DAVID J. WILLMOTT SR., EDITOR

### We Fought The Deal On Your Behalf

As of last week, LILCO no longer exists. The generating facility-minus the upstate nuclear power plant-has been merged with Brooklyn Union Gas and a new company formed, called MarketSpan Corp.

LILCO's transmission and distribution system, Shoreham debt and its interest in the nuclear plant were trans-

ferred to LIPA.

LIPA, for all intents and purposes, will be our new electrical company. It will buy its electricity from MarketSpan and MarketSpan will employ the former LILCO employees to basically do the plar e job they have done in the past.

in in this world, the more things change, the more they remain the same.

Thirty years ago, when we first an took interest in LILCO's attempt to build a nuclear power plant, it was more out of curiosity than anything else. The nuclear power plant was supposed to cost a mere \$250 million. According to the company's representatives, electricity would be so inexpensive, it would be "too cheap to meter."

Even back then it didn't ring true. We knew there was no such thing as a free lunch, so something was not right here. Spokespeople for the industry assured us this was the safest technology in the world. There never had been an accident at a nuclear power plant, they insisted.

Little did we know at that time how involved we would become in this issue or how much we would learn about our government, politics and the influence-

peddling that would go on.

LILCO's original assumption about Shoreham turned out to be totally false. Shoreham did not cost \$250 million, it cost \$4.5 billion. The wastefulness at the plant and the imprudent spending alone was \$1.8 billion. The energy that the plant would have generated turned out to be the most expensive energy in the world. Oil, which currently sells under \$18 a barrel, would have had to be \$55 a barrel for the plant to be profitable.

As it turned out, the assertion that the plant was the safest in the world and no accident had ever occurred was nothing short of a lie. There had already been a terrible accident in Russia, the seriousness of which was covered up by that government, which killed more than 6,000 people. Other nuclear power plants right here in the United States were in imminent danger and catastrophe was just narrowly averted by a fortunate twist of fate.

Then came Three Mile Island, our first major nuclear incident in the United States. This was followed by Chernobyl and the spread of contamination was detected 1,800 miles away.

We were the organizers of LIPA. Those of us who were involved in this effort envisioned a citizen-run utility whereby the directors would be elected by the ratepayers and it would be a truly public power company.

LIPA was formed and immediately politicized by Governor Cuomo, then totally taken out of our hands by Governor Pataki. Instead of a vehicle capable of being on the ratepayers' side, it has been transformed into a tool for Wall Street, free of any oversight or control.

History will bear out that our opposition to this deal was well-founded and we will be proved right. We passionately believe in the people and defending the little guy, who has neither the time nor the ability to speak out on his own behalf. Our 30-year involvement with Shoreham, LILCO and now LIPA, has been a constant uphill battle for the rights of the under-represented ratepayers of Long Island. We did it for you, and won't apologize for our efforts.

We have spent time and, God knows, a good portion of our lives embroiled in this issue. We won the Shoreham battle, but we lost on LIPA. We can hope this saga will soon end, but

we know it won't.

What had been a regulated monopoly is now, to all appearances, an untouchable authority whose only obligation is to raise sufficient revenues to pay back the bonds it used to bail out LILCO. The only way it can do this is to keep rates sufficiently high.

Within a very short time, modern technology will allow ratepayers to escape from LIPA and the next battle will be over exit fees that LIPA and other utilities will try to impose to hold customers captive and keep them from producing their own electricity at a fraction of what the utilities charge.

Will Suffolk County residents permit the government to impose huge exit fees and, in effect, put a lien on their property-placed there without their permission-to keep them captive customers forever?

The petition drive now underway, if successful, will mandate our Suffolk County government to continue to fight this battle. That is why it is so vital that the petitions being circulated are signed by as many people as possible. If you would like to circulate petitions or wish to sign one, please call the Citizens' Advisory Panel at 537-8282.

It is a matter of grave importance that you be given the right to vote and to demand that your county protect your interests. LIPA and Wall Street will try to keep this issue off the ballot through court challenges; but it will be difficult for a judge to thwart the will of the people. We do not think the public will stand for another referendum being kept off the ballot through technicalities.

Long Islanders won't be alone in this fight. It will be the people of the United States versus the utilities of the world. You have seen how big money has wired. the LILCO/LIPA bailout. This will seem like petty cash compared to the next fight.

To put it in context, during the Shoreham scenario, the backup generators for the nuclear plant proved to be defective. It was estimated the replacement cost would be more than \$350 million. Ira Frolick, LILCO's vice president in charge of Shoreham, commented to the Shoreham Commission when asked about the cost, "in terms of Shoreham, \$350 million is just petty cash."

As it turned out, his statement was true and the ratepayers have paid more than \$8 billion for the defunct plant. Because of the LIPA/LILCO bailout, they have been forced to accept the additional \$23 billion in debt without ever having a vote or a say in the matter.

Is this a democracy? Is this Ameri-

ca? We have not only been forced into debt ourselves, but we have been forced to place this burden squarely on the shoulders of our children and our children's children.

As a newspaper, Suffolk Life did what it could to prevent this tragedy. But we could not beat Wall Street and the political leverage it bought in Albany and Washington.

We wish this was the end of the story, but fear it is only the beginning.

And why not?

# **Democrats Need New Leadership**

It is clear from the outcome of both the county and state Democratic conventions that Suffolk's Democratic leaders have completely outlived their usefulness and therefore should be hastily replaced, giving other party candidates a fair chance in November's election.

Suffolk Democratic Chairman Dominic Baranello sat back and did nothing while the Republican Party wreaked havoc on the ratepayers of Long Island. More embarrassingly, he offered no guidance or support to the Democratic contingent in the county legislature which diligently fought against the LILCO-LIPA sellout.

It has long been suspected that the county's Democratic leaders would do anything to protect their numerous patronage jobs and would make deal after deal to further their own ends.

We are told by some reliable Democrats that Baranello has been too worried about maintaining his job with the county and the jobs of his family and committee members to offer the public an honest choice. The public trust apparently does not concern him.

Instead of working to unseat unreliable Republicans, Baranello seems to find it easier to make deals with the entrenched Republican Party and avoid standing up to it. He does not have the backbone to engage in an all-out push to defeat these fat-cat incumbents who have betrayed the public trust, and has compromised his party by allowing inexperienced, ill-prepared and poorly funded candidates to run for office year

This year, the Democrats have put up political neophytes Gerald Manginel-Michael DePaoli, Charles Erb and Randolf Tobias, who will face veteran Republican state senators Ken LaValle, Jim Lack, Caesar Trunzo and Owen Johnson, respectively.

On the assembly level, the Democrats have chosen political novices Michael D'Arrigo, Margaret Eckart, Elaine Turley and James Health to run against longtime Republican incumbents Pat Acampora, Fred Thiele, Bob Wertz and Tom Barraga. No candidates have been chosen to run against Phil Boyle, John Flanagan and Jim Conte.

Some of these Democrats have unsuccessfully run for office before while others are running for the first time. They appear to be intelligent and caring people, but if they campaign the way they have in previous years, they will not win.

There is nothing wrong with putting young or first-time candidates up against these or any other incumbents, but it appears that over the past 10 to 15 years, the county and state Democratic leadership has deliberately gone out of its way to sabotage Long Island elections in favor of incumbent Republi-

This year, the Democrats have a golden opportunity to unseat most of the Republican incumbents. Except for Republican assemblymen Tom Barraga (West Islip) and Fred Thiele (Bridgehampton), Long Island's state Republican delegation sold out the public trust by refusing to stand up to party leadership which wanted the LILCO-LIPA deal regardless of the cost. The Republican representatives all know it is not a good deal and many have said privately that they are not happy with it, but they did not have the guts to disagree with their political leaders.

Despite this potential advantage, the Democratic leadership apparently does not believe the issue is important enough to focus on, because it has done nothing and obviously has revealed its intentions by its willingness to sacrifice inexperienced candidates.

The only question left to be answered by the voting public is, "Is it better to have an honest, inexperienced representative in Albany, or is it more important to have experienced, deceit-

ful solons running our state?

The Democratic leadership does not have the wherewithal to convince the public one way or the other. Suffolk's Democrats should demand the immediate resignation of the county's Democratic executive committee and prepare for a full frontal attack against their opposition for the state seats up for election in November.

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DAVID J. WILLMOTT SR., EDITOR

#### **Retire A Millionaire**

We congratulate all the Long Island seniors who have worked hard and are obtaining a degree from high school or college. You're adults now and have the ability to make choices for the rest of your

you don't mind a bit of advice, I would like to make one simple recommendation to you that would make you a millionaire by the time you retire. The choice is to smoke or not smoke. If you succumb to peer pressure and decide to smoke, aturdat's your business. But before you decide on this course, consider the cost and the consequences.

Don't kid yourself, smoking is highly addictive. Even the tobacco companies are admitting that cigarettes are addictive. There is speculation, and proof currently being developed, that tobacco companies put agents into cigarettes to cause you to become dependent.

We have heard the evidence that smoking does indeed affect your health. It can shorten your life, subject you to longterm heart problems, and put you at risk of developing cancer. Moreover, nonsmokers find smoking offensive, and because you smoke, you will limit your range of friends and acquaintances.

The biggest incentive for not choosing to pick up this habit is, however, purely economical. Cigarettes today are \$2.50 a pack. If you are an average smoker, you will smoke two packs a day. The federal government is now planning on imposing

an additional \$1.50 tax on every pack of cigarettes, which means that your addiction will cost you at least \$8 a day.

Now, if you were to take that \$8 a day and invest it, starting today, at age 18, allowing the money to accumulate and compound interest monthly, at an 8% rate, by the time you retire at age 65, you will have an account worth approximately \$1.5 million. These estimates were provided by Steven Pubins, a CPA at the Riverhead-based firm of Kandell and Farn-

Those are the numbers. The choice is yours. Do you want this million-dollar payoff when you are 65 and a longer life in which to enjoy it, or would you prefer to spend the \$8 a day on cigarettes, offend some of the people you are going to meet, compromise your health and become a slave to the tobacco companies?

Don't kid yourself-if you smoke, chances are you will become addicted, and this addiction could last a lifetime. Listen, I know!

Go ahead, dare to be different. Instead of succumbing to peer pressure and the other factors that urge you to start smoking, put the \$8 a day in an interestbearing account instead of wasting it and you will be a millionaire on the day you retire. You can still have the last laugh.

Again, congratulations on your graduation. Now, how about making the smart

And why not?



dia National Laboratory called the WASH 740 Report which indicated that if there was a Class 1 accident at Shoreham, an area from Boston to Washington DC would be affected. If there is an accident at Millstone, the affected area would be similar in range.

When Chernobyl blew, the effects

were felt 1,800 miles away.
The statistics generated by Sandia were: Early deaths, 40,000; Injuries, 75,000; Latent cancer deaths, 35,000; Fatal radius, 17.5 miles including Suffolk County and part of Connecticut; Peak injury radius, 50 miles, including Suffolk County, eastern Nassau County, and a portion of Connecticut; Property damage, \$157 billion, calculated by 1982 standards.

During the Shoreham hearings, we heard testimony from a Dr. Michio Kaku, a physics professor at the graduate center at City College of New York. Kaku had done a study on Millstone 3 and had found huge increases in childhood leukemia and breast cancer within a fivemile radius of the plant, as compared to a 10-mile radius. Millstone 3 at that time had never suffered a serious accident.

Kaku believed the discrepancies were caused by radiation released through routine ventilation of air from within the reactor and the water used to clean floors which was then disposed of outside the plant. His revelations provided one of my strongest motivations for opposing Shoreham.

One did not need to have a big bang like we had at Three Mile Island or Chernobyl. The cumulative effects of radiation released from routine use and minor accidents at the plant was enough.

Arguably, if Millstone has a serious accident all of Long Island is in trouble. The utilities built the plants in the wrong places without taking into consideration the impact on the population.

Millstone may seem far away because it is situated in Connecticut, but as the crow flies (or the winds blow), we are within range of its deadly effects.

Like Shoreham, the driving force to open Millstone 3 is money. As we have seen recently and so vividly with the LILCO-LIPA deal, money certainly talks!

Washington and the state government respond to big contributors, selling the public short in the process.

Should you be concerned? You better believe it. Should you get involved? We beat Shoreham, and the same can be done with Millstone if we join hands and work in unison.

And why not?

#### Concern Cause For

Congressman Michael Forbes held a public forum last month on the probable reopening of Millstone 3, a nuclear power plant located in Conneticut, but within just 10 miles of eastern Long Island. Millstone has been shutdown for the last two years because of safety violations affecting both equipment and personnel. Concerned residents showed up and made their feelings known.

Although we are within the NRC's 10-mile evacuation zone, Suffolk County does not have an evacuation plan in the event of an accident at the plant. The reason there is no evacuation plan in place is that Long Island cannot be evacuated safely and within a realistic amount of time.

During the Shoreham days, Suffolk spent over \$1 million to develop an evacuation plan. Experts in the field of evacuation were brought in from around the country. After an entire year of study, it was concluded that the fastest Long Island could be evacuated was 27 hours. There would be massive gridlocks and it was expected that emergency personnel like police and firefighters would look after their own families first, before attending to their official duties.

Based on these assumptions, the county concluded that safe evacuation could not take place and developed an opinion opposing the Shoreham plant.

The problem lies with the old Atomic

Energy Commission that is now the NRC. During the days of the pre-hearings on atomic plants, the Atomic Energy Commission adopted the attitude that it would not consider evacuation until the plants had been built.

Irving Like, during the Lloyd Harbor hearings, requested the commission to examine evacuation before giving the go-ahead for a Long Island plant. He brought to the hearing officer's attention the length of Long Island and the difficulties involved in getting off it, given the limited number of tunnels and bridges available by which to do so.

The hearing officer emphatically refused to take Like's advice and said it was a matter to be dealt with only after the plant was built. This arrogant attitude brought about the billions of dollars in waste created by Shoreham.

When the accident occurred at Three Mile Island-an accident the nuclear community said could never happenthe governor of Pennsylvania recommended that pregnant women and children under the age of one be considered for evacuation. Ninety percent of the people within a 50-mile radius of the plant attempted evacuation. Although Three Mile Island has great roads leading away from the plant, gridlock occurred and it lasted for almost a day and a half.

Then a study was done by the San-

#### ay To Go!

One of the nicest pieces of real estate on Long Island is the Salm's estate located at North Sea, Southampton. The estate contains more than a mile of bayfront and numerous tributaries off the Peconic Bay. The upland has been developed into an English estate setting and has been the site of English-style hunts for generations.

We have often said this is one of the prime parcels of land on Long Island and it would be a shame to see it developed. It should be under primary consideration by the state, county or private preservation organization.

Louis Bacon, who purchased Robins Island and rescued it from becoming an overused county park a few years ago, announced last week that he was purchasing Salm's estate. We are delighted.

Bacon has been in the process of

returning Robins Island to the way it was. He has removed trees and other plantings that are not indigenous to the area and has planted fields of corn, wheat and cover crops to feed the wildlife that uses the preserve for shelter.

Bacon, his family and guests use the land as their own private retreat and hunting preserve. He has entered into an agreement with the Nature Conservancy for the management of the island.

We anticipate he will perform similar magic with Salm's estate. This is preservation at its best and a wonderful and meaningful distribution of wealth.

We congratulate this man for preserving the finest of Long Island without putting his hand out to the taxpayers. Way to go!

And why not?

DAVID J. WILLMOTT SR., EDITOR

# Pataki's Self-Inflicted Embarrassment

Governor George Pataki finally woke up after more than a year of Suffolk residents sounding the alarm on the LILCO-LIPA deal.

Pataki is now embarrassed and full of political vibrato because LILCO is ripping off its stockholders and ratepayers for \$67 million, \$42 million of which goes to LILCO's CEO, Bill Catacosinos. Every LILCO ratepayer is being forced to contribute an average of \$67 to the cost of his and other LILCO officials' golden parachutes.

We pleaded with Governor Pataki to personally read the LILCO-LIPA agreement and not depend on his agents and stooges. We knew that if he read it, and read it carefully, he would surely see the devil in the details.

Lou Grasso, Suffolk Life's former managing editor and LILCO-LIPA lead reporter, and I personally read the deal. It was a laborious process as it is written in legalese and the agreement encompasses several hundred pages of text.

If Pataki had taken the time to read it, he would have been stupid to conclude that the deal was good for Long Island ratepayers or the state.

The golden parachutes are only a tip of the iceberg. As the deal starts to age, there will be tidal wave after tidal wave of financial trouble that will crash down on each and every Long Island resident.

Pataki was not snookered, either. The problem was, he would not read, did not read or could not read the deal. That is irresponsible, whatever his reasons might have been.

How could Pataki put a \$23 billion mortgage on Long Islanders without personally knowing the details of it? To now act surprised about the "Cat's" \$42 million golden parachute is political play-acting and we are not buying it.

Doesn't he realize that we will be indebted to pay off the decommissioning of the Nine Mile Point 2 nuclear power plant? It is estimated that the cost of decommissioning an active nuclear power plant is five times the cost of its construction.

LIPA's share of the debt will be \$5 billion.

Didn't he realize that LILCO/MarketSpan was given basically a cost-plus contract to run the transmission and distribution system without competitive bidding? As we know from military contracts, cost-plus is a license to steal. Who is going to protect us? Richard Kessel? Give us a break!

Didn't he realize that we will pay the operating and maintenance costs of LILCO/MarketSpan's generating facilities before we buy one penny of its electricity?

There are numerous traps within the contract big enough to drive a steamroller through. Was Pataki the salesman for the deal out of ignorance, political expediency, or just plain incompetence?

Wasn't Pataki elected to honestly and fairly represent the interests of every resident of this state?

Not once did Pataki raise his voice or even quietly object to LILCO ripping off the ratepayers for \$7.8 billion, which will now cost those ratepayers \$63 each month for the next 35 years even before paying for any electricity.

Not once did Pataki take exception to the fact that the IRS granted LILCO a \$2 billion tax waiver that in effect will cost every taxpayer in America \$17.

Not once did Pataki demand a complete audit of LILCO's Shoreham debacle, especially since there has been some controversy over whether the ratepayers have already paid for LILCO's defunct nuclear plant. By some estimates, ratepayers have already contributed \$8.8 billion towards the true and prudent cost of Shoreham, which is only \$2.8 billion.

Not once did Pataki protest that LILCO and LIPA offered different fee structures to the IRS, the Public Service Commission and the Public Authority Council Board.

Not only did Pataki not side with the ratepayers, he convinced a business group with political connections to him to legally challenge the public's right to vote on the LILCO-LIPA bailout.

Not only did Pataki give away the store, he allowed LILCO to keep certiorari

settlements, federal taxes withheld and other revenues owed to the ratepayers totaling more than \$2 billion.

Now, Pataki is outraged because of LILCO's greed and misrepresentation. Why? Because LILCO is ripping off its stockholders (it was allright as long as it was the ratepayers who were being ripped off).

We think the only thing Pataki has woken up to is the fact that he and his Republican cohorts must now engage in a serious campaign of damage control. It is slowly beginning to dawn on them that Long Island voters are damn angry about the back room sellout of the public trust.

The only real concern for these elected officials is their reelection, not the public interest.

The fact that there is a federal investigation into Pataki's and Senator Al D'Amato's connections with several Wall Street investment firms which stand to make millions through the LILCO-LIPA deal may also be reason enough for the governor to now begin questioning the integrity of LILCO and its dealings.

Pataki has allowed this situation to go too far; he and his Republican cohorts must be held accountable in November for their greed and misrepresentation.

And why not?

#### **Happy Father's Day!**

For the past 88 years, we as a nation have been celebrating some form of Father's Day in appreciation of the men who have contributed to our lineage and culture.

Father's Day takes nothing away from the talented women in our culture, especially since this day was started in 1910 by

Mrs. John Bruce Dodd of Spokane, Washington, the "mother" of Father's Day, first proposed the holiday in 1909 when she was looking for an extraordinary way to honor her father, William Smart, a Civil War veteran who was widowed after the war when his wife died giving birth to their sixth child.

Smart was left to raise his six children alone on a farm in the agricultural, lumbering and mining region of eastern-central Washington, less than 20 miles from the Idaho border.

In appreciation for the strength and selflessness her father had demonstrated, Smart's oldest daughter convinced Spokane to honor all its fathers in June of 1910.

The tradition continued to spread and

generated so much attention that in 1924 President Calvin Coolidge advocated the creation of a national Father's Day.

In 1966, President Lyndon B. Johnson signed a presidential proclamation declaring the third Sunday of June as the official celebration of Father's Day.

This holiday has grown to become a day of honor for not only fathers, but all the men in our nation who have been father figures.

Be sure to set aside some time this Sunday to think about your father and other father figures who have contributed to your growth and success as a person.

If your dad is still alive, take the time to really sit down and talk with him. Remind him of all the times he was there for you and how much you appreciate the sacrifices he made, always putting your needs above his own. Thank him for being not only a father, but someone who loves you unconditionally.

Give him a gift, perhaps some flowers, but more importantly, show him you noticed, you remembered and that you love him.

And why not?

#### Last Chance To Sign Petition

This is your last chance to have any say on whether there is a referendum placed on November's ballot regarding the LILCO-LIPA fiasco. Your signature is needed on the petitions currently being circulated by volunteers in your community.

Although the deal has gone through,

it is still being scrutinized legally to determine if the ratepayers and stockholders of LILCO were defrauded.

This referendum gives the people of Suffolk a last chance to set things right. If you have not signed a petition yet, please call the following volunteer in your area:

#### own Volunteer Phone Number

IOWII	volunteer	lone Mullipe
Babylon	Suffolk Legislator Maxine Posta	al 854-1111
Brookhaven	Nanette Essel	924-5292
	Richard Johannesen	821-4683
East Hampton	Naomi Lazard	324-6104
Huntington	Councilman Steve Israel	351-3173
	Nat Wright	643-5714
Islip	Pete Quinn	587-3396
Riverhead	Lynn McDonald	727-3200
Shelter Island	Hoot Sherman	749-8941
Smithtown	Jack Kulka	543-3570
Southampton	George Guldi	852-8200
Southold	Alice Hussie	765-3544

# **Support Smoking Extension**

County Executive Robert Gaffney is out of line and downright unfair to veto a bill that would allow smoking in the bar area of restaurants throughout Suffolk.

Three years ago, the county legislature and the county executive approved a measure that prohibited smoking in areas where food is served. The restaurant industry successfully campaigned for what it called a compromise amendment to that legislation, which allowed smoking in bar areas provided seating for non-smokers is more than 10 feet away and does not incorporate more than 20% of the facility's total seating. Bars that do not serve food or that serve less than 40% of their gross receipts in food are not affected by this legislation.

That amendment is scheduled to terminate next month.

Several weeks ago, the legislature approved an extension of that amendment, but Gaffney vetoed the measure claiming he received an overwhelming response from residents not to support the

extension of the amendment, and that he was acting to protect Suffolk's 1.4 million residents.

This is a magnanimous gesture to protect the rights of nonsmokers, but it rides roughshod over the rights of smokers

Historically, bars have been a haven for drinking and smoking. Gaffney's veto on this issue is tantamount to telling smokers they have no rights in this county. This is not only unfair, it is unconstitutional.

Other states, California for example, have attempted to legislate against smoking in restaurants and bars. Violations of the law were so widespread that they had to repeal or amend the legislation and allow smoking in bar areas. We have seen time and again that prohibition does not work.

The legislature must override Gaffney's veto. This amended legislation is a fair compromise that benefits both nonsmokers and smokers.

And why not?

DAVID J. WILLMOTT SR., EDITOR

# State Legislators Must Ban Utility Exit Fees

Assemblyman Steve Englebright introduced a bill in the Assembly, A1250, that would ban utilities or public authorities from penalizing ratepayers who wish to leave the utility grid and generate their own electricity.

This is one of the most important bills Englebright has ever submitted and should be endorsed by every assemblymand senator who is not owned by the filities or Wall Street.

During the next few years, technology will allow consumers to self-generate electricity through microturbines and fuel cells. Ironically, on the same day the bill was submitted, Plug Power, a Latham, New York company which is a stone's throw from the state capitol, unveiled a demonstration home that is totally powered by a fuel cell. The fuel cell is able to generate all the electricity the house needs for just pennies a kilowatt.

Plug Power expects to be installing these units beginning in 1999, less than a year away. Early marketing strategies of the company reveal that the units will be installed free of charge in consumers' homes. The units will run on oil, gas or natural gas.

They are pollution-free and will not contribute to acid rain as conventional electrical generating plants are reputed to do today. The units are about the size of a dishwasher and can be installed in garages or basements. They will have meters on them and the customers will pay Plug Power for the electricity used, but at a cost of less than half of what LIPA is charging.

There will be a stampede for these units, because it allows each consumer to avoid the transmission and distribution charges LIPA is imposing on top of the cost of electricity.

And LIPA is not the only utility that will see its customer base dwindle. That is why Engelbright's bill is so important. LIPA and other utilities will undoubtedly attempt to impose exit fees on customers fleeing the grid. They will try to make these exit fees so onerous that it will not be cost-effective for consumers to use this competitive power.

Englebright's bill "denies any utility, corporation, public authority or municipality from charging any fee, penalty or other charge of any kind for the voluntary termination and disconnection of utility service to a residential or commercial customer."

This bill is a no-brainer for any legislator interested in consumer protection. It's time for truth. If your assemblymen or senators do not sign this bill, they are turning their backs on their constituents.

The questions that should be asked are: "What contributions have they accepted? What have they been promised? What is the price tag on the trust of their constituents today?

Call your assemblymen and ask them to cosponsor this bill. Call your senators, ask them to sponsor a bill in the senate, and if one has already been filed by someone else, join on as a cosponsor.

This is for your protection.
And why not?

# Hitting The Ratepayers With A LIPA Tax Penalty

Suffolk County is responsible for the Shoreham overassessment, responsible for between 20% and 30%. Brookhaven Town and the Shoreham Wading River School District are responsible for the balance.

Under the LIPA deal, a certiorari suit was settled for \$625 million. In addition to the Shoreham settlement, all other certiorari suits against various municipalities, including almost half a billion dollars in Nassau County, were contractually wiped out simultaneously.

Part of the LIPA deal calls for a bifurcated rate to be paid by Nassau and Suffolk consumers. All Suffolk residents, although only responsible for 20% to 30% of the overassessment, will be charged 100% of the Suffolk penalty.

Nassau, although it had half a billion dollars in pending suits wiped out, will be rewarded with electrical rates that will be 10% cheaper than Suffolk's.

A few weeks go, Supervisor Peter McGowan asked a very pertinent question. "Why should Islip residents have to

# Tax Penalty pay higher rates to bail out Brookhaven? Why shouldn't they be at a trifurcated

pay higher rates to bail out Brookhaven? Why shouldn't they be at a trifurcated rate where each town pays its fair share of the benefit it had from the overassessment?" McGowan makes a good point.

The Suffolk County Legislature ran an economic model that indicated East End towns would be paying more than 10 times their rightful share under the LIPA proposal.

Babylon attorney Irving Like, who is representing ICE (Initiative for Competitive Energy), Riverhead and Southold, has petitioned the court to halt LIPA's bifurcated rates.

He is asking the court to give relief to the towns being penalized and he also argues that LIPA has usurped the Suffolk County Tax Act in an illegal move.

A trifurcated rate is probably the fairest way to handle this situation. That trifurcated formula should include the value of the Nassau certiorari suits that have been withdrawn because of this deal.

And why not?

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And Why Not?

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Shelter Island	Hoot Sherman	749-8941
Smithtown	Jack Kulka	543-3570
Southampton	George Guldi	852-8200
Southold	Alice Hussie	765-3544

#### **Return To PACB**

Our illustrious Republican state representatives have signed a letter condemning Bill Catacosinos for taking a \$42 million bonus/pension payout from LILCO because it rips off the stockholders. The letter also demands that Catacosinos step down as chairman of MarketSpan, the company which took over LILCO and Brooklyn Union Gas.

While Catacosinos' payoff directly violates the controversial LILCO-LIPA agreement, asking him to resign from MarketSpan does not solve anything.

The letter was signed by the same Republican state senators and assembly members who refused to speak out on behalf of the public when Catacosinos convinced our Republican Governor George Pataki to sell out the ratepayers of Long Island. Pataki sold out Long Islanders by purchasing LILCO's outmoded transmission and distribution system and paying for the defunct Shoreham plant for a total of \$7.8 billion, the largest bond issue in the history of the nation.

This money will be paid over the next 35 years and ultimately cost the ratepayers \$63 a month, or \$23 billion over the life of the bonds used to pay LILCO.

Now he is so incensed by Catacosinos' greed, the governor has called on state Attorney General Dennis Vacco to conduct an investigation.

An investigation by Vacco is more than welcome. In fact, we asked him more than six months ago to step in and investigate the entire deal. At the time, Vacco expressed concern that if he embarked on such an investigation, he would be "butting heads" with a "powerful governor" who supported the deal.

That investigation never happened, but his office is now being cooperative and assuring us that "no stone will go unturned" in this investigation.

Meanwhile, Republican Assemblyman Tom Barraga of West Islip—who has opposed the LILCO-LIPA deal along with Assemblyman Fred Thiele of Bridge-hampton—refused to sign the letter because he believes our state representatives should be demanding that the entire deal be brought back before the Public Authority Control Board (PACB), which sanctioned the agreement. The PACB is comprised of Pataki, Republican Senate Majority Leader Joseph Bruno and Democratic Assembly Speaker Sheldon Silver.

We agree with Barraga. The PACB now has the power to revisit and dissolve the LILCO-LIPA deal, because LILCO's payout to Catacosinos directly violates Article 2, Subsection 5 of the LILCO-LIPA agreement.

Sending Catacosinos and the LILCO-LIPA deal back before the PACB and conducting a complete investigation is the only way the public interest will be honestly served.

Now is the perfect opportunity for the governor to stop this madness. The first \$4.3 billion in bonds that have been sold were to purchase the utility's transmission and distribution system. The next \$3.5 billion in bonds was to have paid off the alleged Shoreham nuclear plant debt, the major bone of contention. Using LILCO's own numbers, Shoreham has been paid for at least twice and should not be paid for again.

The choice is the governor's. Does he want to be listed in history next to former Democratic Governor Mario Cuomo as the people's incompetent negotiator, devoured by a skillful businessman like Catacosinos, or is he willing to correct his past mistakes, now that he has been given a second chance?

And why not?