

WILLMOTTS & WHY NOTS

DAVID J. WILLMOTT SR., EDITOR

Lose the Battle, Win the War

The Suffolk County Legislature forced the trustees of the Suffolk County Community College to rescind their proposed \$40 per semester tuition increase. We believe this was wrong.

The legislature chose to play hardball. It warned the Suffolk County Community College trustees that if they went ahead with the tuition increase, the county would cut back its contributions toward the school and eliminate the funding for a new day care program at the college.

At the same time, Nassau County Community College announced that it was cutting student tuition fees. This would have made Nassau more competitive than Suffolk.

The furor with Suffolk County Community College developed over unanticipated increases in state aid of \$50 per student and a reduction in the employee contributions to the State Pension Fund.

Legislator Angie Carpenter, the prime mover for rescinding the tuition increase, pointed out that Suffolk County Community College has a reserve fund of almost \$10 million.

Carpenter claims this reserve fund is far too high, but she has failed to take into account that \$4 million of this money has been encumbered for anticipated expenditures that were not in the budget.

The increase in state aid and the decreased contribution to the pension fund could be a one-shot situation the state may not renew next year. The college trustees fear that if there is no increase in state aid and no decrease in the expected pension fund payment, a much higher tuition increase may be

needed in the future to keep the college whole.

The trustees gave in. They considered it more important to lose this battle and win the war to make Suffolk County Community College the best educational institution in the state.

Suffolk County Community College offers a huge array of courses that allow students to receive a degree in specialized fields which prepare them to enter the work force or to go on to a four-year school.

The cost of a full year of tuition at Suffolk County Community College is around \$2,200. This makes Suffolk affordable for all.

Many of the students are part-timers who are taking courses to obtain a degree or to keep up with the technology and changes in their respective fields or professions.

Tens of thousands of Suffolk residents have gone through this institution and credit it with giving them a jump start on both careers and further education.

The college recently announced that students coming out of Suffolk County Community College and going on to a four-year university graduated in the highest percentile of that institution, far surpassing the students who had gone to the university for the full four years.

This says something for the facility and staff at the college. It says a lot about the students who are dedicated to the education offered by the college.

All's well that ends well.

And why not?

Election 1997

Our reporters have already been assigned to the candidates who will run in this fall's elections for county and town offices. They will be bringing you news about the campaigns and the candidates.

The editorial board starts its interviewing process this coming Tuesday. For the next six weeks, we will sit with incumbents and challengers from ten in the morning until six at night on Tuesdays, Wednesdays and Thursdays. This is a grueling process that drains our physical abilities and our mental state.

This process gives the candidates an opportunity to answer our questions and discuss the issues with their opponents on a head-to-head basis.

We learn a lot from these interviews and it becomes quickly apparent who has done their homework, who is telling the truth and which candidate will best serve the citizens of Suffolk County.

In addition, each candidate has been invited to fill out an extensive questionnaire, giving their positions on philosophy and policy issues. These questions and their answers will be published in mid-October.

We encourage our readers to read

the questionnaires and formulate your own answers to see how each candidate answered.

If a candidate has failed to answer a question with a "yes" or "no", and has left it blank, this indicates that they are not comfortable with you having their answer and you can bet their position is different from yours.

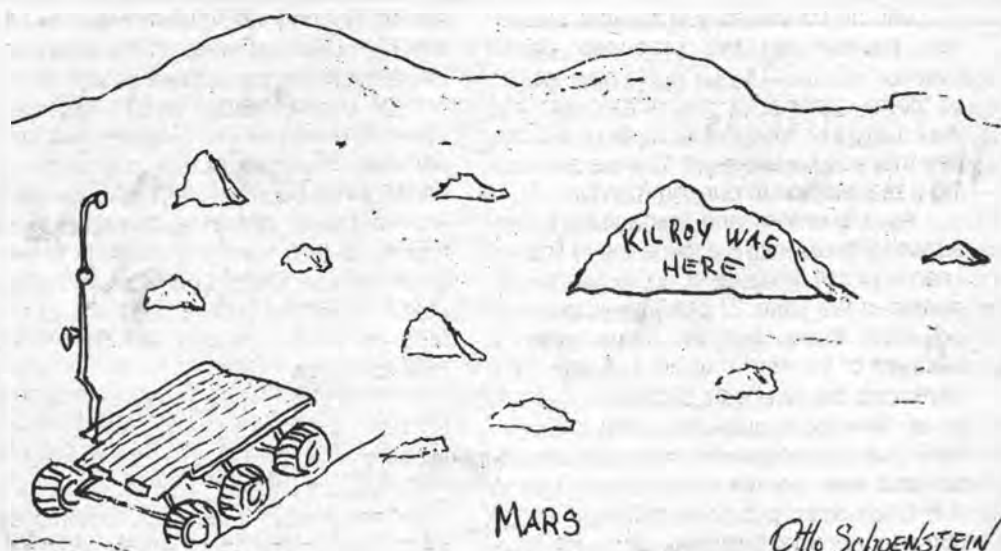
During the next two months, we will do our best to bring you complete election coverage and provide you with the information you need to make an intelligent choice of who is best for you.

In the newspaper's October 28 issue, the Wednesday before Election Day, we will offer candidates our endorsements and give reasons why we feel they are the people's best choice.

Our editorial board is made up of people with different philosophies, age and gender. The endorsements are done by consensus with no one, including the editor or the publisher, carrying more weight than the other staff members.

We believe in democracy and practice what we preach.

And why not?



The People's Right

"Governor Pataki appears to be heading toward another sweetheart deal...Until the public has some answers... there should be no deal on LILCO."

SUFFOLK LIFE NEWSPAPERS, March 19

"A vigorous public discussion...should be addressed honestly."

NEWSDAY, August 22.

We are glad to see that *Newsday*, Long Island's daily newspaper monopoly, is finally following the lead of *Suffolk Life*, unfortunately the facts do not match the rhetoric.

The area's only daily has spent the past six months ignoring any potential negative impact of the proposed deal while reporting only its "positive" aspects.

Its editorial pages have bombarded the public with how well the ratepayers will benefit if this proposed deal is approved. At the same time, *Newsday* has viciously criticized any civic group with the courage to ask questions about the deal.

The area's daily claims it has no ties to LILCO, that the only electric rate break it receives is from the New York Power Authority "reflecting *Newsday's* commitment to increase and maintain employment" on Long Island.

Yet, like others, *Newsday* has seen the long procession of employees being excessed as the result of corporate downsizing for the benefit of the bottom line.

Earlier this month, *Newsday* went on about how "right" Bob Gaffney was for supporting the LILCO-LIPA deal and advised the county executive to ignore the 18 elected county legislators who have been calling for a referendum on

the issue. These legislators were pushing for a referendum because they have been listening to their constituents, the ratepayers of Suffolk County.

Then, last week, that same paper demonstrated its arrogance by castigating Bob Gaffney for doing the right thing when he cleared the way for the public referendum. This action by the county executive and the legislature will give the public a voice on the issue for the first time.

One would think that putting this LILCO-LIPA question to a public vote would fit in with the professed philosophy of honesty and public discussion requested by the area's daily publication. But, apparently, *Newsday* does not think the people are smart enough to make the right choices or even to have a say in the island's future energy policy. Giving the people a voice certainly fits in with the philosophy of *Suffolk Life Newspapers*.

The fact is, the public has the right to electrical power at a reasonable cost. The people have a right to expect elected officials to represent their interests. Every ratepayer on Long Island has a right to vote on this proposed deal—it's our money and our future.

And why not?

WILLMOTTS & WHY NOTS

DAVID J. WILLMOTT SR., EDITOR

HELPING LIPA'S LOGIC

To the editor:

While the editorial page of a newspaper is a place for opinion, Suffolk Life continues to publish as "news" the same untruths week after week.

For instance, your editorial of August 13, 1997 contains several misstatements. This letter will focus on just three of them:

1. The LIPA Transaction will impose a \$23,000 mortgage on every Long Islander;

2. Long Islanders will be required to pay \$55 per month for the next 30 years before they buy a penny's worth of electricity; and

3. Every man, woman and child in the United States will be required to pay \$17.37 additional tax next year if LILCO can make a private deal with the IRS to avoid paying capital gains tax.

Each of these statements is false; worse, you know them to be so.

First, as we have explained repeatedly, the LIPA transaction replaces the existing debt and equity of LILCO with cheaper debt. Long Islanders are currently paying through their electric rates for the money borrowed and spent to build the generating plants and transmission and distribution lines on Long Island. LIPA is lowering the cost to pay off those debts.

Second, there is no "meter fee" as you have previously called it. Customers will pay for the electricity they use, and they will initially pay approximately 20% less for electricity over the first 10 years of the LIPA transaction. Incidentally, you have previously stated "...the average customer will be assessed \$61 per month...\$21,690 over the 30-year life of the bonds." We're not sure why your numbers changed, but you were wrong then and you're wrong now.

Finally, LILCO is seeking confirmation from the Internal Revenue Service through a private letter ruling that, in accordance with existing law, this transaction will not be subject to capital gains taxes. This is not a special deal. Furthermore, as we have explained repeatedly, if the IRS rejects this ruling request, there will be no deal because neither LIPA nor LILCO is willing to pay the \$2 million in taxes. Therefore, the U.S. Treasury would not receive this tax payment in any event.

Your readers deserve the facts, and they deserve to see them accurately reported.

Patrick Foye
Vice Chairman of LIPA

Editor's Note:

Patrick Foye seems to believe that if you can't dispute facts, then call the facts lies.

The LIPA transaction will cost the average ratepayer between \$21,000 and \$23,000. This is indisputable and easy to figure out. LIPA will borrow somewhere between \$7.2 billion and \$8 billion to buy out LILCO's near-worthless assets. They will pay between 6% and 7% in interest for the next 30 to 40 years. The cost of

this interest will run between \$14 billion and \$16 billion. LILCO has a little over one million customers. If you divide the number of customers into the total indebtedness, even a grade school child can figure out that it is going to cost between \$21,000 and \$23,000 per ratepayer to pay this money back.

When we initially did our calculations, after asking LIPA to provide us with the information and it was not forthcoming, we used the assumptions that had been provided by LIPA. According to LIPA, the deal was \$7.2 billion. The term of the mortgage would be 30 years and interest would be at 6%. The amount of the deal has been accelerating and \$7.2 billion is the minimum, and according to one report, it could be as high as \$9 billion.

The repayment period was originally set for 30 years, now it may well be 40 years. The interest rate originally calculated at 6% could go as high as 7% if Wall Street does not look favorably upon this huge borrowing.

We believe our numbers are conservative. It will cost the average ratepayer between \$55 and \$60 per month to finance this deal before they pay for one cent of electricity. The state assembly report has confirmed this information and estimate.

Richard Kessel, using his creative imagination, pegged the price of the deal at just under \$19 billion, which would mean that the average ratepayer would be paying just under \$50 a month to finance the deal. If LIPA would be consistent with its numbers and time frame, we would be consistent with ours.

Patrick, you state in your letter that initially customers will pay 20% less for electricity during the first 10 years of the deal. Yet, you are only willing to give a guarantee of 14%. Why?

During the first 10 years, LIPA intends to borrow money to lower the rates and then pay back this money during the next 20 to 30 years, which will cause rates to soar higher. That's a fact, that is the truth, and it is bad business.

You speak of LILCO's debt, which is mostly to pay for the "stranded" or building costs of the abandoned Shoreham nuclear power plant and LILCO's 18% investment in Nine Mile Point 2 nuclear plant upstate. Both of these items are subject to review by the Public Service Commission.

The PSC has the responsibility and the regulatory authority to order these stranded investments to be eliminated or substantially reduced. The county and the various consultants have offered five legal opinions that say that the agreement between LILCO and Cuomo was not a contract, and is subject to revision by the PSC.

Public Service Chairman John O'Marah spoke publicly about the commission's responsibility to look at the agreement and modify it. In fact, the PSC has already altered the agreement and has not allowed LILCO to have the rate it



wanted.

You have not offered one opposing legal opinion that would refute the legal opinions offered by the county, state assembly and other consultants. Your whole argument is based on the false conception that the ratepayers are obligated to pay off the Shoreham and the Nine Mile Point 2 construction costs and guarantee LILCO a profit on its bad investment.

The third issue you raise in your letter is that every man, woman and child in the United States will be required to pay \$17.37 if LILCO is able to avoid paying capital gains taxes on the windfall it will

receive through the proposed LIPA deal.

The taxes that LILCO is trying to avoid are not \$2 million as you state, but \$2 billion. Divide the 130 million taxpayers in the United States into the \$2 billion and you will find that it comes to \$17.37 per taxpayer. It is your lack of understanding simple math and simple legal points that is leading Long Island down a primrose path.

You may not like the numbers. You may not like the public being aware of them, but calling them untruths is only lending credibility to them.

And why not?

You Must Be Registered To Vote To Have A Say

Many of us are disgusted with our government. We feel we have no say. We elect candidates to office. During the campaign they tell us what we want to hear and then often do as they wish after they are elected. We feel disenfranchised.

This year, we can have a direct say in our government because of two critical questions that will be on the ballot. The first question pertains to the LILCO-LIPA mess. Suffolk residents will be asked if county government should oppose the deal and take whatever measures are necessary if the deal is passed to make sure LIPA lives up to its projections and promises.

This is the first time any ratepayer in Suffolk County has been able to express a direct opinion on Shoreham, LILCO or LIPA. Up to this point, we have been disenfranchised. This question will give us a direct opportunity to support the deal or kill it.

You will continue to be disenfranchised if you are not registered to vote or you do not vote. This would be tragic, because not only will you be affected, so will your children and their children. For the next 40 years, everyone will be paying exorbitant electrical rates unless we, through our vote, end this mess this year.

The second question that is going to be on the ballot pertains to whether we, the citizens of New York State, want to have a Constitutional Convention. The citizens know that our state government is not working well. It's run by three people who do not have the ability to even put a budget together on time.

The state is filled with waste and a bloated bureaucracy. Many of the laws are restrictive and we do not have the ability for I & R to take matters into our own hands when the legislature will not.

This question on the ballot will ask if a Constitutional Convention should be

convened in 1999. Every 20 years, the citizens of New York State are given the opportunity to elect lay people to the convention. The purpose of the people elected is to examine the Constitution, correct its inadequacies by proposing measures that will be voted on by all the people in the state. This is real grassroots government that belongs to you and me, not the political parties.

The established political parties, the lobbyists, the special interest groups and those who have found ways to put their head in the trough do not want a Constitutional Convention. They do not want change. But a Constitutional Convention will give us an opportunity to take back our government. To do that, you must be registered and you must turn out to vote.

About 30% of Suffolk County residents eligible to vote are not registered. If you are one of these and you do not register by October 12, you can have no say in your government. You will not be able to vote on these two important issues. You will not be allowed to vote for who your representatives will be, those who will represent you in our towns and county government.

You can have a say in your government. You can change the status quo. You can put an end to the LILCO-LIPA mess and take back control of your life.

Don't give up the opportunity to express your opinions. Don't leave it up to others to decide the outcome of your life and your finances.

To register to vote, call the Suffolk County Board of Elections in Yaphank at 852-4500. They will send you an application form. You can also obtain a registration form from your local post office or library. Fill it out and mail it to the address on the form.

This is one of the most critical elections. You must participate in it.

And why not?

WILLMOTTS & WHY NOTS

DAVID J. WILLMOTT SR., EDITOR

Why Should You Bail Out LILCO?

Make no mistake about it, the LIPA deal, as it is currently structured, has only one purpose—and that is to bail out LILCO from its past mistakes, including the building of the Shoreham nuclear power plant.

The management of LILCO, with the approval of the stockholders, built Shoreham only for profit reasons. They made a very bad investment.

In the world of capitalism, when you make a bad business decision, the business and its owners, the stockholders, suffer the consequences.

LILCO believes it is not subject to these rules of capitalism. It wants you, the customers, to not only reimburse the monies that it squandered on Shoreham and other ill-advised investments, but it wants a profit from these investments.

Seem ludicrous? It is, and it has only come about because of money and power.

Former Governor Mario Cuomo guaranteed LILCO a 5% increase in rates each year for three years. He did not have the power to guarantee increases or the return on the investment in Shoreham beyond three years. Cuomo and Catacosinos agreed to a schedule, but it is not a contract between LILCO and the Public Service Commission.

To the PSC's credit, it did not allow the intended rate increases after the first three years. LILCO has on its hands a stranded asset and the LIPA deal will purchase this asset, converting it into a mortgage that all ratepayers will be responsible for paying over the next 30 to 40 years.

Public Service Commissions throughout the United States are ordering utilities to write down or write off their stranded investments. Many utilities have stranded investments on their hands. They have investments in nuclear power plants that are not profitable and cannot competitively generate electricity.

The federal government has ordered utilities to be deregulated and to become more competitive. Just two weeks ago, the Pennsylvania PSC ordered a utility to write down almost 30% of its stranded investment.

California and Massachusetts have frozen electrical rates through December 31, 2001. Any monies that the utilities can generate through competition will be utilized to pay down on their stranded investments. On January 1, 2002, what remains of the utilities' bad investments is to be absorbed by the stockholders.

Why not in New York?

In 2002, utility rates across the coun-

try are expected to drop by one-third. The utility rates in Massachusetts and California are currently at 12 cents per kilowatt hour. In the year 2002, they are expected to be between 7 and 8 cents.

Utility rates on Long Island are currently 17 cents per kilowatt hour. Under the ill-conceived LILCO-LIPA plan, our rates are expected to drop to 14 cents per kilowatt hour and then go up from there. We will still be paying twice as much for electricity as the rest of the nation, making all of Long Island noncompetitive.

During the first 15 years, we are locked into LILCO. The "deal" mandates we pay the operating costs of the plants LILCO will continue to own whether we buy any electricity from them or not. Yes, that is right, we will continue to pay LILCO's operations and overhead even if we want to buy cheaper power elsewhere. What a bailout. What a windfall for LILCO at our expense. Only in New York could this happen. The rest of the nation will pay 7 cents per kilowatt hour and we will be paying 14 cents and the price can rise every year.

Money borrowed will be used during the first 10 years of the deal to subsidize the rates. Rates are expected to substantially increase from year 10 through year 30—something.

LIPA will be allowed to increase rates every year by 2.5% without oversight or control by any public agency. LIPA is an authority and, as such, is not answerable to the government or to the people. The trustees are appointed and the public has no input into their selection.

The LIPA deal is a worst-case scenario that indentures not only us, but our children and grandchildren. Big money is pushing the deal with no regard for the public.

Until now, we have never had an opportunity to have a say about LILCO or Shoreham. On this November's ballot, there will appear a county question that asks if Suffolk County should oppose the deal and mandates the county to fight for the people's rights if the deal goes through.

If you want to stop this LILCO mess, the LILCO bailout, vote 'Yes' on this county question. This vote is one of the most important you will cast and it may be the only time you will have an opportunity to directly affect what happens with LILCO and LIPA.

Talk to your friend, talk to your neighbors. Tell them how important this issue is. Encourage them to register and turn out to vote 'Yes!' on November 4.

And why not?

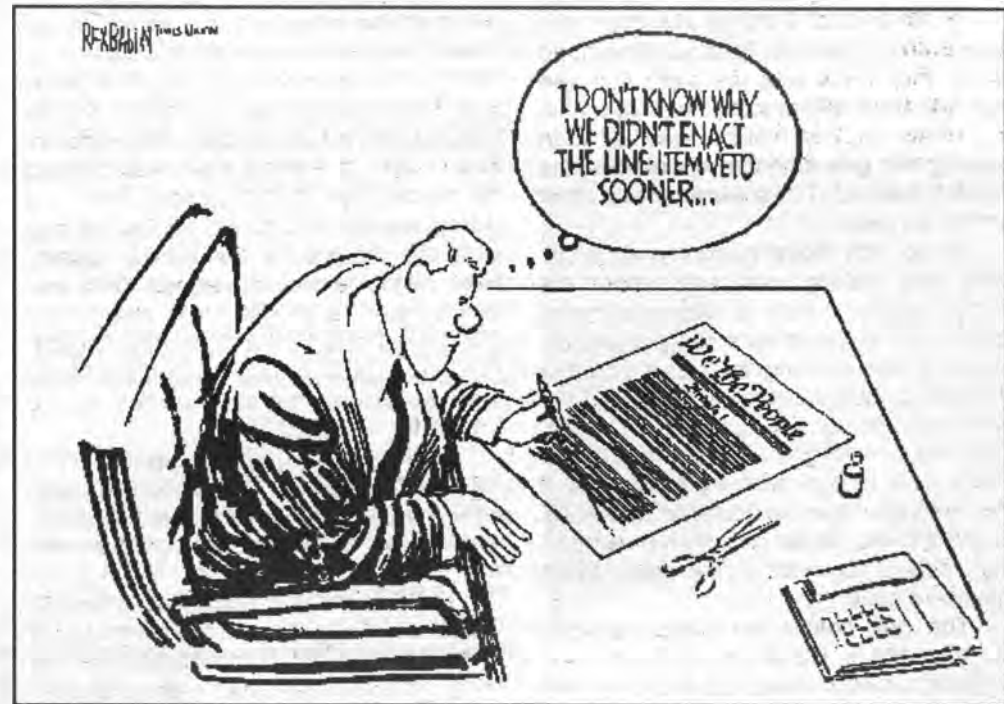
Lack Of Nuclear Credibility

Senator Al D'Amato and Congressman Michael Forbes announced last week that they will introduce legislation to mandate the closure of the aging, leaking nuclear reactor at Brookhaven National Lab.

The reactor is almost 35 years old and is leaking atomic particles into the water supply. Since the first big discovery last December, it has been revealed that other leaks in other components have

found their way into the soil and water. Some of these leaks and accidents go back nearly a decade, but were not revealed by the lab to the county, the state or the federal government. Because of the lab's stonewalling and refusal to come clean with the public, suspicions have multiplied, and virtually no one today trusts the lab.

The reactor makes up only a small component of the lab's mission. We, like



many in Suffolk County, have feared that if the reactor was closed, Long Island would lose up to 3,500 jobs. This is not the case. The reactor only involves less than 10% of the lab's staff. Obviously, the reactor is in trouble and poses a definitive threat to the public.

Two years ago, the lab wanted to pump water from the land directly under the lab into the Peconic River. Allegedly, this needed to be done for a sewer project. The County Department of Health and the state DEC signed off on the project.

Suffolk Life voiced its concern and brought it to the attention of the public. The pressure created by a public outcry forced the lab to abandon this idea, which would have irradiated not only the Peconic River but the Peconic Bay Estuary. At the time, the lab maintained the water

was pristine, but since then it has been revealed that the lab knew differently.

The credibility of the operators of the lab is at such a low point that the closing of the reactor makes sense.

Through our involvement in the Shoreham issue, we have developed a healthy respect for the potential side effects of nuclear properties. There doesn't have to be one big accident. Low levels of radiation are cumulative and can slowly poison the community, increasing the risk of cancer and other health hazards.

The lab's mission to use modern science was laudable, but the arrogance and disregard for the people of the community was wrong, and has now led to a demand for the permanent closing of the reactor. Lab management has turned out to be its own worst enemy.

Water Tax A Bad Idea

There is nothing that some politicians won't try to tax.

Legislators Brian Foley and Stephen Hackeling this past week announced that they intend to introduce legislation that will require any water bottled in Suffolk County and sold out of the county to be subject to a five cent per gallon tax.

This is absurd. It's designed to impose a penalty on a new start-up business, "Pine Barrens Pure," owned by Ken Tuthill of Riverhead. Tuthill has been bottling water under the "Pine Barrens Pure" label and competing for market share with the giants. The water comes from under land he owns in the pine barrens. The bottling is done in his Riverhead plant.

This tax could well put him at a competitive disadvantage and kill the enterprise before it has a chance to get off the ground. The move may also be unconstitutional, as both common and civil law has held that the water under a person's land belongs to the landowner. It is not within the public domain.

Tuthill's operation is relatively small and the amount of water he is pumping is just a drop in the bucket. If the law is passed, it could affect other bottling com-

panies as well.

Pepsi Cola has been bottling for almost 40 years in Patchogue, and if the law is passed, the owner of that company has threatened to move his company, which would mean the loss of 600 jobs.

What about the wine industry that is just coming into its own? Wine contains water that comes from the vines which absorb the water from the ground. In fairness, shouldn't they be included?

What about the hundreds of other products that are manufactured and assembled using Long Island water? Wouldn't they be subject to a water tax?

What is wrong with politicians who act before they think? The ramifications of the proposed water tax could put another nail in the coffin of Long Island's fragile economy.

Instead of being obstructionists, our government's duty should be to promote our businesses. Foley and Hackeling should withdraw this ill-conceived, proposed tax. And if it does come to a vote, we would hope that the rest of the legislature would show some common sense and refuse to pass the measure.

And why not?

WILLMOTTS & WHY NOTS

DAVID J. WILLMOTT SR., EDITOR

Stealing Your Vote

It has been no secret that Governor George Pataki is furious with County Executive Robert Gaffney for allowing the Suffolk County Legislature to place a charter amendment on this November's ballot that will allow Suffolk County residents to signify whether they want the LILCO-LIPA deal.

For the last couple of weeks, it has been rumored that Pataki has been so angry that he has been looking for some way to sue to stop the vote.

It was rumored that he had been in serious discussion with attorney John Klein, a former Suffolk County executive and partner in the Nassau law firm of Meyer, Suozzi, English & Klein. But they needed a front group to bring the suit.

This past Tuesday, the Association for a Better Long Island (ABLI), a Long Island developers' group, had Klein bring suit to knock the question off this November's ballot. The case will be heard within the next few days.

Klein's argument is that the ballot question is advisory in nature. This is far from the truth. The people are being asked to vote on a county amendment. If approved by the voters, this will mandate the county to vigorously oppose the LILCO-LIPA deal, and if the deal goes through, to use whatever governmental powers are necessary to make sure that the deal lives up to its promises and the provisions as outlined in the Public Authority Control Board (PACB) resolution.

The referendum question pertains to a charter amendment similar to those questions that require voter approval that put limits on governmental spending and taxation. The legal precedent for such questions has long been established and, we believe, this measure of desperation by the governor lacks any standing in law.

Pataki is frightened to death that if the will of the people is known, the deal will collapse. If the county is mandated by the voters to challenge LIPA if it does not live up to its promises and agreements, all hell will break loose.

Interestingly, John Klein's law firm is well connected and this shows you how insidious the power block is here on the Island. Basil Patterson is one of John Klein's partners. Patterson is a LILCO board member.

Vincent Polimeni, a commercial real estate developer, is a member of the LIPA board and is also on the board of ABLI. Isn't this all too convenient? You wash my hand and I will wash yours.

Klein was thrown out of office as county executive back in the seventies. He went on to join the law firm of Meyer, Suozzi, English & Klein and has been an influential figure ever since. This desperate move by Pataki is the height of arrogance. The deal stinks and will place a mortgage on every ratepayer's head for up to 40 years that will cost the average ratepayer over \$23,000. The average ratepayer will have to pay over \$50 a month to finance this deal before one

cent of electricity is purchased.

The deal calls for rates to be 14% to 17% lower during the first 10 years. This is only accomplished by borrowing money upfront to hold down rates, but this money will have to be paid back after year 10, with interest.

Beginning in September of 1996, ratepayers could have been enjoying a 5.5% reduction in electrical rates. After extensive hearings, the Public Service Commission (PSC) staff recommended that LILCO be ordered to cut its rates by 5.5%. The PSC staff had found that LILCO was spending twice as much as its peer group of utilities on management, operations and maintenance. Governor Pataki ordered the PSC not to impose this rate reduction because of the LIPA negotiations.

In addition, the BUG-LILCO merger is expected to produce a 2% to 3% savings. The legislature recently passed a reduction of 1% in the gross utility taxes. When these three rate reductions are combined, we would have a 9 1/2% rate reduction without the deal or the expense it will bring.

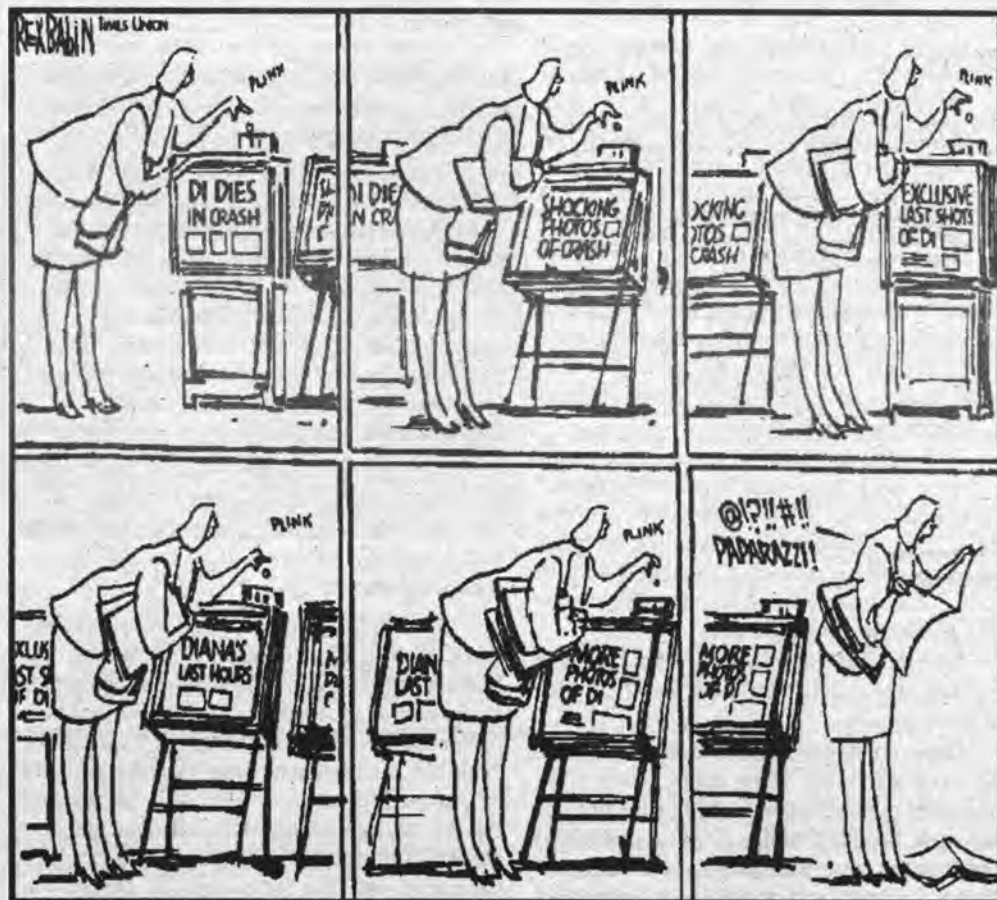
The fact that the governor ordered the PSC not to act on the staff's recommendations means that since September 1996, we have been paying 5.5% more for electricity than we would have, had the governor not interfered. We have been robbed, folks.

A provision in the PACB resolution allows LIPA to increase rates up to 2 1/2% per year from year one, without having to go before the PSC or any other public body. Although LIPA claims to be reducing rates, it has been given the authority to increase them at will.

The public has never been asked for its approval on any aspect of Shoreham-LILCO or the rates we pay. This ballot initiative is the first time the public can express its opinion. To deny the voters this opportunity is an outright assault on democracy.

All too often, it has appeared that when it comes to LILCO, the judicial system does not work in the ratepayers' favor. To give two good examples: LILCO was sued under the RICO statute for lying and cheating over the Shoreham controversy. The jury found LILCO guilty and awarded the ratepayers an \$800 million verdict. Under the RICO statute, the judge can award triple damages which could have meant that LILCO could have been faced with a \$2.4 billion judgment. Instead, for reasons that have never been fully disclosed, the judge found a technicality to disregard the jury's verdict and he negotiated a settlement for \$400 million. This technicality got LILCO off the hook for \$1.8 billion dollars.

The second example is Judge Thomas Stark's ruling in the phase two certiorari suit. Stark accepted, as gospel, former PSC Chairman Paul Gioia's testimony that Shoreham had almost no chance of ever commercially operating, and therefore, was worthless. Gioia had



allowed the public to be charged "Construction While in Progress Payments" and "Financial Stability Payments," when he was in charge of the PSC.

If Gioia did not feel the plant had a chance of operating commercially, how could he allow the public to be charged for its construction? During the time of his testimony, Gioia was a member of the law firm working for LILCO and arguing before Judge Stark. Does anyone smell a rat?

A once highly placed official of LILCO revealed to *Suffolk Life* the long tentacles that LILCO had. He outlined how LILCO owned legislators, governors, judges and

a whole host of local, state and federal political operatives. He almost bragged that if they wanted a report favorable to their cause, they would make a grant to a university and the report would be produced.

The little guy doesn't have the opportunity to defend himself except through the ballot box. Take away this right, and we become enslaved to the masters.

Any judge who still believes in the Constitution and the protection it grants to the citizens must rule in favor of giving the public the right to choose.

And why not?

Information On The Web

Confused by what you've heard about the proposed takeover of LILCO by the Long Island Power Authority (LIPA)? Are the rate reductions that are promised for real? Are there alternatives to this deal?

If you want to get some answers directly from the sources, and if you have access to the Internet, you can now check out some web sites that contain information on the proposed LILCO-LIPA deal that you can't get anywhere else.

For an independent point of view, concerned citizens should check out the Citizens Advisory Panel's (CAP) web site at www.energymatters.org.

CAP is a federal court-appointed LILCO watchdog group established to advise ratepayers on LILCO issues. CAP's site is full of information about the deal, including detailed analyses by independent consumer utility experts.

At CAP's site, you can read for yourself why the comptroller of the state of

New York doesn't think that LIPA negotiated a good deal for the ratepayers of Long Island (Choosing: Carl McCall under "Remarks and Critiques").

Or click on Ralph Nader to find out why the consumer advocate has called the deal "corporate welfare of the worst kind."

And for people in Nassau County, who don't get the weekly *Suffolk Life* in their mailboxes, CAP has posted Dave Willmott's editorials there as well.

To get LILCO's perspective on the deal, visit www.lilco.com.

The brand new web site of LIPA is at www.lipa.state.ny.us and has profiles of all appointed LIPA trustees and, in case you missed any of the LIPA meetings, full transcripts of those events. These web sites are open to all Long Islanders who want to post LILCO-LIPA related material of their own.

And why not?