think to that. Those are the key •• number one and number two concerns of everyone that I've spoken to. And I just point out that there's a lot of detail that's going to be brought out so people understand what it is we're proposing. I'm not here telling you that LNG or natural gas is a benign product. It is a hydrocarbon fuel, it's a cryogenic liquid. When it vaporizes, it forms a fuel that will burn. You have to respect it, it's not benign. However, don't have to fear it. And that's what we're attempting to get people to understand. We've had a long safe history in the US of handling this product and throughout the world over the 40 years that's it's been commercially operational. We don't need to fear it, and that's what we're trying to get to. Thank you.

LEG. NOWICK:

Thank you.

LEG. COOPER:

Good morning. You will have to forgive •• there's Legislators that have some grave concerns about Broadwater. You'll have to forgive us for your skepticism. But the situation is that we have a Federal Government that has in recent months, just taking off the list a couple of things, lowered mercury standards at the Federal level, weakened the Clean Air Act, redefined the habitat of the Florida panther to facilitate development, the US EPA has proposed designating two long term dump sites in the Long Island Sound to dispose of dredge materials, and the latest outrage, in today's Newsday, the Bush Administration proposing slashing spending to clean up and prevent pollution in the Long Island Sound by 93%, 93%.

John, I think you had said that you believe that federal regulators would not allow this facility to be built unless there were sufficient safeguards in place; environmental safeguards, health safeguards, public safety safeguards. I wish I could believe that, and that's what this comes down to. And I had met with you a few days ago, it was a great presentation, I appreciate it, it was very educational. And you had mentioned that state agencies have the ability to stop this project in its tracks if they are not comfortable with these safeguards. And that was some what reassuring to me. I have a little bit confidence in New York State DEC and New York State organizations at this point than I have in the Federal Government. But then I learned, and correct me if I'm wrong, I learned that FERC has proposed an amendment to federal regulations that would remove the ability of state agencies to intervene in the siting process. Luckily it was defeated last year. But is it true that FERC is attempting to remove those safeguards from the state? And if this process doesn't play in another two or three years, and if they're successful this year or next year in removing these safeguards, where are we?

MR. HRITCKO:

Let me see if I can explain that at a relatively high level, because you're talking about some nuances of the law here in terms of what the Federal Government and particularly FERC is charged with under United States Law. Under the Natural Gas Act of 1938, Congress appointed the Federal power Commission at the time, now FERC, as being the agency that reviews any import •• energy import facilities such as this type of LNG facility to make a determination whether it's in the public convenience and necessity, in other words, whether it is, in fact, good for the benefit of the people. That's the determination that they make.

What's been happening is that particular states, and California is one right now, there's a court case underway at the Ninth Circuit of Appeals in San Francisco that challenged FERC's authority under that law that's been in affect for nearly three quarters of a century. It's not •• what FERC is saying is that the states don't have the authority over siting. What's being challenged there is FERC's ability to make that determination that it's in the public convenience and necessity. They will make that determination as part of this process. However, we still have to obtain all applicable state, federal •• state •• federal, state and local permits as required in order to build any facility.

So simply because we've got a certificate from FERC that says this is in the public convenience and necessity, does not get us there 100% of the way. We have to meet whatever standards are required by the state. You talk about mercury or any •• you mention any of those standards. If there is a more stringent state standard that has to be met in order for us to get a permit from the Department of Environmental Conservation, we will meet that, that will be part of our order from FERC to get these permits to go forward. So you are, in fact, covered. So what they are saying is that the Department of Environmental Conservation can't make a determination based on the fact that New York State may have a higher mercury limit, that this project is no longer in the public convenience and necessity. And that's what being challenged in California, that the state should make that decision instead of the Federal Government

MR. GAFFNEY:

If I can just add one thing. I think there's a misconception where there's •• there's a relationship that people are trying to draw between the Bush Administration and the Federal Energy Regulatory Commission. It should be understood that the makeup of the Federal Energy Regulatory Commission is bipartisan, it's both Republicans and Democrats. So in essence, ultimately, Nancy Pelosi has as much to say about who's on the FERC as Dennis Hastert does. It's not a federal agency where everybody appointed by the current administration. I'm not suggesting that's a good or bad thing, but some people may feel differently than I do. But the fact is there is input into that process from both major parties.

And beyond that, in this particular project, before anything can happen, once a FERC determination would be made whichever way it goes, but assuming for argument's sake that FERC would be supportive of this project, you still have a lease the property from the State of New York. The State of New York is an integral and important and inextricable part of this process from day one. So while there's interveners here who are •• filed amicus briefs in a California action, which I think some are aware of, the fact is that they are totally different, because the issue never been here whether New York State has a role in the process. It's New York State land, and the DEC and other state agencies are fully involved.

LEG. COOPER:

John, I forget, when we had met, you had mentioned the amount of money that Shell and Trans Canada has spent so far on this project and how much they plan to invest over the next couple of years, I think it was \$30 million or \$40 million.

MR. HRITCKO:

We mentioned during that meeting that during the course of this process of just getting to the point of going through the regulatory review process, getting our permits, we would estimate that we'd be spending somewhere in the neighborhood of \$40 million.

LEG. COOPER:

All right. And as you may know, when I'm not around the horseshoe, I run a manufacturing company, and I would never think about making an investment or anything along those lines, unless I was pretty certain about the outcome. Gambling \$40 million of your stockholders' money •• I mean, do you know something that we don't know? I mean, New York State DEC and elected officials so far, just about everyone at the County level •• starting at the County and the State and Congressional level, they've taken positions •• to my knowledge, every one come out against this, and for various reasons. I think it's largely because the public is so vehemently opposed. In my own district, except for two of my constituents who work for your PR firm, so they don't count, every other constituent has called my office to oppose the project. So I'm just trying to put myself in the position of the director of this project or the head of Broadwater, and why would you roll the dice on 40 million, \$50 million unless, as I said, you know something that we don't know? So I'm asking for an honest answer here.

MR. HRITCKO:

The honest answer is that that's the nature of our business. Spending large amounts of money just to get to a point where you can make a decision as to whether this project will, in fact, be built is part of the risk that we have to take as a major energy company to deliver our product to the people. People don't understand the fact that there are huge investments, huge risks that we undertake simply to get to a point of getting our permits. Whether you say that that's right or wrong, we could sit here and debate that endlessly.

I think what that underscores is the depth and the extensive nature of that regulatory review process, that we would have to go through so many hoops, spend so much money in order to satisfy regulators that this project is, in fact, safe, secure, environmentally sensitive, and is in the good of the people. And that's the type of think we have to as a big energy company in

order to get these projects built. If don't get the projects like this built, we don't get our product to market, we don't have the ability to sell this natural gas to the people of Long Island.

MR. GAFFNEY:

With respect, Legislator Cooper, to your comment nobody being supportive, clearly there has been some opposition from elected officials, it's not universal certainly. And I personally have heard and I know Broadwater has heard from individuals who are very supportive. I think what you are hearing is the initial opposition. I think when all of facts are known, when the safety issues become fully •• fully involved, when all of the other issues are fully aired, as is our hope to do in this process, in the NEPA process, when all of that information is available, I'm very confident that the vast majority of the people of Suffolk County and certainly the Long Island region will see that which is to be gained is far greater than that which might be lost, and we'll have a full understanding of what •• what the pros and cons are, and then they will be able to make a decision.

I can see that process under way at this point. You know, if we're listening to only environmental organizations, and I have •• I hold them in the highest regard, if that's all we're listening to, then we're missing the chambers of commerce, we're missing the taxpayer organizations, we're missing the senior citizens for whom the difference in energy costs could be significant, we're also missing those environmentalists who understand that the possibility of eliminating bulk storage of petroleum products in much of our very precious on land resources is a thing of enormous value. Someone once suggested to me that no one has ever had to wipe natural gas off the back of a duck or sea bird, and no aquifer has ever been polluted by natural gas.

So this is the debate that needs to go on. We're just asking that it be a full and complete airing, which considers not only the environmental issues, but also the economic issues an all of other things that affect to a large extent the people who will benefit from or not have an opportunity to

benefit from the economic benefits that a project like this can bring.

LEG. COOPER:

Thank you.

LEG. NOWICK:

Legislator Carpenter.

LEG. CARPENTER:

Thank you. You made reference to the fact that there will be a long regulatory review, that the public •• in fact, it's right up there now, plays a key role, can you outline that a little bit more?

MR. HRITCKO:

Yes. As a matter of fact, I can show you a time line here as to what we would be looking at for this project. We made our public announcement in early November. We're looking at going thorough this NEPA prefile process, which is delving into all aspects of the project; environmental, safety and security, the technology, alternatives, socioeconomic. There's 13 resource reports that make up this draft environmental impact statement that would support the project and delve into, as we said before, all aspects of this project, then we submit, which we're anticipating to do the latter part of this year, a request for a certificate from FERC. We haven't even applied for our approval from FERC yet, we're simply starting the data collection and the development of the environmental impact, which isn't developed by us, the way, I point that out, it's developed by FERC. We give them the information, they hire an outside consultant in order to put this environmental impact statement together.

We go through that process, and we're talking about another 12 to 18 months beyond that just to get our certificate approval. So we're looking at mid to late 2007 before we end up with our permits from the Federal Government. And hopefully, along the same lines, and one of the things we're trying to do with this coordination with the state as well is to have all our necessary permits, federal and state, by the end of 2007 so that we can go forward, make a decision to proceed with this project if we get proper permit use. And then we're looking at another nearly 24 to 36 months beyond that just to have this facility built, put in place and ready to move for its gas. So as I said, we go through this entire process, and we won't see a molecule of gas heading to New York until 2010.

LEG. CARPENTER:

What you stated, that the public would be playing a key role, I would assume that there would be a number of public hearings, what kind of outreach do you plan on doing?

MR. HRITCKO:

Broadwater itself has already begun its own outreach programs, public engagements, we're talking to civic groups, we're talking to regulators, we're talking to representatives like yourself at the local level, at state and federal levels, we're talking to people in Connecticut, we're undertaking extensive interaction with the public to let them know what this project means.

FERC is then •• probably by mid year, will start conducting its own, what they call scoping meetings. People refer to them as hearings, they're not actually hearings, but they will have their own meetings here on Long Island and in Connecticut to seek out the questions and concerns of all interested parties in this region with regard to this project, because they are, after all, the ones that are putting the environmental impact statement together. And that ••

that information that they gather from all these various sources will be incorporated in their review and their analysis and also be the basis for conditions that they put on this project as to •

- if they say that this project can be built, they will likely have a long series of conditions that we have to meet as a result of these questions and issues that are raised during this process.

LEG. CARPENTER:

Thank you very much.

CHAIRPERSON NOWICK:

Legislator Foley. I'm sure he will be right back. We have Legislator Binder with us, and although he's not on our committee, he has requested permission to ask a few questions.

LEG. BINDER:

Thank you. I'm •• I guess I'm disillusioned, but not surprised that Suffolk County is pretty full of knee•jerk politicians who basically see a great issue to jump on without seeing the need to explore it fully and be more concerned about the future economic position of our island, the environment of our island, and other questions that need to be asked. I guess it's just very disturbing, because it's easy, it's easy to destroy things. I mean, in politics, there's nothing easier than to knock something down and destroy it than to actually build something for the future. That's the toughest thing, and I salute you for trying to do that.

I'm not for this, I'm not against it. But I can tell you, I want to know what this is about. And I want to •• and I tell you that I want to •• I want to explore this, because I have a hope that in the end that you are going to be able to do this, because I think the need is there.

Could you talk a little bit about the need for gas, specifically, and what you would think that if you were able to be successful in this and meet safety concerns and meet environment concerns and eventually build it, because you were able to meet those two stringent concerns, how would that affect, you know, Joe Smith and Mary Smith sitting in their home when they get their energy bill and they've got •• they're sitting and they're looking at, you know, their gas bill, how does that affect them? And maybe they're also looking at their LIPA bill, how does that affect them also?

MR. HRITCKO:

It's a very good question, and it gets right to the heart of the concern by the average citizen here on Long Island. What this project will do is a bring a very large volume of gas to this region. To put some numbers around it, to quantify what we're looking at here, this region uses between three and four billion cubic feet of natural gas a day. This project would bring in another billion cubic feet directly into this •• into this region delivered directly to the market area.

The reason we're seeing these price spikes is that we cannot bring enough natural gas into this region with the existing infrastructure, there just simply is not enough natural gas to be able to serve this region. So we have to diversify our supply and bring a new supply in here. When you bring a supply like that into a constrained area, you will definitely have an impact on the price of natural gas, you will have an impact on the price of electricity generated from that natural gas. You are talking about a quarter to a third more natural gas into a market that's constrained. So it will have a price impact on that natural gas, it will bring the price down as a result of having this volume here.

This will also, based on the projections, many people have said, well, we don't have any more

need for natural gas out here, we don't believe that there's a need for natural gas, there's •• I don't know how many houses, 60,000 houses or whatever the number is that they're going to build on Long Island, and that's it. Well, you missed the point. This gas isn't for residential used, it's for •• primarily driven by power generation, and power generation requirements are continuing to rise. You ask LIPA, you ask Con Ed, you ask Key Span, you ask any of these service providers, their projections of growth in this area are one and a half percent and higher per year for power generation.

The growth projections for utilities in this region is higher than it is anywhere else in the country. There is definitely need for more natural gas, and it will impact the price of •• to the utility customer. How much, we talk about in the particular pocket of the customer? We can come up with all sorts of numbers depending on what assumptions you make in terms of the growth of population or the number of power generation, new units built or the number of existing units that are going to be repowered. You cannot repower these existing units without bringing in this natural gas. So if you don't bring this, you will have •• you will have to consider not only what the price •• you can come up with all sorts of estimates about what the price reduction is going to be if you do bring it in, but you also to have to look at the flip side.

What happens if you don't bring it in? Are prices going to just continue to rise at an astronomical rate? So that's the type of impact that it will have. It will have a definite impact on not only the pocketbook but also the air that the people are breathing here as well.

LEG. BINDER:

One of my concerns is the power plants that we are building, the question is whether they will be oil driven, gas driven. Now, the newer ones are going to be gas driven, but what we call interruptible, and they're interruptible because there are interruptions in gas supply, and one of the problems •• you know, we have a problem in trying to bring it in. How do you affect •• how do you affect new construction, and maybe more importantly in retrofitting? And I'll focus also

on particularly Northport, that's, you know, in our backyard in Huntington.

There was just a NYPERG study, and there's 25% more emissions, and we got a real problem with clean air. I hear environmentalists screaming, you know, don't put a dot on our Long Island Sound. Well, I know there are kids breathing in awful air, and it's getting worse everyday up in Northport. How do you affect that? So in terms of supply for power plants, retrofitting and cleaning the air, how do you directly affect people on the ground who happen to breath this stuff in?

MR. HRITCKO:

I think you are right on point, and if you read that CW post study, in there, the premise is that we have natural gas •• new natural gas supplies to be able to repower. This repowering will not come into effect unless we diversify and bring new supplies of natural gas into this region. You point out the fact that some of the new power plants that are being proposed are on an interruptible basis. The reason they're on an interruptible basis is not because of KeySpan or the local utility wanting to cut them off, the reason is that we don't have a reliable gas supply that they can buy during those peak periods, and they have to install fuel oil tanks, buck storage of oil, which Bob mentioned before as being one of the main culprits for concern with regard to the aquifer. So when you don't have a supply of natural gas, a reliable supply of natural gas for the long term, none of this gets done.

LEG. BINDER:

So we would be able to eliminate •• we would be able to eliminate this need for these oil storage tanks. Basically they could be •• they could run on pure natural gas all the time, you know, 24/7, every day rather than having to worry that we're going to have these huge storage facilities for •• I mean, it's an amazing •• it's an amazing thing to me.

It would seem to me that environmentalists would be the first ones out here saying, we are concerned about the environment and the Sound, we want every hoop to be gone through, we're out to make sure you go through every check, every •• everything to make sure you are completely environmentally secure. But at the same time, there should be a hope out here we can clean our air, we can get the oil tanks out of our generation, and we can refit •• we literally repower plants these plants and lower the particulate matter that we're breathing in.

And it's an amazing thing to me. I think that it is •• it is absolutely crucial that you go forward, jump through the hoops, make sure you know that everybody here is watching, but •• but, I guess, I just am incredibly disappointed with those people who know nothing about this, who have already condemned you, want to call for bans on you, moratoriums on you, stop it. I think it's more for their own aggrandizement, and for maybe their own fund raising and to call you •• I mean, to connect this, oh, this is like Shoreham or something and to call this •• this is what was said, this is a bomb, a time bomb. You know, to scare people so that they would give to their organizations and, you know, and build organizations, I think it's terrible, because our future is at stake here, and I hope we're going to do this with clear heads.

And we as Legislators and as public officials, we are required more than anyone one else to have clear heads on this. That's because we are entrusted with the future of Long Island. And I hope we're going to do that instead of going out there and talking about things we have no concept about.

CHAIRPERSON NOWICK:

Legislator Foley.

LEG. FOLEY:

Thank you, Madam Chair. And I'll try to return some constructive dialog to this issue. Not only do we need clear minds, but clear air and clear waters as well, and I think that's part of why many of us are concerned. A number of years ago, this body had been part of a broad coalition to advocate to the Federal Government to place the Long Island Sound as one •• I think of only one of 23 national estuaries in the country. We were successful in that advocacy. The Peconic Bay systems is now also part of natural estuary system, and hopefully, for those of us who live on the South Shore of Suffolk County, we'll see a hatrnick of environmental activism to have the Great South Bay at some point become part of the national estuary.

So we have some •• some background, if you will, in the history for advocating for that particular body of water, particularly if it's one of only 23 national estuaries. It really has an elevated interest, if you will, not just from a commercial point of view, which I can appreciate from the perspective of Shell Oil, but an elevated interest for those of us who work so hard to try to elevate the environmental importance of that body of water. And the fact of the matter, and while we can speak of a variety of energy needs, and we can have others in other energy fields speak to us about other cables that will be coming from New Jersey to Long Island, upwards of 600 to 700 megawatts of power will be connected to the Island, there are other •• there's going to be other diversification projects that will unfold, this is not the only one, but what really concerns me, and one of the reasons why we put forward this Sense Resolution, I'm glad we did, because it's a way that we can have this dialog and discussion about this particular proposal is that •• and to look this broadly, is that if this body of water one of 23 national estuaries, we really have to be very careful about commercializing and industrializing that particular body of water.

Notwithstanding all the arguments that you make, that's why many of us are very concerned about this proposal, Legislator Cooper had listed a number of what I would call environmental assaults on that particular •• on the Long Island Sound. And so when this one comes along, as novel as it is, as ambitious as it is, we take a lot of interest and a lot •• and we have a lot of concern about it. So commercialization of the Sound something that we think is part and parcel

of the decision making process that has to move forward, notwithstanding, the energy needs you mentioned.

What I think we need to do, Madam Chair, is if in the future we can have LIPA and others speak to us about other diversification efforts that will be under way. So this has to be looked at in a totality of proposals, not just yours as one particular proposal, but there's a lot of other things in the pipeline, forgive the pun, that will bring additional energy resources to the area.

So if you could just focus your remarks on the concerns that we have locally, certainly, we'd love to hear from the County Executive who had played a very important role in helping to have the Federal Government designate the Long Island Sound as an estuary. But if we can hear from Shell about the concerns that we would have with commercializing the national estuary right here on the shores of our County.

MR. HRITCKO:

Broadwater entered into this project knowing that this is a highly sensitive area from an environmental standpoint. As I said before in my remarks on the slides, safety and security was number one, environmental was number two. We understand the issues that have faced there body of water, we know the challenges that still remain in order to clean this body of water up. The fact of the matter is, and I continue to point out that commercial use of this body of water is a fact of life. It's been a fact of life from the time man has set foot on the shoreline. We have the second largest seaport in New England sitting across the Sound in Connecticut. There we have tankers coming in with fuel oil, we have barges with coal coming in on a daily basis, we have other activities that are going on on this Sound; we use it for transportation, we have the Cross Sound Ferry, we have, as you say, recreational use as well.

This is a multi-dimensional use facility, or use resource. The fact of the matter is you have to

look again in total what this facility would mean. We talk about cleaning the air, replacing some of these dirtier power plants that are using the fuel oil, that are using the coal, that have to bring in tankers and coal barges to feed those plants so they can continue generating electricity, wouldn't it be nice if we could have a facility that would bring in clean burning natural gas so you no longer have to have that coal unloading facility in the middle of the Sound offshore of Bridgeport, Connecticut where they unload coal a number of times every month and ferry it into Bridgeport so they can feed that power plant. If we have natural gas to replace that coal, what would that do that the Sound? Looking at this facility in total is what we have to do, and that's why we have to continue through this process, which will take a global look at this facility, what this facility means to the area.

It's not all negatives. There are things that we have to be concerned with, there are things that we have to address, and we've •• I think we have been extremely careful to be open, honest and upfront about what we see as the concerns. We've undertaken extensive stakeholder engagements to ask people what their concerns are. In addition, part of this process is to begin a dialog. If we're to put this facility here, we intend to invest money in the health and well being of this estuary as well, we're not just going to sit there and use it for our own commercial purposes. We have talked to folks to say we have a plan to invest large sums of money each year, and I'm talking in the multiple millions of dollars each year for specific programs that would go directly to the benefit and health and well being of the Sound. We're not just going to give that money away to people and say go do good things for the Sound. We want to talk about how we structure that so that they, in fact, are focused and we can have credible projects going forward. But are there things we can do, let's say, with SUNY and its activities or on the Connecticut shoreline with many of the environmental engineers or even their programs that are underway or projects that •• I think, Mr. Cooper, you talked today about how the proposed federal budget has a proposal to cut the funding for cleaning up this facility. Wouldn't it be nice, rather than looking at a handout from the Federal Government that you have some corporate sponsors of projects here over the long term that would be able to underwrite some of these projects for the benefit of the Sound? You have to look at both sides of this issue, and you have consider what this project means.

MR. GAFFNEY:

Legislator Foley, if I may.

LEG. FOLEY:

Yes. Thank you.

MR. GAFFNEY:

One of the things that you addressed before, and I'd just like to respond to it, I agree with you completely. I think that preserving •• preserving the environmental benefits of Long Island Sound is very, very important. I think that that is not the only environmental situation that we need to deal with, but it's certainly clearly a major one. I agree with you. I think that this is a process that needs to have a lot of input. We want to hear from everybody, we want everybody to have their say, we want everybody to comment, we want people to look at the Sandier Report with regard to safety issues, we want people to fully examine it. We particularly want government leaders to do that, because they are opinion makers, and in fact, have a lot to do with the way people think of things. And we think that a fully informed Legislature, fully informed Executive, taking a look at the totality of this are in a position to make those hard calls.

But what we've seen early on, and I can understand it, is a lot of organizations who don't want you to look at it, it's just say no. I don't know that that's fully fair to the residents of the region to be •• you know, to short circuit a process that can only be informative and ultimately dispositive of whether or not this is a good thing or a bad thing. If we're going to say, I don't like it, people who know me, people I know don't like it, don't tell me about it, I don't want to know anything, let's just stop it, then all of these important discussions that you and I agree need to occur, won't occur.

There's nothing to fear about information. Information and knowledge is something that we should want to have, not something we should be afraid of. So, you know, in taking a position with regard •• and believe me, I have enormous respect for the sponsors of the resolution that • the Sense Resolution that opposes the project, but it seems to me that at the same time since there's a resolution that calls for a study that will advance the state of knowledge about it, it seems to me that there •• it doesn't make a lot of sense. So my suggestion, if I might be so, you know, presumptuous to make that is to get as much information as we can. This is not a process that's going to be completed in the short term.

CHAIRPERSON NOWICK:

And I think that that's what we have been trying to do. I just want to mention that we have a Parks Department meeting here in less than 10 minutes.

LEG. FOLEY:

I'll be brief. Thank you. I just have a follow up. Thank you, Mr. Gaffney, for your comments. Part of the •• one of the positive outcomes of these discussions is to get insight into how, not only different people, but different institutions, think about things. And I would respectfully disagree that federal funding for environmental projects is not a handout. It is a utilization of federal revenues coming back to an area that pays quite a large share of federal taxes. So, please, take it back to your corporate board that this •• and I mean this respectfully, but this •• the federal funding of environmental programs is in no way, shape or form a handout. It is part and parcel of a federal system of returning dollars to the localities that sends dollars to Washington, that's number one.

Number two, I would ask you why New York as opposed to Connecticut? And you mentioned

about offloading of coal on the Connecticut side, I'll ask that question, and if you can answer it, not just •• if you can answer with this other sub•object of a question, is it not true that Connecticut has a moratorium on commercial structures on its side of the Sound? If that's not correct, please correct the record.

But the more •• equally important question is why New York as opposed to Connecticut for your siting?

MR. HRITCKO:

The siting in the process, as I said before, is very extensive, and it will be fully laid out in the •• in due course during the development of environmental impact statements as to how we choose this location. But the bottom line is that this is a facility that will serve the needs of New York, and it needs to be in New York. The bulk of the gas is going to be consumed in New York. And whether you talk about New York City or Long Island, it will have an impact on the price in people's pockets here in Suffolk County, all of way out to the East End. Even if every molecule floated into New York City, it will impact the price of gas here on Long Island. It also serves the people of Connecticut as well as a side benefit.

But this is an energy project to serve primarily the needs of New York. So it does make sense that we locate it in New York. Does Connecticut have a moratorium or at least put enough road blocks to make a presumption of a moratorium? Yes. Was that part of our consideration? Yes. Why would you propose a \$700 million investment in an area that's a nonstarter where you know they are going to block you? That was one of the consideration. It wasn't the consideration, it still gets back to the fact that this is a project that will serve the energy needs of New Yorkers.

CHAIRPERSON NOWICK:

Thank you. I think we have two other questions. Legislator Cooper, did you still have a question?

LEG. COOPER:

Yes. Legislator Binder, I think, left the room, but I just didn't want to allow one of his statements to pass without commenting. He had basically inferred that if Broadwater was up in •• in operation and that we had additional supply of natural gas that the KeySpan plant in Northport would be able to upgrade, repower, and run on cleaner natural gas, and that's just not the case.

I have had discussions with KeySpan, I've had discussions with LIPA. The issue is not the supply of natural gas, the issue is, number one, that of cost, and number two, their need for an alternate base line plant to take up the slack if they took the Northport plant out of operation. It's a whole involved subject, but Legislator Binder's assertion was completely off base. But anyway, my question to you is, and I just want to revisit again the issue of state and local involvement in the approval and the siting process, because that is, at least for me, one of my •• one of my major concerns.

And I'm reading from a report issued by the research director of Public Citizens Energy Program just a couple of months ago. If I could just read a couple of paragraphs. "In a behind closed doors move during recent budget negotiations, Congressional conferees inserted language into the massive appropriations bill, HR 4818, stating that Federal Energy Regulatory Commission can preempt states on the permitting and siting of liquified natural gas LNG facilities, thereby squelching the ability of states and local communities to have adequate control over these controversial projects.

The new conference language states that, quote, the Natural Gas Act of 1938 clearly preempts states on matters of approving and siting the national infrastructure. The nation will need to expand its LNG infrastructure over the decades. Such a move may undermine a July lawsuit filed by the California Public Utility Commission claiming that FERC illegally moved in March that states have limited jurisdiction over the permitting and siting of LNG facilities inside their borders. The issue is being closely watched by other states where officials have expressed alarm about the inability of state and local governments to have adequate input into these projects.

More alarming is the way in which this language was inserted into the conference committee report. Rather than hold public hearings where the public and other law makers have an opportunity to comment, this provision, which was in neither the House nor the Senate Bill was slipped into a massive appropriation bill at the last minute."

So do you disagree •• if you can just, for my edification, address the concerns expressed here, and if some of this is off•target, explain that's it's off•target.

MR. HRITCKO:

First of all, I'll get back to my prior points, and I'll out that I'm not speaking as an not attorney, I'm not an attorney, and I'm certainly not an expert on constitutional law, which is really what the question revolves around. What you said is •• what you read there is exactly factually correct. The states tried to preempt or usurp the authority of a federal agency that is clearly given the power to review and to opine on import •• energy import facilities in 1938. What the State of California tried to do was to say, no, we are the ones that should make that decision here at the state level.

Having said that, that's not to say, and I think you said before that the states have little authority, that does not override any other authority that the state otherwise has. The state still

has authority over all the environmental, all the historic preservation, all the air, the water quality. Every aspect of that project that is not part of the determination of whether this project would be in the public convenience and necessity resides at the state level. So that is what they are getting to in this lawsuit, not the fact that the state cannot •• now the states are arguing that they should be the ones that make that determination.

But the fact remains that for nearly three quarters of a century, the law has been that the Federal Government makes that determination. The states •• the states focus on their issues that aren't addressed at the federal level. So that's really of nub of what we're talking about here. It's not that the Federal Government is trying to override or take more of a position than they've already had, it's that they're defending what they've got now and that the states are trying to say that they're the ones that make that decision.

LEG. COOPER:

I'm sorry. I know there's ••

MR. GAFFNEY:

Legislator Cooper, if I could just add one thing. And again, my understanding, and I could be wrong, but my understanding is that the issue in California revolves around the states •• the state's desire to control the use of a piece of privately owned land for an energy facility. This is different in as much as Broadwater in order to site a facility is going to have lease land from the State of New York.

Now, I don't think that the Federal Energy Commission •• Federal Energy Regulatory Commission or anybody else is going to be able to compel the State of New York to enter into a lease for an

operation of an energy facility on its lands. So they're very different issues. And it had been my belief from the beginning that joining in an amicus brief, as many people did, in a California action is •• while it might be right thing to do •• I'm not that familiar with California, but here, you know, it's •• it's not particularly relevant, because the State of New York is integrally involved or will need to be at some point. If they don't like it, it's never going to happen, because no one is going to be able to come in, the Federal Government isn't going to come in and force them to sign a lease for federally •• for state-owned property. That's my understanding of it.

LEG. COOPER:

Thank you.

CHAIRPERSON NOWICK:

Legislator Alden, I think you have a final statement.

LEG. ALDEN:

Real quickly, the Long Island Sound, I wish it was a pristine body of water undisturbed and unmolested, but you know what? It's not. I remember sitting there watching garbage barge after garbage barge pull out of New York City and go right out to the Sound. I also have sat there and watched barge and barge come in laden with oil, dirty oil. Luckily, we haven't had a major spill, but if we ever do have a major accident or a major spill, exactly what was stated before. You are going to be washing that off of ducks and trying to get the fish and replace the damage that's done. Cleaning up the shoreline is very expensive. I have never heard of natural gas •• like you made the statement before, polluting the aquifer.

I think that what we have is a position where knowledge is power. And if we can develop the whole picture, and I'm not saying I'm for or against, you know, your project, but I really would like to see the whole picture developed. And there's another thing that, you know, really struck my interest before. You stated the locations that you are going to be tapping to bring the natural gas here in a liquified form, none of that was the Middle East. And I really resent the fact that we rely on the Middle East. We import probably close to 75% of our petroleum products from outside the United States. Now, we are also faced with some interesting things, and it's not for this body to do it, but somebody is going to have to make that decision. Do we go and further develop Alaska? Do we pump dirty oil out of Alaska or do we look for things like this; liquified natural gas? It's not the •• is it the perfect solution? No. Is it the best solution? Probably not.

But as far as making the switch from fossil fuels to some renewable type of energy, which we're not really at that point where it's economically feasible to do in mass production, but making that switch this might be the solution that would clean up certain areas of Long Island and provide us with some go ahead as far as eliminating some of our oil and our dependance on oil. So that might be a national concern that we should also be aware of and that debate should be taking place.

I would hope that we opt for knowledge rather than just shut the process down, because even if at the end you guys aren't allowed to build your plant, at least some things are going to be identified, like, for instance, last year and the year before in my Consumer Protection Committee, we heard testimony that the gas supply, the reason why prices spike, there's not a lot of gas supply. We always assume that, you know, from Canada it was almost, like, the great supply of it, it was going to keep coming forever in unlimited supplies. It's not. And the amount that we have in the United States, limited and actually dwindling.

Most of the gas fields here are on the down side as far as production. So our energy policy is going to be based in large part on what's available to us. And wind power and photovoltaic cells

and other types of things, I think they are still years away from being economically feasible for developing the amount of power that we need on Long Island to serve our constituents. So I would hope that we opt on the side of knowledge, truth and light, and let the process go forward.

CHAIRPERSON NOWICK:

I want to thank all of you for giving us your presentation, and we have learned a little bit more. And I for one would like to table the Sense Resolution so I can hear all sides of this. I think the committee is probably feeling the same way. Because as Legislator Alden says, we need to learn and knowledge is what we need to have. I thank all of you, and we will go on to the agenda.

MR. GAFFNEY:

Thank you very much.

MR. HRITCKO:

Thank you very much.

LEG. NOWICK:

Okay. We're going to go to the agenda now.

TABLED RESOLUTIONS

1878. Appointing Mary Ann Neil to the Suffolk County Community College Board of Trustees. (LINDSAY)

MS. JULIUS:

Madam Chair, this resolution was tabled subject to call at the last committee meeting.

CHAIRPERSON NOWICK:

Thank you.

1975. Adopting Local Law No •• 2004, a Charter Law to streamline County Government by abolishing the Airport Lease Screening Committee. (COUNTY EXEC)

LEG. ALDEN:

Motion to table.

LEG. SCHNEIDERMAN:

Second.

CHAIRPERSON NOWICK:

Motion by Legislator Alden, seconded by Legislator Schneiderman. 1975 has been **tabled**.

LEG. FOLEY:

Opposed to tabling.

LEG. COOPER:

As am I.

CHAIRPERSON NOWICK:

Legislator Cooper, Legislator Foley opposed to tabling. **TABLED. (VOTE:4•2•0•0)**

2104. Adopting Local Law No •• 2004, A Local law to ensure that Suffolk County hotel/motel tax funds benefit Suffolk's tourism. (SCHNEIDERMAN).

LEG. SCHNEIDERMAN:

Motion to approve.

LEG. NOWICK:

Motion to approve by Legislator Schneiderman.

LEG. ALDEN:

I'll second this. All in favor?

LEG. COOPER:

Can I have a brief explanation, please?

LEG. SCHNEIDERMAN:

What this resolution does is it requires that funds that are given to the designated tourism promotion agency, whoever they may be, that public funds, taxpayer funds, are not commingled with private funds, in other words, membership dues, and that public funds are not unduly •• are not steered to unduly benefit any private businesses. It doesn't, in fact, require them to do anything that they're not, I believe, already required to do by law, but I think it clarifies it and sends an important signal.

CHAIRPERSON NOWICK:

Do I hear any other motions? We have a motion to approve by Legislator Schneiderman, seconded by Legislator Alden. All in favor? Opposed? **Approved. (VOTE:6•0•0•0)**

INTRODUCTORY RESOLUTIONS

**1030. Approving the appointment of Diana D. Schmidt as a member of the Suffolk County Motion Picture/Television Film Commission.
(COUNTY EXEC)**

CHAIRPERSON NOWICK:

Let me just say she is not here, actually she is in Hollywood.

LEG. ALDEN:

Motion to table.

LEG. CARPENTER:

Second.

CHAIRPERSON NOWICK:

Motion to table by Legislator Alden, seconded by Legislator Carpenter. All in favor? Opposed?

Tabled. (VOTE:6•0•0•0)

1041. Approving the purchase of a used snow blower for the Department of Economic Development and Workforce Housing, Division of Aviation. (COUNTY EXEC)

CHAIRPERSON NOWICK:

I just have a question on that. Shouldn't this be in DPW? How did this ••

LEG. FOLEY:

We go from an LNG plant to a snow blower?

LEG. SCHNEIDERMAN:

Ms. Chairwoman, if we could have •• Carolyn Fahey is here from Economic Development.

LEG. ALDEN:

I have a few questions.

CHAIRPERSON NOWICK:

Legislator Alden has a few questions.

LEG. ALDEN:

This is ••now, what did Legislator Losquadro call it, an AP? No. How •• what is this? It's not an APU, it's a •• no this is an attachment to the front of a large truck, right?

MS. FAHEY:

No. It's the actual vehicle itself. It's a used vehicles that was turned into a dealer by, I believe it was Long Island Mac Arthur Airport when they upgraded their equipment. It's a full vehicle. I have pictures if you want to see them.

LEG. ALDEN:

Right now, who does the snow removal out there at Gabreski.

MS. FAHEY:

The department is responsibly for most of it. We have an agreement with the Air National Guard

that on the two major runways that they utilize that they would clear the snow over two inches. But the department itself is responsible for the rest of the airport.

LEG. ALDEN:

So we've been shirking our responsibility and now we need this snow blower, or we've been doing it some other way?

MS. FAHEY:

We've been doing it with old equipment. We have an old dump truck that was with the airport when it was with DPW that is just ready to be decommissioned. You put a plow on it back, the back comes up. We have been using •• we have a small riding touro that we use to snow blow, and we have one other truck that allows us to do the taxiways and the runways. So this will be an additional vehicle.

LEG. ALDEN:

How long is it going to take to actually purchase this and put it into commission?

MS. FAHEY:

Probably won't be done for about two months by the time we go out to bid.

LEG. ALDEN:

Okay. Because I had more questions, but I'm not going to waste the time here. You just answered the major question. I'm going to make a motion to table and just look into this a little bit further.

CHAIRPERSON NOWICK:

Motion to table by Legislator Alden, seconded by myself. All in favor? Opposed? **Tabled.**

(VOTE:5•1•0•0) (Opposed; Legis. Foley)

1042. Accepting and appropriating a grant award from the Federal Workforce Investment Act, Title II, for an Adult Education and Literacy Services Program at the Patchogue One Stop Center 100% reimbursed by Federal funds at Suffolk County Community College. (COUNTY EXEC)

CHAIRPERSON NOWICK:

Motion by Legislator Carpenter to approve and place on the Consent Calender. All in favor? Opposed? Motion to **APPROVE** and put on the **CONSENT CALENDER. (VOTE:6•0•0•0)**

CHAIRPERSON NOWICK:

1043. Accepting and appropriating a grant award from the Federal Workforce Investment Act, Title II, for an Adult Education and Literacy Services Program at the Hauppauge One Stop Center 100% reimbursed by Federal funds at Suffolk County Community College. (COUNTY EXEC)

LEG. NOWICK:

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDER. (VOTE:6•0•0•0)**

1044. Accepting and appropriating an amendment to the College Budget for a grant award from the US Department of Education for a Federal Work•Study Program 100% reimbursed by Federal Funds at Suffolk County Community College. (COUNTY EXEC)

LEG. NOWICK:

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDER**.
(VOTE:6•0•0•0).

1045. Accepting and appropriating an amendment to the College Budget for a grant award from the Federal Workforce Investment Act, Title II, for an Adult Education and Literacy Services Program 100% reimbursed by Federal funds at Suffolk County Community College. (COUNTY EXEC)

LEG. NOWICK:

Same motion, same second, same vote. **APPROVED** and placed on the **CONSENT CALENDER**.
(VOTE:6•0•0•0).

Sense Resolution

S. 08. Sense of the Legislature resolution in opposition to the proposed Broadwater Energy project. (Cooper)

LEG. NOWICK:

I'm going to make a motion to table, seconded by Legislator Alden.

LEG. COOPER:

I'd like to make that motion to table. I just wanted to say at the request of both Broadwater Energy and the consortium of environmental groups that oppose this project, there was a request that we not take up this bill at the General Meeting on Tuesday, because there's a meeting in Albany, a public hearing on Broadwater, and everyone is going to be up in Albany. So since this cannot be considered on Tuesday, I make a motion to table.

LEG. NOWICK:

Motion to table by Legislator Cooper, seconded by Legislator Alden. All in favor? Opposed?
Tabled. (VOTE:6•0•0•0)

LEG. FOLEY:

Madam Chair, can you list me as opposing the tabling of 1041 and list me as supporting 1042, 1043, and 1044 and 1045.

CHAIRPERSON NOWICK:

Motion to adjourn.

LEG. COOPER:

Second.

LEG. NOWICK:

All in favor? Opposed? Meeting is adjourned.

(* THE MEETING WAS ADJOURNED AT 11:42 A.M. *)

_ _ **DENOTES BEING SPELLED PHONETICALLY**