

Sick, Empty Feeling

It's been a 13-year battle, consuming a huge portion of my life. The governor tells us that we have won. Shoreham will close. Instead of feeling jubilation, we feel empty.

Is it the price that Long Islanders will be forced to pay for mistakes of the Long Island Lighting Company and the government? Or is it that our cynicism has been nurtured to a point that we don't believe any politicians? Is the empty feeling the fact that we know that nothing has changed? That the management of LILCO is still in place and still pursuing a license? Is it caused by the fact that the Reagan administration is still anxious to license the plant? Is it because of the reality that in 1985, when the management of LILCO fired up the plant for low power testing, they contaminated the system which makes it now a monumental job to decommission it? Is it because we fear that because of this cost and the fact there is currently no place to deposit the radioactive remains of Shoreham, the government will opt for mothballing the plant, leaving it intact, ever ready to be repowered and again pose additional risk for my fellow Long Islanders?

If, as Cuomo says, Shoreham is dead as a result of his agreement with LILCO, that news is sweet. But there is much in that agreement that is uncertain, and much that is bitter.

LILCO will continue to push for a license. On June 6, the company will conduct a mock test of an absurd evacuation plan that will not work, will not protect the public, is nothing more than a game played on paper. While under the governor's ultimatum to finalize the deal, LILCO was holding meetings with bus drivers as part of their ongoing evacuation scam.

The governor was not able to get an agreement that LILCO would immediately end its effort to license the plant. LILCO simply agreed not to go above the 5 percent level of operation if the NRC changed all the rules and pushed the license through. And there will be no immediate decommissioning of the plant. It will sit there for years because there is no place to put the nuclear waste from a decommissioning process. What is to prevent the federal government-staunch nuclear energy proponent that it is--to confiscate the plant in the name of national defense, national energy policy, or whatever? After years of criticizing LILCO, its officers, the federal government and the Nuclear Regulatory Commission, Cuomo has developed the ability to trust them, that they will not conspire to accomplish what they wanted all along, the licensing of Shoreham. We don't trust them. As long as that plant is there, intact, it will be a threat hanging over our heads.

From where we sit, Shoreham is not dead, it is alive and well. In fact, in better shape than it has ever been. The financial aspects of the Cuomo deal are appalling. The \$5 billion plant was reduced in value through imprudence to \$2.9 billion. The ratepayers, through increases given to LILCO by the Public Service Commission, have already contributed over \$2 billion towards the construction. That only leaves \$900 million that has not been paid. Yet, the governor has agreed to allow the full cost of the plant to be put on the ratepayers back without giving them credit for the payments that they have already made. And the governor has agreed to let LILCO earn a 13 percent profit on its investments in Shoreham.

We know the effects the increase in rates will have on the people of Long Island. One only has to go back and look at the data about potential rate increases that was gathered during the Cuomo Commission hearings. The effect on real estate was devastating. Middle income people, the work force of Long Island, forced to move. Those locked in to staying here will face tremendous financial burdens, not only in meeting the escalating electric bills for their own homes, but for school districts and all levels of government which will need to increase taxes to pay soaring energy costs.

The governor's deal fixes rate increases for three years only. He talks about a "target" of 5 percent increases in the following years, but there are no guarantees. Future rate increases would depend upon the mood of the state's Public Service Commission, which for years has given LILCO "financial stability adjustments," "fuel adjustments," and a host of other giveaways to keep LILCO financially alive, all at the ratepayers' expense. Cuomo could have prevented that from happening, but he didn't. He ignored pleas from the people to change the giveaway members of the PSC, but dragged his feet for years at the cost of millions of dollars to the ratepayers. What written guarantees does he have from the PSC that the ratepayer be damned, help the utility at all costs mentality won't resurface?

Mario Cuomo has utilized the fear that has existed in the minds of the public about Shoreham to bolster his political image. He is dangling a blank check in front of us, declaring we had better sign it or Shoreham is going to go on line. He has, he says, killed Shoreham, singlehandedly. He's a miracle worker, his hired henchmen claim.

The shame of it is that at the price he paid with his deal, he could have accomplished the same thing years ago, when the price of Shoreham was much less. What happened to the



Mario Cuomo who, for years, stood firm against the blackmail threats of LILCO, warning of power shortages, brownouts, blackouts, and the dire consequences if Shoreham did not go on line?

A Wall Street expert last week called the Cuomo agreement a "sweetheart deal" for LILCO, and it certainly appears to be. Cuomo met LILCO's price, that's what he did. They get paid for the plant, even make a profit, and don't have to worry now about a plant that was destined to be a money loser and a problem in the future. There's not much skill in being a negotiator when you meet all of the demands put on the table by the other side. The financial rewards offered by Cuomo turned out to be a deal LILCO could not afford to turn down. Yet even with all of this, LILCO is free to continue pursuing a license and, once obtained, can operate the plant.

Under Cuomo's deal, the same arrogant management will be in place, the same management that took golden parachutes to glide into retirement while they, at the same time, were neglecting the entire transmission system and cutting back the salaries of their own employees. If there was any good about LILCO during this entire fiasco, it was the employees who held the company together. But it was the management, the arrogant management, that rewarded itself.

Mario Cuomo is today basking in the spotlight, bragging about his achievement, blasting anyone who dares question or criticize what he has done. But, will he be here when the rates go beyond his "target" figures? Will he be around to protect 'he public, or will he be pursuing political ambitions elsewhere?

We have fought long and hard for the safety of the people. We have covered this story in depth, covered the demonstrations, Washington hearings, evacuation drills. We have talked to the people, all the people, the pregnant women and the mothers worried about the future of their children. The infirm who worry about their safety.

We have also covered LILCO rate increase hearings and have heard the pleas of the people there, pleading for help from the PSC, which didn't listen. We have heard the voices of the elderly, and the young, and those in between, who could not afford to meet the constant demands for higher rates.

If, as the governor says, Shoreham will die as a result of his deal, he has acted to help those who feared for their safety, giving LILCO a bright financial future at the expense of those who plead for their own financial stability. It's a shame the governor does not realize that life without Shoreham must also be a life we can afford to live.

And why not?

Shoreham Time Bomb

"Shoreham will be decommissioned and dismantled. LILCO will sell Shoreham to L.I.P.A. or another state entity for \$1. L.I.P.A. would contract with the New York State Power Authority to decommission the plant, THE COST BEING BORNE BY LILCO." Excerpt from Governor Cuomo's statement on Shoreham settlement.

What does the last sentence, "...the cost being borne by LILCO" mean to you? To us it means LILCO, the corporation which deliberately contaminated the Shoreham plant, will bear the cost of the decommissioning. Guess what folks! A governor's spokesman now concedes this statement is not true. It is the LILCO ratepayers who will pay for the decommissioning. The corporation, LILCO, will pay no penalty for their reckless act. We, the ratepayers here on Long Island, will pay one hundred percent of the cost. Richard Kessel, the governor's chief salesman to sell the agreement, says the governor meant the ratepayers when he said LILCO. He said he clarified that in his press conference. But he has not clarified his printed statement, and the media has continued to mislead the public by reporting LILCO will bear the cost.

Now for another falsehood in the agreement that is going to cost us billions. In the terms of the agreement, LILCO has told Cuomo and Cuomo has bought it, that the estimated cost of decommissioning the plant will be \$400 million. LILCO has based this estimate on a 1972 Atomic Energy Commission study. This study was not based on fact or knowledge, it was strictly a guesstimate by this agency that was supposed to be regulatory in nature but was so pronuclear that it was disbanded by congress.

Governor Cuomo's own Shoreham Commission looked into the question of decommissioning a nuclear power plant. Again, there are no hard facts because there has never been an activated plant decommissioned here in the United States. Engineers were asked to give testimony to the commission with their best estimate as to what the cost of decommissioning the plant would be under today's stricter rules and regulations. No one would put a hard dollar figure on the estimate, but they said they felt the cost would be at least equal to the cost of construction. If this holds true, the cost of dismantling Shoreham will exceed \$5 billion, not the \$400 million that LILCO estimates. It has been said that because Shoreham operated at only 5 percent, the decommissioning costs will be less. But we have no guarantee about that, and have seen no estimate based on expertise, just a lot of guesstimates.

We must remember in this crazy

Shoreham scenario that it was LILCO who told the Public Service Commission that it could build Shoreham for an estimated \$250 million. It was only off by over \$5 billion. We believe based upon our knowledge as a member of the Shoreham Commission, its \$400 million estimate is probably just as far off the mark as its original estimate on construction. If our fears are confirmed, electrical rates will have to be doubled and tripled in the years to come. The governor, in his scenario, is projecting rate increases of 5 percent per year over the next ten years. But the agreement calls for a three year cap only, with 5 percent projected as a "target rate" for the following years.

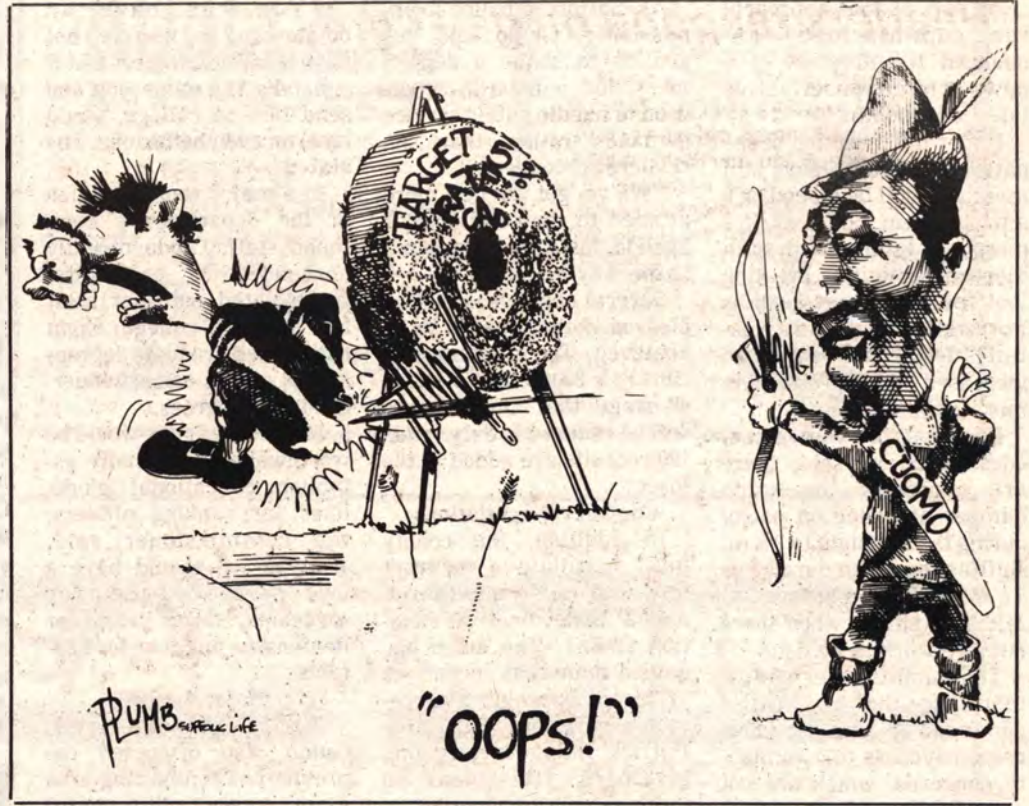
Suffolk Life is between a rock and a hard place in the current state of affairs about Shoreham. We have stood firm and have fought hard for the safety of the people. We still put safety above dollars. But the information we keep getting, not from official documents because as yet there are none, but from a variety of sources, indicates the price being paid to keep LILCO from operating Shoreham will make LILCO rich and the ratepayers bankrupt. If they are not forced off the Island by the dangers of radiation, the ratepayers may be forced to flee because of the fiscal complications the governor's deal threatens.

We plead with the governor to open his eyes to find out what the real cost of this settlement will be. We believe the governor seriously believes that the federal government will attempt to open the Shoreham plant this summer and that is the reason he has thrown caution and common sense to the wind. He has pledged to stop Shoreham from ever opening, and to accomplish this goal, which we agree with, he may well have recklessly endangered the financial health of Long Island.

Has the governor totally given up on the integrity of government and the judicial system? Does he honestly believe that the courts will condone the corrupt actions of the Nuclear Regulatory Commission in changing the rules, and ignoring its primary responsibility--the safety of the public? Has our federal government become so dishonest in the mind of the governor that he is convinced that wrong will prevail, rather than right?

The people have stood firm against the arrogance of LILCO in trying to push Shoreham down our throats. They deserve full facts, not half statements, or a spokesman's clarifications of what the governor meant, but didn't say, or simply "trust us," the current theme song of the governor and his men. Let the people know all the details so they can have a full say in their destiny.

And why not?



Halpin On The Verge?

Suffolk County Executive Patrick Halpin is on the verge of making one of the most important decisions he will be called upon to make as county executive, a decision on the approval or rejection of the VDT law, one of the worst pieces of legislation ever to come out of the Suffolk County Legislature.

While we have learned long ago never to expect a politician to utilize common sense in the decision-making process, there seem to be some signs that Halpin is going to be an exception. If, indeed, Halpin does do the sensible thing and reject this grandstanding proposal, he will have shown a measure of courage that deserves applause.

During his campaign for the county executive's post, Halpin did the politically expedient thing and came out in favor of VDT regulations. With the unions clamoring on behalf of the VDT legislation, proposed by the union-connected wife of a legislator's aide, Halpin was not about to risk losing union support.

Now he has been elected, however, and knows a bit more about the county's economic state, and has had an opportunity to assess the financial impact of this law upon the business community of Suffolk County.

There have been firm and clear warnings from the business community that the implementation of this law would have a dramatic impact on the intentions of businesses which utilize computer technology about expanding or moving into Suffolk. There are serious concerns that businesses will opt to leave Suffolk rather than deal with a government that imposes unrealistic restrictions and requirements upon the business community. Indeed, several large firms have reportedly made it known

that they will leave the county if the law goes into effect.

As a politician, Halpin had much to gain by voicing support for the VDT legislation, but as county executive he has much to fear. With sales tax revenues running behind, Halpin can't afford to do anything that is going to damage the county's tax base. He has already voiced alarm about a fiscal crisis, the need for austerity measures, and possible tax increases ahead. Anti-business legislation will only make matters worse.

Halpin has put much of the blame for the fiscal crisis he projects upon previous administrations. If he goes along with the grandstanding efforts of county legislators to put in place "landmark legislation" regardless of the impact, he will have no one else to blame but himself.

What's encouraging to us is the manner in which Halpin is researching this matter. He has gone to Washington to discuss VDT legislation on a federal, rather than local, level, which would spread the impact across the entire nation. He has visited business firms to learn firsthand, away from the emotionalism that has fertilized this issue.

We may be wrong, but at this writing it appears Halpin may well have the mettle to say, "Yes, I did voice support before I was elected. But I have since learned there is merit in the fears that this legislation may have a disastrous fiscal impact on the county, and I can't allow that to happen. I would support legislation on a federal level, but I cannot permit Suffolk County alone to suffer such a financial impact." We certainly hope he has that kind of courage.

And why not?

What The People Need

Bits and pieces have been leaked about the alleged Shoreham deal. Most Long Islanders felt relief initially when they heard that the deal was based upon the closing of the Shoreham nuclear power plant. The majority of the residents of Long Island have placed the safety issue above the economic. To say one is more important than the other is not an easy choice to make.

Members of the Citizens to Replace LILCO gathered at its birthplace, the offices of Suffolk Life, last Wednesday night. Most of the original board was present, as were representatives from various businesses and community groups.

We first attempted to ascertain what the "deal" was and was not. We discussed what we felt should be included for the benefit of the residents. We all expressed our opinions. From this came a "bill of demands" that we feel are the very minimum that should be included in the "deal" if Long Islanders are to be expected to accept it.

Point 1 - As a sign of trust and mutual faith, LILCO must agree to immediately cease any efforts to further obtain a license to operate Shoreham. They should notify all regulatory agencies that if they come to an agreement with the State of New York to sell the nuclear power plant to the state, the need for a license will not exist. To save the LILCO ratepayers and stockholders now and to avoid the further waste of the governments' taxes, they are to suspend all activities and request that all actions be suspended on processing the licensing applications.

Point 2 - The agreement between the State of New York and the Long Island Lighting Company must provide for the immediate dismantling and decommissioning of Shoreham once the agreement is formalized. Immediately upon the state taking ownership of the plant, procedures must take place within the guidelines of safety to make the plant totally and forever inoperable. All working systems not important to safety or the confinement of the radiated portion of the plant must immediately be disassembled and removed. Under no circumstances will the plant be allowed to be mothballed and stand there as a continued threat, or have the potential of being operated ever again as a nuclear power plant. An agreement which does not contain these specific directions is meaningless and will continue to perpetuate a fraud on Long Island.

Point 3 - Rates under the settlement must be equal or lower than the rates that would have prevailed under a L.I.P.A. takeover as specifically outlined in the Lazard Freres financial report conducted for

L.I.P.A. It must be specifically understood that all financial scenarios that are to be conducted will be based on the same assumptions, and must be subject to an independent financial analysis to make sure that the truth prevails.

Point 4 - Again, based upon leaked reports, it has been alleged that the documents contain wording to the effect that the plant will be sold to L.I.P.A., "or some other agency." The Citizens to Replace LILCO will only accept the sale of Shoreham to L.I.P.A. which, by law, is required to close the plant. Any other authority is not bound by law, written or common, and conceivably could open the plant under their auspices.

Point 5 - All state and federal agencies or bodies that must sign off on this agreement must do so within 60 days of the finalization of the documents. If an agency does not sign off within 60 days, and their failure to do so causes economic losses, the agreement must state that these losses will be borne exclusively by the stockholders and cannot revert to the ratepayers through increased electrical rates.

Point 6 - If the management of LILCO submits rates for approval to the P.S.C. that exceed the projected rate increases, then L.I.P.A. should be empowered to take over the corporation, with the management of the new company selected through an electoral process whereby all ratepayers are given an equal vote.

Point 7 - Whereas LILCO has projected in its assumption presented to the state that the cost of decommissioning will be \$400 million, and the state has agreed to allow these costs to be absorbed by the ratepayers, the agreement should contain wordage whereby LILCO stockholders agree to assume any additional costs that may be incurred beyond this projection.

Point 8 - The public retains the right to pursue any and all imprudence claims now pending or that may be forthcoming against the company for mismanagement of this project.

We believe that these propositions set forth by the Citizens to Replace LILCO are reasonable and modest. They are the minimum that Long Islanders can settle for. They will not make this deal a great deal, particularly on the economic side. If the first two principles are agreed to at least, then we would have an assurance that both sides in this agreement, the state and LILCO, are operating in good faith and we would have reasonable assurance that the plant will be closed.

The other principles set forth are important economic issues that only give minimum protection to the

citizens and the ratepayers. We do not see how the governor or the governor's men can accept anything less for the people they are pledged to serve.

Let the governor know how you feel. If the deal flies or falters, it is he who is at the helm. It is he who will be the hero or the hypocrite.

And why not?

Facts Louder Than Games

In Tuesday's make-believe world of a Shoreham evacuation being played out by the federal government so that they could grant LILCO a license to operate the Shoreham plant, some strange things happened.

Under the proviso, LILCO was to actually sound all sirens. LILCO tried to activate the system. Fifty-six sirens failed to operate. The reality of this is that better than two-thirds of the people who were to be notified to evacuate had no way of knowing there was an emergency. That's realism in a make-believe drill. The scenario called for, during the evacuation process when thousands of cars were supposedly clogging the highways, four accidents to take place. The realism is that during the hours that the drill was taking place, Suffolk County Police reported that there were 42 accidents. If you recall last Tuesday, it was a rather slow day on Long Island. The sun was shining and there were no problems. Only a dingbat, a fool, would envision only four accidents happening during a normal period.

The drill called for people within five miles of the plant to evacuate. Although this was supposed to be a serious accident, according to the intellectually dishonest people who designed the drill, 37 percent of the people decided not to evacuate and stayed home. No one in the ten mile zone, or any place else on Long Island, bothered to evacuate at all. The realism is when a similar type of accident happened at Three Mile Island, the Governor of Pennsylvania recommended that pregnant women leave the area as a precaution. Upon hearing his announcement, 280,000 people who were not pregnant fled the area.

The realism of this whole drill is the fact that Long Island cannot be evacuated without injury and death to its residents. If the N.R.C., based upon this make-believe drill that failed, issues a license that allows Shoreham to open, the penalty will be paid by Vice President George Bush, who wants to be your president. Long Island, in good conscience, cannot vote for a man who sold out our safety.

And why not?

It Took Courage

County Executive Patrick Halpin vetoed the VDT Bill this past Friday. This was an unusual act of courage that we have rarely seen in any elected official.

Halpin had originally supported the concept of the VDT legislation. It earned him union support. He admitted that it was a convenient campaign thing to do, and he sincerely thought that the legislation was a good thing.

Upon becoming county executive, he had the opportunity to look at the need for and the ramifications of this bill. His investigation into the facts led him to the decision that this was a bad piece of legislation. Too many questions still had not been answered as to the health effects VDT units have on their operators. A lot of allegations, but not much substantiation. More important, the ramifications on the economy of Long Island would have been devastating.

He concluded people have to have a place to work as well as a safe place to work. He conceded that although he had come to the firm conclusion that Suffolk County was the wrong place for this legislation if it is

needed, he had given his word that he would support the measure. He had to make a decision either to do what was right and go back on his word, or keep his promise and do what was harmful for the people of Suffolk County. In this case, Halpin put good government above politics and he and the county are better for it. We applaud his courage.

It is ironic that the law approved in Suffolk County last November covering county employees has not been implemented. Two deadlines established in that law have come and gone, and nothing has been done. And yet those legislators who have sponsored and supported the VDT legislation have said not a thing. The unions which have been bashing Halpin, hopeful they could turn him away from vetoing the bill, said nary a thing. Why? Are they interested only in headlines, and not really concerned about the people, as they claim? Shouldn't they put their own house in order before they threaten the economy of the island by putting into place a bill that makes little sense?

And why not?

It Took Stupidity

Last week we congratulated County Executive Patrick Halpin for having the courage to veto the VDT bill. The county legislature overrode this veto last week. The vote to override took no courage. It was based on political ambition. And stupidity.

One legislator stood out in the crowd. Wayne Prospect looked at the impact this bill will have on our economy, changed his vote and came out against this legislation.

We well remember when John Foley, the bill's author, was first interviewed for the county legislature. One of the prime points he made was that of a father. We must create an economy that provides jobs for our kids. Not just low paying jobs but high tech jobs, he said. But now that John Foley has his family working in government, he obviously forgot his roots.

It is estimated that 15 to 20 percent of our higher paying jobs will be lost in Suffolk County because of Foley's fervent desire to author landmark legislation, no matter how bad it would be for the county's future.

Legislator Fred Thiele is another classic example. Young and aggressive, he turned his back on the other young people in Suffolk County. He voted for the bill, robbing them of their opportunity to obtain a decent job. He isn't worried. He has got another 18 months at his \$35,000 a year part-time job. He obviously hopes when he is up for re-election no one will remember.

Now that he has voted for the override of the VDT veto, Thiele concedes there are many flaws in the bill he voted for. He now talks about amending the bill to correct those flaws. Why not correct a bad bill before voting to put it into effect? Thiele had no answer to that question.

Then there is Gregory Blass, who is still smarting from being beaten by George Hockbrueckner when he ran for congress. Hockbrueckner had the support of the unions and Blass, trying to make amends for the

past, went to bed on this issue with them.

Michael D'Andre cast a decisive vote to override the veto of County Executive Patrick Halpin. Not even D'Andre knows why he voted as he did. He rambles almost incoherently when asked his reasons, talking about some kind of "conspiracy" and voicing sympathy for the bill's author because of a family tragedy. We think one of the real reasons is he knew there would be more publicity if he switched his vote as he did than there would be if he held firm.

Other legislators, for their own reasons, decided to impose this hardship on the people of Suffolk County. The crime is, if they had taken the time to read the various reports, both pro and con, had done independent study, had gone into the field, talked to businesses, talked to employees, they probably would not have even considered this measure.

If they were truly concerned about people, why haven't they made sure the county, itself, implemented the law passed last year covering county employees. What has been the impact of that law? No one knows, because it hasn't been implemented as yet. That county law could have provided valuable facts about the impact of legislation they rushed to place upon the business community. But the legislators who pushed this bill into being do not want to be confused with facts. They just want the publicity of having passed landmark legislation. Good or bad, push it through and change it later. Perhaps. A classic act of stupidity.

The bill itself is garbage. Like many legislative initiatives, it is not a good, clear, concise bill. It leaves much open to interpretation and will need to be amended in numerous ways. The legislature will probably have another crack at it and, hopefully, the legislators will do their homework and come to the conclusion that they have made a tragic mistake, and be smart enough to own up to it.

And why not?

We don't really see any rabbits that either Cuomo or the government will be able to pull out of the hat to save Long Island.

The deal, as it is structured, gives LILCO financial security. But in doing so it will ruin thousands of small businesses, and force larger firms to seek better financial environments. During the past year, during exit interviews here at Suffolk Life, the most common reason for leaving was the high cost of living on Long Island. Most of these people were making fairly good salaries, high by comparison to areas off Long Island. Yet, the cost of living here on Long Island made it economically impossible for them to stay.

If the Shoreham scenario has taught us anything, particularly the government leaders, the rules governing utilities must be changed. Utilities are quasi-government agencies. They are monopolistic corporations. They do not have competitive pressures. The rates they charge are set by what is supposed to be a

regulatory agency. The regulatory agency, in the past, has almost always been in bed with the utility. Commissioners and staff wander back and forth between the regulatory agencies and the companies they are supposed to regulate. Utilities are guaranteed a net profit of 10 to 18 percent, not based on how economically they provide a service but on how much they can spend to provide it. The whole initiative and incentive with utilities is to create as much in expenditures as they possible can so that the amount of their net profits will be increased. This is ludicrous at best, and it is the one single cause of the development of Shoreham.

The future looks bleak for Long Island because of this deal. Cuomo can, and must, save the rest of the state by putting an end to the runaway utilities, by curbing their financial greed, which in the case of LILCO, has ruined the Long Island economy.

And why not?

Tax Reaper Returns

The good times are over, it's time to pay for the music our elected officials have danced to.

During the past five years, Suffolk's economy has been raging straight up. Real estate values soared. Revenue from real estate taxes increased proportionately. Business boomed and the county and state gleefully took in millions of dollars in unanticipated revenues. They spent every dime of it. Now the reaper has come home to roost.

The county appears to be almost \$100 million dollars short of what it expected to take in during 1989. All the goodies, patronage and pay-offs so gleefully included in their past budgets, supported by windfall tax revenues, now must be taken out of the taxpayers' hides.

Patrick Halpin is looking favorably toward increasing the sales tax from seven-and-a-half to eight percent. In addition, the budget gurus are predicting hefty increases in the real estate taxes you pay. Suffolk County residents may be in for a whopping increase in taxes, much bigger than anybody ever dreamed about.

Let's take a look at what your tax bill will look like next December. School taxes, depending upon the district, up 10 to 20 percent. School taxes average 60 to 65 percent of your total real estate tax bill. County taxes, which account for an average of 15 to 20 percent of your tax bill, may be increased 20 to 30 percent. Town taxes, which add another 15 to 20 percent to your tax bill, may well be increased from five to 15 percent. Special district taxes such as police, water and sewage may be increased by like amounts. When all is said and done and everything is combined, real estate taxes may be increased by 20 to 30 percent this coming year. If the sales tax is increased a half-

cent, a 15 percent increase over the current rate, your buying power will be cut. Your dollar will be worth a half-cent less.

What's the answer? Rolling over and playing dead and accepting the inevitable is the least attractive option. Moving is not much more attractive, yet thousands will, particularly after they are belted with a 4.9 percent LILCO increase expected in October.

You, particularly, every reader of this paper, can contact the county executive, your county legislator and your town and school board members. Cry out with indignation, demand to know why your government services are rising at a much more rapid rate than your income. Tell them in no uncertain terms you want spending stopped, special interest programs cut. That you only will tolerate bare bones government. Keep a vigilant eye, particularly on your legislators who are wilfully and wantonly squandering the precious resources of Suffolk County.

Join a taxpayers group, a civic association or a citizens group whose aim it is to get the attention of the elected officials through numbers. It's time that all of us took an active interest and participated in our government. If we don't, we have no one else to blame. If you are one of the unfortunate ones being forced off Long Island because of the economy, or if you are one of the fortunate ones that can up and leave, we implore you to contact your legislator, contact your school board before you leave. Tell them the impact they have had on your life, that because of their actions you are forced from where you chose to live.

It's time our governmental officials get a strong message from the people whose lives they impact with their wasteful spending habits.

And why not?

Price Of Safety

Shoreham may be closed. The cost is incredible. That's the sum and substance of the deal devised by Governor Cuomo and Bill Catacosinos. The people of Long Island will pay dearly for the Long Island Lighting Company's admitted mistake with a nuclear power plant.

We have already paid for about half the cost of the plant through "Construction While in Progress" funding which has already been built into our rates. We will now be paying for the balance, plus full profits LILCO will gain for having made the investment in Shoreham. The Long Island Lighting Company has come out of this horrible scenario in far

better shape than it would have under the best scenario if the plant had been allowed to operate.

The impact of the economics may well leave Long Island a virtual ghost town. Businesses have been strained to the hilt to meet the wild labor costs on Long Island due to the high current economic factors. The new demands that are being made will cause even more businesses to leave. We have seen not only businesses being uprooted, but families as well. Many have already reached the point where they have been forced to flee Long Island because of the high taxes, high energy costs and other related high economic factors.

The deal is nuclear blackmail

Suffolk Life has agonized long and hard over the proposed settlement reached by Governor Mario Cuomo, his cohorts and LILCO to end the Shoreham controversy. We decided we would not come out in favor of or oppose the Shoreham deal until we had an opportunity to read the terms and conditions in their totality. We have done that, and conclude that the deal is a sellout of the good citizens of Long Island.

The weapon is nuclear blackmail. The cost will have to be paid by those who remain on Long Island for the next two generations. It's inconceivable that Governor Mario Cuomo could possibly have read and understood the ramifications of the terms and conditions for they do not offer protection or a clear-cut guarantee that Shoreham won't open.

LILCO gets it all

The economic consequences are devastating. LILCO not only gets to keep construction funds granted by the Public Service Commission, which amount to almost half the cost of the plant, they receive credits for the full investment they have made, and even profits on this investment. They are relieved of the corporate responsibility of paying for the decommissioning of the plant, which, according to testimony during Shoreham Commission hearings, will exceed the cost of construction. LILCO will transfer only the physical area of the containment building and the full storage areas. They are allowed to remove everything not important to safety, right down to typewriters and screwdrivers. LILCO will receive any salvage value from the plant, and when the plant has been decommissioned, the property that the plant lies on will be turned back to LILCO for \$1. In other words, we haven't bought anything. They'll give us the contaminated area only to clean it up, and then they want it back.

The public will pay all costs incurred with the decommissioning, not LILCO as the governor initially said. LILCO, the corporation, will reap all benefits from salvage on the decommissioning even though they have charged the ratepayers through CWIP funds, credits from construction, and even a return on investment for these items. The deal stinks.

Why the panic?

It is interesting to note why and how it came about.

In 1986, the legislature passed a bill creating the Long Island Power Authority. L.I.P.A. had two main objectives. If it could be demonstrated that the power authority could operate the company and produce electricity more economically

than LILCO, it would take over the corporation either through a stock acquisition or condemnation of the assets. Prior to the establishment of L.I.P.A., Governor Cuomo appointed Vincent Tese to negotiate the closing of Shoreham. Cuomo then appointed Tese as one of his choices as a L.I.P.A. board member. Tese failed to negotiate the closing of Shoreham and L.I.P.A. came into existence.

Tese continued to negotiate with LILCO, but his mission was supposed to be different. He was to negotiate the friendly takeover of LILCO. This was the perception of the public, and the understanding of some board members.

In March of 1987, the Lazard Freres financial report was released which confirmed five other earlier studies that showed it would be more economical for L.I.P.A. to operate and produce electricity than it was for LILCO. An \$8.75 offer was made to the stockholders of LILCO by the L.I.P.A. board. It captured attention, which was all that it was intended to do. The offer was upped to \$10, then \$12. Wall Street's ears perked up. Substantial interest was shown.

Governor Cuomo then announced that Tese had all but reached agreement with LILCO for the acquisition of Shoreham. He categorized L.I.P.A. and their offers as "a joke." Even after this reckless and irresponsible statement, 28 percent of the shareholders of LILCO voted for a L.I.P.A. slate of candidates for seats on the LILCO board of directors.

Several members of the board, led by Irving Like, had listened to their Wall Street counselors, who stated they felt control of the company could be obtained by an offer of \$14 to \$16 per share. These members were willing to do the deal, for at these prices L.I.P.A. still could produce electricity for less than LILCO.

Managed 'leaks'

The governor's men refused to go along. During this period "leaks" developed giving inklings as to what the deal included. These leaks were carefully managed. When opposition greeted some of the proposed giveaways, changes were made. Giving LILCO permission to use high sulphur oil, for example, was in and then out. As fact was finally revealed and fiction was uncovered, it became apparent that the governor's settlement was devastating. The governor's hatchetman, Richard Kessell, also a L.I.P.A. board member but absolutely loyal to the governor, went on a sales tour, cajoling, pleading and demanding that all sign on to the agreement even though they did not know what they were signing onto. The governor even demanded that players in this

scenario either come out in favor of the deal or oppose it. He characterized their refusal to do so as a cowardly act. He said if you are not in favor of the deal, you are in favor of Shoreham. When reminded that we did not know what the deal was and we were not signing blank checks on his behalf, he then reiterated his charge of cowardice. He even went so far as to threaten to have one of the parties investigated. Pretty heavy stuff.

No public input

During the negotiating process between Tese and LILCO, the board members of L.I.P.A. were kept in the dark. They were not told of the items being discussed, nor asked for their input. It was only by innuendo and leaks, some true, some false, that anyone was kept informed. The governor promised public hearings, lulling the public to believe that when the facts of the deal were revealed there would be a place and time for public input and for changes to be made. When the deal was finally released, it was with the proviso everyone takes it, as is. No changes can be made. The deal conjures up an illusive illusion that rates will be capped to rise no more than five percent per year. But there are more loopholes throughout the document that makes these assertions totally ludicrous.

Rates will soar

If the deal goes through, Long Islanders can expect that the rates may well increase two, three, even four times what they currently are over the ten to 40 year period the deal will affect. The pass-through ramifications of these inflationary, confiscatory rates will drive the cost of government through the roof, which will result in unaffordable real estate and sales taxes. The cost of doing business will force businesses off Long Island. Residents, even those with high paying jobs, will seek work elsewhere where the cost of living is manageable. These factors will further inflame rate increases. When there are huge cutbacks in the use of electricity and LILCO does not have enough sales, they will need more money for what they will sell, further creating more demands for higher rates.

The corporation, LILCO, comes out of this deal like a robber baron. They not only get paid for their bad investment, they get profits on top of it. Not only profits, but with huge bonuses in the form of tax credits, low interest I.D.A. bonds, higher rates of return and guaranteed profits no matter what happens. They give up nothing, for they even have the state power authority building additional generating plants that

LILCO will be able to build into the rate base, creating scenarios for even more rate increases.

It is obvious in reading the bill that the sites for these plants have already been predetermined. They will be built, primarily, on LILCO property for which LILCO, the corporation, can receive rent from the New York State Power Authority. The New York State Power Authority is an authority, with all the powers of eminent domain. It can site and build power plants where it desires, and the public be damned. This power is what LILCO wanted all along, the power to be above and beyond the people and their elected government.

There is no question that if this deal is signed into law, LILCO is held whole, and smaller businesses and individual residents are left in economic ruin to flounder on their own. Some father figure Cuomo turned out to be for the family of New York!

Speculation, greed

The ones who will benefit the most from this scenario are the greedy speculators. It will be interesting to see which of the large holders of LILCO stock bailed out as the prices began to rise on the speculation that this deal would be consummated.

We have noted during the past few weeks that the financial reports put out by the various investment houses have encouraged investors to buy LILCO stock now. They project the stock is worth at least \$18 per share, and the sky is the limit. They did not warn investors that the deal has many pitfalls. Anyone can kill it and if it dies, the stock might fall to just a couple of dollars a share.

We have always favored the closing of Shoreham because of safety. The plant was built in the wrong place. Safety was compromised from day one. The Island cannot be evacuated without people dying. The plant has numerous faults, with less than one percent of the plant checked by the N.R.C. for compliance with its rules and regulations. The assumptions on evacuation are ludicrous and faulty. They have no basis in reason. They ignore the facts of realism.

Kill the deal

The citizens of Long Island have fought over a ten year period to stop the opening of Shoreham. We have been successful up to this point. Just because Cuomo has panicked it doesn't mean that we should. Cuomo has his own reason for panicking, one that he has never attempted to explain. He has never given any indication as to why the deal had to be done now. In fact, he was the one that kept saying, have faith in your government, we will beat them in the courts. I have put the best attorney in

the nation on this case and he will be victorious.

The county's law firm, Herb Brown and Company of Washington, still maintains that the plant is at least one year off receiving a full commercial license. There are those of us who still believe that we operate under a system of government based upon fairness, honesty and integrity. We have heard Cuomo and company say that all the judges are Reagan appointees. We don't believe that and refuse to believe that all the judges appointed during the Reagan administration are corrupt and dishonest and take their marching orders from the White House. Is Cuomo saying that all the judges he has appointed while governor march to his tune?

LIPA still the answer

We believe L.I.P.A. could have been successful this past year if Cuomo had not sabotaged the process. Even with his interference, 28 percent of the shareholders of Shoreham opted to support L.I.P.A. in a public takeover. If Cuomo had not made the statement that L.I.P.A. and its offer was a joke, had allowed L.I.P.A. to raise its offer to the recommended Wall Street price of \$14 to \$16 per share, we would probably have control of LILCO now. Despite all Cuomo's rhetoric that he supports public power, he deliberately did everything he could to kill L.I.P.A.

Cuomo and his men have resorted to fear tactics in trying to sell their deal. They have proclaimed everyone against the deal is in favor of

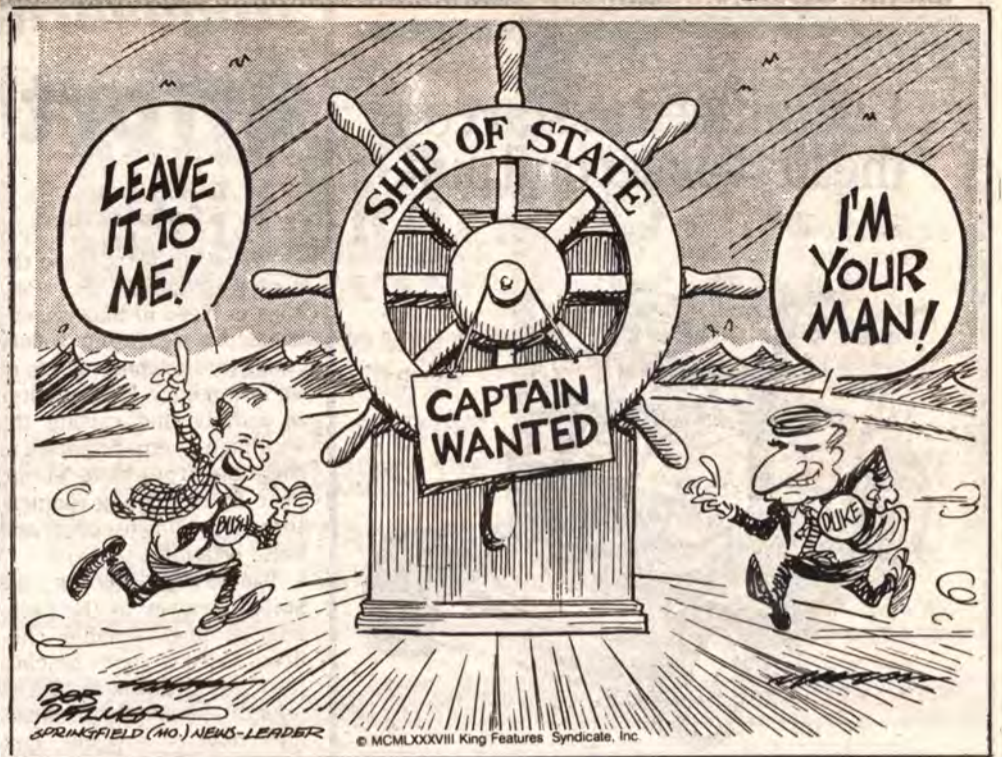
opening Shoreham. He's speaking out of both sides of his mouth. In his 12 page statement delivered the day before the LILCO annual meeting when the proxy battle for LILCO board seats took place, Cuomo had this to say:

"I believe that in the end we would stop Shoreham because we are legally correct in our opposition, but this option could produce further long delay that could threaten a LILCO bankruptcy, which would in turn leave Long Island ratepayers at the mercy of the courts. That would create uncertainty and offer the prospect of high rates required to satisfy debtors." Which leads to this question: If you were so worried about LILCO going bankrupt, governor, why did you do everything in your power to discredit and, in fact, destroy L.I.P.A., which could have jumped into the void and provided power for the people of Long Island?

The price Long Islanders are being asked to pay is just too much. Negotiations involve a give and take. But LILCO got it all, and we got only that which the courts, according to Cuomo's own words, would have granted because we are, indeed, legally and morally correct in our opposition.

We believe the governor owes it to the people of Long Island to fully analyze the full impact of the deal his men have created. If he honestly does this, he will cooperate and kill the deal. Then we can go forth together and continue our fight to stop Shoreham from opening. And have a future that will not be devastated by financial ruin.

And why not?



Letters to the Editor

Major 20th century problem

Dear Editor,

I would like to clarify a statement made in your article entitled "Exporting the Infirm - A County That Can't Care For Its Own" (March 30, 1988). You state that "Medicaid can place a recipient at any facility"... Please be advised that placement in a nursing home is arranged by the patient (if possible), the patient's representative or, in most instances, by the hospital discharge coordinator. Medicaid does not place an individual in a nursing home. Medicaid is essentially a fiscal agent that pays the provider of services for services rendered to an individual qualified under the law to receive Medicaid.

Approximately 60,000 Suffolk County individuals (four percent of the total population in Suffolk) receive Medicaid benefits. Almost 25 percent of the Medicaid population are over age 65 and/or disabled. The elderly and the disabled consumed 68 percent (\$198 million) of the total 1987 Medicaid funds spent.

Medicaid is an assistance program that was originally designed to meet the medical needs of poor people. The Federal Medicare Program was to meet the medical needs of the elderly. However, since Medicare's long term care benefits are so limited, Medicaid, by default, has become the payer for care for the elderly - particularly in the area of nursing home care.

There is a severe lack of medical resources in Suffolk County available for Medicaid recipients. Medicaid recipients also have difficulty accessing providers of needed services. For these people, there is a severe lack of private practicing physicians, especially obstetrical care; nursing home beds for the chronically ill and/or disabled; private duty nursing; and home care workers to meet the increasing need.

In the words of James Michener, "the major problem confronting America for the balance of the 20th century is not inflation, is not unemployment, is not pollution or the energy crises; rather, it is the struggle to provide care for the aged."

The Medicaid Support Services Division of the Suffolk County Department of Social Services acts as an agent for the State Medicaid Program and must adhere to its limitations, yet is seeking innovative ways to improve the medical care available in Suffolk County for the poor. We advocate for adequate medical care, not only for the poor on Medicaid, but for those who are likely to become indigent, not the least of whom are the elderly who hover above and below the Medicaid eligibility standard.

Sincerely,
Steve Javeline
Division Administrator,
Medicaid Administration
Suffolk County Department of Social Services

Police deserve support

Dear Editor:

Just how much does "an angry citizen" from Babylon (2/17/88) think is a fair salary for a police officer?

The police officers who spend their time arresting the same individual over and over. The individual our fine court system keeps turning back out onto the street; being referee to the same violent family fights over and over; confronting the mentally imbalanced while walking the fine line between protecting yourself and being prosecuted for your actions; chasing the same kids causing the same disturbances night after night while their parent

intones "not my son/daughter."

The sad fact is this rebuttal to "An Angry Citizen" could go on and on. The sad fact is the people of Suffolk and every other community want these dirty jobs done. The sad fact is these people begrudge police officers, deny police officers the salary and support they deserve and need. The sad fact is these angry citizens don't even have the common courtesy to say Thanks...

They just complain!

D.A. Darrell
A Police Officer

Thanks from V.A.C.

Dear Editor:

I want to thank your newspaper for the excellent article on the desperate need for people to volunteer in the Ambulance Corps. Jeff Sievers, your reporter, brought awareness to the public regarding the serious situation.

My purpose in speaking to the interested representatives from the Ambulance Corps and Firefighters was to suggest recruiting possibilities. Volunteers can serve in many ways.

What also had to be stated was the fact that the Voluntary Action Center, the clearinghouse for the referral of volunteers, would be unable to help in our many endeavors were it not for funding by Suffolk County and the American Red Cross who sponsor this program.

Thanks again. We have already received positive feedback on your article.

Sincerely yours,
Dorothy Birnham
Director, Voluntary Action Center

SUFFOLK LIFE

Vol. 27 No. 46

NEWSPAPERS and Suffolk County Life

Offices and Plant Located at Willmott Plaza
1461 Old Country Rd. (Rte. 58), Riverhead 369-0800 Classified Ads 369-0820
Mail Address P.O. Box 167, Riverhead, N.Y. 11901-0102

Suffolk Life is published in 27 market zone editions every Wednesday

Huntington Str./Meville	Coram/Middle Island	Mid Hampton	Lindenhurst
Brentwood/Central Islip	Bay Shore/West Islip	Huntington	Amityville
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Three Village/Port Jeff.	Sayville/Oakdale	Patchogue	Babylon
Commack/Kings Park	Hampton West	Riverhead	
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Total Circulation audited and verified in excess of

481,071 Circulation Weekly

Suffolk Life is an Official Newspaper of Town of Southampton, Brentwood School District, Town of Islip, Surrogate Court, County of Suffolk, Rocky Point School District, Patchogue-Medford School District, Suffolk County Life published weekly each Wednesday is an Official Newspaper of Town of Islip, Town of Riverhead, Town of Brookhaven, Village of Port Jefferson.

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Subscription Rate in Suffolk County, \$4.99 per year. Outside Suffolk County, \$17.00 per year. Newsstand single copy sales, 25¢ per issue. Suffolk County Life, in Suffolk County \$4.99 per year, outside Suffolk County \$17.00 per year. Newsstand single copy sales, 25¢ per issue.

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