

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Regular Meeting of the Public Service Commission

THURSDAY, JULY 18, 2013
10:30 a.m.

Three Empire State Plaza
Agency Building 3, 19th Fl.
Albany, New York 12223

COMMISSIONERS:

GARRY A. BROWN, Chairman
PATRICIA L. ACAMPORA
JAMES L. LAROCCA
GREGG C. SAYRE
DIANE X. BURMAN

D I S C L A I M E R

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1 CHAIRMAN GARRY BROWN: Good morning. I'd
2 like to call the July 2013 meeting of New York Public
3 Service Commission to order. And the first thing I
4 would like to do today is to welcome our new
5 Commissioner, Commissioner Diane Burman. Welcome to
6 the, to the team. She comes with a wealth of
7 experience and I know she'll add great value to the
8 Commission over her term. So thank you so much for
9 joining us. Madam Secretary, are there any changes
10 to the agenda today?

11 MS. ELAINE AGRESTA: Yes, Mr. Chairman.
12 There are three items added to the agenda. The first
13 item is Item Number 272. That case is 12-E-0201 and
14 12-G-0202. And that's a request by National Grid for
15 approval of an emergency economic development
16 program. The second item added is Item 273. That's
17 case 13-M-0307. In the matter of a temporary waiver
18 and suspension of late payment charges due to payment
19 barriers caused by flooding in the Mohawk Valley
20 region. And that's a confirming order. The third
21 item added is Item 370, Case 10-T-0283. And that's a
22 petition of Orange and Rockland to mend a condition
23 contained in the Commissions January 2011 order to
24 allow the company to commence construction on
25 transmission line 28 prior to obtaining the required

1 permit and that's also a confirming order. That's
2 it.

3 CHAIRMAN BROWN: Okay. Thank you. So
4 before we vote on the consent agenda, let's start
5 with are there any abstentions or refusals today?

6 COMMISSIONER GREGG SAYRE: Yes, Mr.
7 Chairman. I'm recused on Item 561.

8 CHAIRMAN BROWN: Okay. So Commissioner
9 Sayre's recusing on 561. Are there any questions or
10 comments on the consent agenda?

11 COMMISSIONER DIANE BURMAN: I have some.

12 COMMISSIONER JAMES LAROCCA: Just a quick
13 question.

14 CHAIRMAN BROWN: Sure.

15 COMMISSIONER LAROCCA: The, the economic
16 development item is a consent item?

17 CHAIRMAN BROWN: Yes.

18 COMMISSIONER SAYRE: Which one?

19 COMMISSIONER LAROCCA: The one that was just
20 added.

21 CHAIRMAN BROWN: That's the group emergency
22 program that we have on the consent agenda.

23 COMMISSIONER LAROCCA: Okay. I'm just
24 having a little déjà vu. Didn't we do an emergency
25 economic development item with them relatively

1 recently?

2 MS. LUANN SCHERER: For customers affected
3 by Hurricane Irene and Tropical, Tropical Storm Lee,
4 the Commission approved a similar emergency economic
5 development program. For customers affected by Hur-
6 Super Storm Sandy, the Commission approved a similar
7 program in NYSIG service territory. And they also
8 approved, you also approved a program in NYSIG
9 service territory for customers affected by our rain
10 of late.

11 COMMISSIONER LAROCCA: And then this is
12 another round, this--

13 CHAIRMAN BROWN: [Interposing] This is
14 related strictly to the flooding event in the Mohawk
15 Valley.

16 COMMISSIONER LAROCCA: And that's not been
17 in the Mohawk Valley this--yeah.

18 MS. SCHERER: Correct.

19 COMMISSIONER LAROCCA: Thank you.

20 CHAIRMAN BROWN: Commissioner Burman, I know
21 you had some comments.

22 COMMISSIONER BURMAN: Thank you. On Item
23 164, I just wanted to commend staff. I think it was,
24 it's great to see that you looked at the utilities
25 and the marketer's concerns. You worked with them

1 together to come up with what could be done and it
2 seemed like a very good collaborative process and I
3 appreciate that. On 261 and 262, I just wanted to
4 ask, counsel, on that, on those two items, you're not
5 asking for us to take a position if they've done
6 anything wrong?

7 MR. PETER MCGOWAN: Yes. This is simply
8 starting the, this is a procedural vehicle to join
9 issue. So the, no determination is being made today.

10 COMMISSIONER BURMAN: Right. This is just
11 asking for their input and that's it?

12 MR. MCGOWAN: Yes.

13 COMMISSIONER BURMAN: Okay. Thank you. On
14 361, I'd just like an explanation on how this ties in
15 on the excellent by the governor on the New York Sun
16 program.

17 MS. TINA PALMERO: This--

18 CHAIRMAN BROWN: [Interposing] If we need a
19 microphone--

20 MS. PALMERO: [Interposing] Sure. Thank
21 you. This item is part of the New York Sun
22 initiative and what it does is it revises the program
23 as it currently stands to add another tier within the
24 standard offer program for solar PV. And so it ties
25 in, because it's all part of New York Sun. It's all

1 part of the initiative to, to obtain the goals that
2 have been set out by the governor to install double
3 the amount of solar PV that was installed in 2012.
4 Which is actually quadrupling the 2011 megawatt
5 capacity. So it all falls within the New York Sun
6 program and it is just another way to allow
7 additional installations for solar to be made.

8 COMMISSIONER BURMAN: Okay. I'm very much
9 interested in the New York Sun initiative. It has
10 not yet been codified in legislation. I know that
11 Senator Maziarz was a leader in having it passed in
12 the senate this year. In embracing the initiative,
13 codifying it, and also I'm dealing with manufacturers
14 credits, so that businesses could take further
15 advantage of this. Where are the businesses on this,
16 this particular program? Business association,
17 manufacturers association, business counsel, would
18 they be supportive of this?

19 MS. PALMERO: Business counsel didn't
20 actually provide comments on this particular petition
21 from NYSERDA, so I can't speak to whether they would
22 be supportive of this particular action that staff is
23 recommending the Commission take. In general, I
24 believe on businesses supporting the New York
25 Installers have been, have reacted to what we have

1 done in New York Sun and have generally been
2 supportive, because it does help the New York
3 Installer base that are associated with solar
4 installations.

5 COMMISSIONER BURMAN: Okay. Thank you. On
6 366, if counsel could speak to this particular item.
7 This doesn't prejudice the commission in any future
8 actions it may take, is that correct?

9 MR. MCGOWAN: That's correct. This is a
10 draft being put out for comment and simply it starts
11 the process and final resolution would come at a
12 later point.

13 COMMISSIONER BURMAN: Thank you. On Item
14 464, this to me, when I look at this, this action
15 today that's being asked of us appears to respond to
16 requests from citizens and elected officials and the
17 company United Water in updating the assessment of
18 the need for major new, new water source before
19 embarking on a significant investment. And my
20 understanding is the PSC and DEC have different
21 jurisdictional roles. But I trust that these efforts
22 would complement DEC's efforts on the continued
23 dialogue with the community and the company on this
24 issue. Is that fair to say?

25 MR. MCGOWAN: It is.

1 COMMISSIONER BURMAN: Those are all of the
2 comments I have. Thank you.

3 CHAIRMAN BROWN: Thank you, Commissioner.
4 With that, let's take a vote on the consent agenda.
5 All those in favor, please say aye.

6 SEVERAL VOICES: Aye.

7 CHAIRMAN BROWN: Oppose? Hearing none, the
8 recommendations are adopted with Commissioner Sayre
9 making his incur Item 561. Let's move to the regular
10 agenda. We'll begin with a presentation update on
11 the flooding in the Mohawk Valley presented by Mike
12 Worden, the energy manager, and Kevin Speicher, chief
13 of gas safety. Gentlemen.

14 MR. MICHAEL WORDEN: Good morning, Chairman
15 Brown and commissioners.

16 CHAIRMAN BROWN: Good morning.

17 MR. WORDEN: First, I'm going to give a
18 little overall setting for the flooding that's taking
19 place in the Mohawk Valley. Then I'll talk about the
20 impact on the electric system and I'll turn it over
21 to Kevin, who will talk about the impact on the gas
22 system. I understand at the end of that, you would
23 like Doug Elfner to talk briefly about some of the
24 economic development going--

25 CHAIRMAN BROWN: Just to tie in what we just

1 did on the consent agenda--

2 MR. WORDEN: [Interposing] Sure.

3 CHAIRMAN BROWN: --and your discussion here.

4 MR. WORDEN: So just to give you a high
5 level picture of what happened, this, this is a
6 picture of a Family Dollar store in Fort Plain and I
7 think it doesn't take a lot of imagination to realize
8 what problems water at that level is going to cause
9 with the electric and gas infrastructure, let alone
10 the building itself. We all appreciate that. A
11 couple of other slides, this is in Herkimer, New
12 York. Water level's up, you know, halfway up cars.
13 And, finally, another one, this is Prospect Street in
14 Herkimer and those, yes, are the points of, or the
15 roofs of cars through that area. The one other one
16 shows, and this is a little different, it doesn't
17 show water, but the water caused the damage to this
18 structure, which caused it to collapse. I'm going to
19 turn it over. One, one final thing before I move to
20 the next slide. We're going to talk today almost
21 exclusively about the Mohawk Valley, but this thing
22 had, you know, farther reaching arms than that. A
23 state of emergency was actually declared in 15
24 counties by the governor and it affected areas down
25 in the Binghamton area and up through the

1 Adirondack's. So it had a, a larger reach than what
2 we were talking about. But the hardest hit areas,
3 obviously, were the Mohawk Valley. So we turn here,
4 this is a slide that gives a summary of the impacts
5 to the electric system in Mohawk Valley. And you can
6 see, I'm not going to go through all of these
7 numbers, but you can see there were about 2,000
8 customers that lost, lost power. The grid actually
9 pulled the meters on 836 customers at the request of
10 the local fire authorities and those kind of things.
11 All of the premises were inspected. And a lot of the
12 customers had been restored, but you can see there's
13 another 230 or so customers that still are unable to
14 receive service. So that effort's going to be going
15 on for some time. I'd like to note a couple of the
16 things that National Grid did, which were proactive
17 in responding to this. First off, they agreed to pay
18 in customer's \$85 inspection fee, reimburse them for
19 that.

20 CHAIRMAN BROWN: Mike, why don't you just
21 explain normally if there is a, is this related to
22 gas, electric, both?

23 MR. WORDEN: I think it's mostly, it's both
24 really.

25 CHAIRMAN BROWN: Okay.

1 MR. WORDEN: But gas is kind of the focus of
2 that.

3 CHAIRMAN BROWN: And normally a customer has
4 to have the shut off--

5 MR. WORDEN: [Interposing] When they shut
6 their power off--

7 CHAIRMAN BROWN: --it would be their
8 responsibility pay for it.

9 MR. WORDEN: --when they shut their gas
10 service off, they have to have an inspection go in
11 there and basically give the clear to turn it back
12 on.

13 CHAIRMAN BROWN: And that's usually an \$85
14 charge?

15 MR. WORDEN: Up to that.

16 CHAIRMAN BROWN: Okay.

17 MR. WORDEN: Yeah. I don't know the, it's
18 to that.

19 CHAIRMAN BROWN: Yeah, yeah.

20 MR. WORDEN: And that's, that's a common
21 charge--

22 CHAIRMAN BROWN: [Interposing] Yeah.

23 MR. WORDEN: --for that kind of charge.
24 Actually, you know, Con-, sorry, starting to get into
25 Con Edison. Grid actually reached out to the

1 inspection agencies, made contact with them, advised
2 them of what was going on. They have names and
3 contacts. Made this stuff available to customers, so
4 they helped facilitate that process. They actually
5 went door to door where they could get two customers
6 and try to give them a package of information and
7 information packets advising the customers of the
8 process of what they would have to do to restore
9 service, who they needed to contact, etc. And they
10 also put a municipal liaison in each of these hardest
11 hit areas that are on this, this diagram there to
12 facilitate that process. So that was a positive
13 thing. And, obviously, they had staff on duty
14 extended hours during this whole time period. Pretty
15 much when they get a, a request come in to reconnect,
16 I'll talk about electric first, to reconnect
17 electric, they're ready to go on that and they're
18 pretty timely in their response. I want to talk
19 briefly about Mohawk. Mohawk is a, a municipal
20 customer that serves about 1,300 customers in the
21 village Mohawk. You can see their substation here.
22 It's inundated with water. This is supplied by 46 KV
23 subtransmission line from National Grid and they had
24 to disconnect that, that line to this station. They
25 had to remove all of the breakers. There's a dozen

1 breakers in this thing. They had to remove them all,
2 send them out to get cleaned, and it, it's a
3 laborious process that's going to not be complete
4 until mid-August actually. But what they did was
5 they essentially bypassed the substation. National
6 Grid worked with the, the locality and their
7 consultant to basically put oversize jumper cables is
8 really what in effect they did, and some limited
9 fusing. So it's not in, certainly not in a normal
10 state, but they were able to restore power much more
11 quickly than, you know, had they waited to get all of
12 this equipment cleaned up. So it is an extensive
13 process that they're still, still working on. So at
14 this point, I'd like to turn it over to Kevin and he
15 can talk about the impact of gas system.

16 MR. KEVIN SPEICHER: The storm affected the
17 gas system in the Mohawk, in the Mohawk Valley in
18 several ways. First, portions of the system were
19 washed out by flood waters, for example. Several
20 distribution mains throughout the Mohawk Valley were
21 exposed in the transmission main. Next, flood waters
22 were at levels that required inspections in the
23 service regulators and vents and customer meters to
24 make sure that they were fully operational. Finally,
25 individual services needed to be inspected to insure

1 the integrity of piping and appliances downstream of
2 the meter. In a flood, this is a crucial step as
3 appliances can move or float in flooded basements and
4 causing connections to be compromised and leak. In
5 addition, damage to foundation walls can cause dam-,
6 can cause damage to gas piping inside of the houses.
7 Again, causing leaks inside the house. During this
8 step, appliances that haven't flooded, need to be
9 inspected and/or replaced and repaired. In all,
10 National Grid had about 3,300 houses that needed
11 inspection. There were approximately 1,900 customers
12 that needed to be turned off while integrity issues
13 were addressed. These issues were predominantly on
14 the customer's side of the service and included the
15 need for inspection repair and replacement of gas
16 appliances and repair of structural issues within the
17 house. To date, there are over, there are about
18 1,000 customers that are unable to receive gas.
19 Again, these are due mainly to issues downstream of
20 the meter and they're awaiting customer action for
21 restoration. Approximately 375 houses received some
22 type of damage that prohibit them from getting gas at
23 this time. There's a picture of a tributary into, I
24 believe, the Mohawk River. You can see a gas main
25 was exposed. This is at a transmission man, a six

1 inch transmission man crossing the Sconondoa Creek in
2 Sherrill and it feeds the Sterling power plant.
3 Completely severed. National Grid proactively shut
4 this line down, so when it did sever it did not cause
5 a problem, because it was all ready shut down. This
6 pipeline has an MAOP of close to 500 pounds flowing
7 at 73 pounds. It supplies the Sterling power plant.
8 It is in the process of being--it was scheduled to be
9 tested today, so if everything goes well, it should
10 be back and energized within the next day or two.
11 So, in summary, there were approximately 1,900 gas
12 service interruptions in the Mohawk Valley. There
13 were close to 1,000 gas services still out and
14 awaiting action by the customer. They are able to
15 receive gas as far as National Grid is concerned, but
16 they need to have action taken by the customer. This
17 is, again, the Sterling, the replacement 800 feet of
18 six inch main. This is a temporary bridge that was
19 installed over the Sconondoa Creek. The pipeline
20 there looks small. It's actually very long. That
21 bridge is about 130 feet long, nine feet wide. So
22 it's, it, it's a very good repair, but it is
23 considered a temporary repair. And that's the line
24 going through the plant, again, in total of about 800
25 feet.

1 CHAIRMAN BROWN: And, Mike, my understanding
2 in especially days like today, that Sterling plant
3 offers some local support that's important to the
4 system, is that correct?

5 MR. WORDEN: On a day like today, any local
6 support's helpful.

7 CHAIRMAN BROWN: But they're up and running,
8 because of these efforts, correct?

9 MR. WORDEN: I actually don't know the
10 answer to that.

11 CHAIRMAN BROWN: Okay.

12 MR. SPEICHER: That, that line has not been
13 energized yet. It, it's being tested today, but it
14 has not been energized. It'll probably take a day or
15 two to dry it out and, and then energize. I'll turn
16 it over to Doug.

17 MR. DOUGLAS ELFNER: Thank you. I just
18 wanted to speak very briefly about some of the
19 customer assistance programs that you've approved.
20 In Item 272 earlier today, you approved an emergency
21 economic development assistance for non-residential
22 customers affected by the flooding. Previously,
23 you've approved energy efficiency programs that are
24 available to residential customers, including, you
25 know, power program where income qualified customers

1 can obtain heating equipment replacement, energy
2 efficient heating equipment replacement at no cost to
3 the customer. There's also--for income qualified
4 customers. There's also a graduation of income
5 qualifications under an assisted home performance
6 program that NYSERDA operates also. And, in
7 addition, National Grid has energy efficiency
8 programs that you've approved. So no further
9 commission action's required in order to have
10 customers take advantage of those programs, but we
11 are working closely with Grid and NYSERDA on two
12 particular areas. 1. To be sure that affected
13 customers are well aware of these programs and Grid,
14 as Kevin and Mike described, is doing an excellent
15 job with people on the ground informing customers
16 about this. 2. Making sure that the application
17 process is as streamlined as possible to get
18 customers the assistance that they so desperately
19 need.

20 CHAIRMAN BROWN: Thank you, Doug. I also
21 want to just thank National Grid, who I think has
22 done an outstanding job during this. Unfortunately,
23 they've had far too much practice with natural
24 disasters over the last few years. But everything
25 I've heard was that they've been extremely responsive

1 during this event, so I thank them as well. Comments
2 or questions?

3 COMMISSIONER SAYRE: I, I'd like to add to
4 that. I did take a look at what National Grid was
5 doing in Herkimer in the, the week after the flood
6 and one of the other things they did was set up their
7 communications van and tables for distributing
8 customer literature and, and explaining what the
9 process was and with all of the necessary forms. And
10 a free supplies of shovels and mops and brooms and
11 gloves and masks and bleach and the kind of thing
12 people need to clean out after a flood. All there
13 available for free for customers to take and use as
14 they needed. I thought they did a very good job
15 there.

16 CHAIRMAN BROWN: Any other comments or
17 questions? Okay. Mike, while we have you here
18 today, I read this morning that today New York State
19 may use more electricity, I think it's predicted,
20 that it's ever used before on a peak basis. So since
21 we're experiencing the largest hear wave in ten
22 years, is there any--just give us a brief update on
23 where we're at.

24 MR. WORDEN: Well, obviously, we're, we're
25 watching conditions around the state very closely.

1 As you know, we've been reporting on this all week.
2 We have staff actually at Con Edison is sitting in
3 their corporate emergency response center monitoring
4 conditions. We've been reaching out daily to them
5 and getting reports from them on what they're doing
6 to monitor things. And I think all of them have been
7 pretty aggressive in keeping on top of this, so in
8 that respect we're in pretty good shape. As you
9 mentioned, we're looking at a very high load today.
10 Various demand response programs throughout the state
11 are being implemented. EDRP and SER are being
12 implemented statewide today. Previously, they' only
13 been doing that downstate. Con Edison is
14 implementing some of its localized demand response
15 programs. I know NYPA's implementing their demand
16 response programs. And, finally, we're also
17 implementing the state agency demand response program
18 that we do with all state agencies and affiliates.
19 So a number of steps are being made to make sure
20 things go well, but, obviously, you, you have to keep
21 a close eye on things when, when you have these kind
22 of conditions.

23 CHAIRMAN BROWN: It sounds like there's been
24 a couple of localized problems, but they've been
25 dealt with pretty quickly?

1 MR. WORDEN: They have. In Con Edison's
2 territory they are taking a relatively cautious
3 approach to when they have feeders out serving
4 individual networks. If they get a couple of feeders
5 out, they're going to, they typically go into a
6 voltage reduction. They're doing that today in a
7 part of Brooklyn. They have two feeders out of 20
8 out. It's not like the feeders are overloaded, but
9 we actually monitor that kind of conditions. But
10 it's, again, just to try to keep things from getting
11 to a point where you get that cascading effect and
12 that's what you want to avoid.

13 CHAIRMAN BROWN: Any other comments or
14 questions? Commissioner Acampora?

15 COMMISSIONER PATRICIA ACAMPORA: You know,
16 Mike, I'd like to thank you and all of the staff for
17 those updates. It's really very helpful and
18 enlightening. I thought yesterday when I was
19 traveling up and my temperature gauge was showing 95
20 that I was going to get some relief coming up here.
21 Truly this is a statewide heat wave. Which, after
22 just giving a report on the storms and everything,
23 the state is really taking a whack between bad
24 weather and bad weather really expected over the
25 weekend in order to get maybe some relief from the

1 heat. Hopefully, all of the systems will stay strong
2 and people will have to endure less pain and
3 suffering because of either heat or weather.

4 MR. WORDEN: Yeah. We're looking at at
5 least another day of this. Hopefully, over the
6 weekend it's going to start cooling down.

7 CHAIRMAN BROWN: Anything else? Well,
8 there's no action that needs to be taken. Thank you
9 for the updates and I know this is a busy time trying
10 to keep up with all of events that are going on. And
11 thanks to the staff for all of their hard work on
12 that. Let's go to Item 101A and 101B, Cases 13-T-
13 0241 and 13-G-0241, application of Talisman Energy
14 USA for amendments to certificates of environmental
15 capability and public need and petition for waiver of
16 regulations, requirements, certain gathering lines to
17 be odorized. Something presented this morning by
18 Peter McGowan, general counsel. Peter.

19 MR. MCGOWAN: Thank you and good morning. I
20 think it's like to take these in reverse order, so
21 let's do B, which is the waiver, and then we'll move
22 to A, which is the amendments. So at the
23 commission's June session, it considered issues
24 surrounding Talisman's compliance with the
25 commissions gas safety regulations, which require,

1 among other things, that gas gathering lines located
2 within 150 feet of public gathering places or
3 dwellings be operated in compliance with those
4 provisions of the conditions gas regulations
5 applicable to steel transmission lines. Yeah? Oh,
6 okay. I'll get even closer. Namely, that the lines
7 be odorized to insure public safety is maintained.
8 The commission, after considering Talisman's
9 alternative leak detections proposal, which it
10 submitted in response to an earlier commission order
11 to show cause, the commission determined that
12 Talisman had not demonstrated that its alternative
13 provided equivalent safety protections. Therefore,
14 in June the commission directed counsel to commence a
15 special proceeding for the purpose of enforcing the
16 commission's regulations and orders. So we initiated
17 a special proceeding on June 21st in Supreme Court
18 Albany County. So, now, more recently, Talisman
19 filed a petition for waiver of the applicable
20 regulations. Talisman's waiver petition proposes an
21 alternative to odorization that is essentially
22 identical to the proposal it submitted in response to
23 the commission's order to show cause that I just
24 referred to. After further considering Talisman's
25 alternatives to odorization, staff recommends that

1 the commission issue an order denying the requested
2 waiver of regulations for the reasons set forth in
3 the draft order before you. if the commission adopts
4 this recommendation, ideally the order would be
5 issued today and would be referred to in our response
6 to Talisman's answer to our special proceeding in
7 supreme court, which answer urges the court to stay
8 consideration of the enforcement proceeding pending
9 the commission's resolution of the waiver. So,
10 again, the recommendation on Item 101B is for the
11 commission to issue an order denying the requested
12 waiver. So they turn now to 101A where Talisman
13 separately filed an application seeking the amendment
14 of a number of certificates of environmental
15 compatibility and public need for various segments of
16 its gathering lines. The certificate conditions
17 apply to Talisman's high pressure line segments and
18 impose gas safety requirements of the commissions gas
19 regulations applicable to steel transmission lines
20 rather than the provisions of our rules that are
21 otherwise applicable to gas gathering lines, because
22 each of the lines was authorized with a maximum
23 operating pressure of over, of approximately \$1,400
24 pounds per square inch. Thus, while most of these
25 lines segments have been operating for quite some

1 time at pressures below 275 pounds per square inch,
2 the system was designed and constructed and is
3 tested, operated, and maintained in accordance with
4 the more robust provisions applicable to steel
5 transmission lines. Talisman proposes to reduce the
6 maximum authorized operating pressure for these line
7 segments to 300 pounds per square inch and,
8 therefore, remove the certificate conditions intended
9 for higher pressure lines. The line segments that
10 are the subject of this application will continue to
11 be operated at a maximum authorized operating
12 pressure below 300 pounds. Staff recommends granting
13 Talisman's request to amend its certificates. With
14 these amendments, Talisman will no longer be required
15 by certificate conditions to design, build, test,
16 operate, and maintain these lines pursuant to the gas
17 regulations applicable to steel transmission lines,
18 but will be subject to other provisions concerning
19 how these lines are to be designed, constructed,
20 tested, operated, and maintained. One section of the
21 regulations contains requirements for gathering lines
22 generally and that will continue to be applicable to
23 these line segments. Moreover, a particular section
24 of the regulations, which requires gathering line
25 segments to be designed, constructed, tested,

1 operated, and maintained to meet the requirements of
2 Part 255 for steel transmission lines when the line
3 segment is located within 150 feet of existing
4 residence or places of public dwellings, namely the
5 odorization, will also continue to be applicable to
6 these line segments when they're within, when they're
7 close to buildings. Finally, Talisman's application
8 does not seek relief from the provisions of Part 753
9 embodying that they safely program. And the draft
10 order before you is not intended to modify in any way
11 that requirement. So the recommendation for A is to
12 grant Talisman's amendments. So that concludes the
13 two items.

14 CHAIRMAN BROWN: Comments or questions?
15 Commissioner Burman?

16 COMMISSIONER BURMAN: Can you explain to me
17 the history of these regulations, how long they've
18 been in place, under what statutory authority they've
19 been in place?

20 MR. MCGOWAN: Well, since 1988, I believe,
21 these regulations to require odorization of gas
22 gathering lines have been in effect pursuant to the
23 commissions safety jurisdiction over gas. And my
24 understanding is several of the gas gathering
25 operators in New York are fully in compliance with

1 these requirements. And others we are looking at.

2 COMMISSIONER BURMAN: What do other states
3 do?

4 MR. MCGOWAN: My understanding is New York
5 State is a leader in terms of its safety requirements
6 in particular odorization when it comes to gathering
7 lines. I don't--there may be one other state that
8 has a requirement and my understanding is other
9 states may be looking much more closely now at these
10 kinds of requirements. But New York is a leader.

11 COMMISSIONER BURMAN: What about at the
12 federal level?

13 MR. MCGOWAN: Well, at the federal level,
14 there are federal jurisdictional pipelines. Some of
15 them are required to be odorized. Certain classes,
16 which are, which tend to be in more densely populated
17 areas. Other classes, which are less dense, the
18 federal government, my understanding, is does not
19 require odorization.

20 COMMISSIONER BURMAN: One of the comments
21 that this company made was that they were concerned
22 about the interstate pipelines. What's your thoughts
23 on that?

24 MR. MCGOWAN: We have been trying to work
25 with Talisman and trying to work with the interstate

1 pipelines to develop a better understanding of what
2 their operational concerns might be. We think that
3 there is an excellent chance that the interstate
4 pipelines will be able to work productively with the
5 department, the commission, and talisman to
6 facilitate the receipt of odorized gas. So it's
7 Talisman's responsibility to figure out what they
8 have to do with these interstate pipelines to comply
9 with the regulatory requirements and we stand ready
10 to work with Talisman to work with these interstate
11 pipelines to make that happen.

12 COMMISSIONER BURMAN: My thoughts on that is
13 that it, it does seem like New York has been a leader
14 and continues to be a leader in this. I'm glad to
15 see where we're headed with this. I'm glad to see
16 the other states are looking at this issue. I would
17 hope that they would look to New York, especially
18 because we've had this in place since 1988 to see and
19 to, I assume that staff has been working with other
20 staff on the federal level as well as other states in
21 case they have any questions. One of the things it
22 seems to me that there's nothing at this point that
23 shows that there is any issue with the interstate
24 pipelines. But if there was, we should be looking at
25 that and seeing what we can do. But at this point,

1 it seems very isolated to this company and maybe one
2 or two others that are not complying. Is that
3 correct?

4 MR. MCGOWAN: Correct.

5 COMMISSIONER BURMAN: Thank you.

6 CHAIRMAN BROWN: Any other comments or
7 questions? Commissioner Sayre?

8 COMMISSIONER SAYRE: I agree with
9 Commissioner Burman. This is purely and simply the
10 odorization issue a safety issue. There is no
11 significant difference between a gathering line as
12 compared to a distribution line and there is no
13 reason one should be odorized and the other should
14 not. If a gas line is close to a residence or a
15 place of, of public assembly, it's, it just simply
16 should be odorized for the safety of the public and I
17 confidently expect that the other regulatory
18 jurisdictions are going to be following our lead
19 here.

20 CHAIRMAN BROWN: Commissioner Acampora?

21 COMMISSIONER ACAMPORA: Peter, as you
22 mentioned, that New York has been a leader and it's
23 my understanding that there is a national move afoot
24 to follow New York's lead. And I am hoping that
25 through our staff and some of the commissioners that

1 NARUK may pass a resolution encouraging this and
2 NARUK is the national regulation group of
3 commissioners from all over the country. Because
4 government's responsibility is number one to safety.
5 And so this is a no brainer. And so for Talisman to
6 comply is extremely important. And for all of the
7 other companies that do business in New York and who
8 may be thinking the same thing, it's really important
9 to take this step to assure safety and not to have,
10 we've had some bad incidents throughout the country
11 in the past few years and so it really is on people's
12 mind. And I don't know anybody who would say no to
13 gas safety.

14 CHAIRMAN BROWN: Kevin, what is, you've
15 mentioned in briefings, there's a national
16 organization that's taking a look at this. Could you
17 describe that really briefly?

18 MR. SPEICHER: That, it's called NAPSR which
19 is the National Association of Pipeline Safety
20 Representatives. And we've had discussions in our
21 work group with respect to gathering lines and there
22 seems to, the people involved like where New York is
23 at. We are developing a recommendation to make DYMSA
24 with respect to gathering lines. It's not finalized
25 yet, but it looks like some of what New York is doing

1 and will be incorporated in those recommendations.

2 COMMISSIONER SAYRE: DYMSA is the federal
3 pipeline--

4 MR. SPEICHER: [Interposing] Overseer.

5 COMMISSIONER SAYRE: --pipeline, federal
6 regulator.

7 CHAIRMAN BROWN: Right. Commissioner
8 Burman?

9 COMMISSIONER BURMAN: Mr. Chairman, I do
10 think this is very important, not for this specific
11 item, but in general and globally and we do need to
12 watch it and be a part of what's happening on the
13 national level as well.

14 CHAIRMAN BROWN: And I, I'll just note that
15 we've had, I think over the last five years, 26
16 deaths related to gas explosions in New York. The
17 good news is that's down from the previous five years
18 before that fairly significantly and odorization is
19 the number one defense. It's the first line of
20 defense is smelling the gas. Gas is naturally
21 odorless and colorless and unless you do something to
22 it, there's no detection. So Tom Dvorsky's been
23 preaching this to me for my five and a half years
24 here and I figured I'd repeat it before I leave.

25 MR. THOMAS DVORSKY: Thank you.

1 CHAIRMAN BROWN: You're welcome. Any other
2 comments or questions? Okay. So we have two actions
3 to take. Let's vote first on Item 101A to grant
4 Talisman the required certificate amendments as
5 presented by Peter. All those, all those in favor of
6 the recommendations say aye.

7 SEVERAL VOICES: Aye.

8 CHAIRMAN BROWN: Opposed. Hearing none, the
9 recommendations are adopted. Let's go to 101B that
10 denies Talisman's request for a waiver of right to
11 regulations as presented by Peter. All those in
12 favor of the recommendations of 101B say aye.

13 SEVERAL VOICES: Aye.

14 CHAIRMAN BROWN: Opposed. Hearing none, the
15 recommendations is adopted. Thank you, Kevin and
16 Mike, for that work on this issue. Item 201, Case
17 13-G-0184 and 13-E-0185. Petition of Corning Natural
18 Gas for approval of economic development package and
19 petition of New York State electric and gas for
20 exemption of non-rate economic development program.
21 This will be presented by David Reulet, our system
22 operations specialist in the office of consumer
23 policy and LuAnn Schierer and Len Van Ryn. LuAnn
24 chief of consumer advocacy and Len assistant counsel
25 are available for questions. Dave, good morning.

1 MR. DAVID REULET: Good morning. Thank you.
2 Good morning, Chairman Brown and commissioners. In
3 April 2013 Corning Incorporated announced that its
4 board of directors had approved a significant capital
5 expenditure plan to increase manufacturing capacity
6 in its diesel manufacturing facility in the town of
7 Erwin, Steuben County. Corning Incorporated is a
8 world leader in specialty glass and ceramics that has
9 been headquartered in Corning since 1860. They
10 employ 29,000 worldwide and 7,400 in New York State.
11 The diesel manufacturing facility manufactures
12 ceramic emission control devices and filters for
13 heavy duty diesel engines worldwide. According to
14 the Empire State Development Corporation, ESD,
15 Corning will make an approximately \$260 million
16 investment at the diesel manufacturing facility while
17 bringing 250 new, full-time jobs and retaining 500
18 jobs at the current site. ESD also reports that
19 Corning is in the process of obtaining incentives,
20 including excelsior jobs program tax credits, a
21 recharged New York allocation from NYPA, and tax
22 savings administered by the Steuben Industrial
23 Development Agency. Commenting on the announcement,
24 Governor Cuomo called the expansion of this facility
25 great news for New York, a testament to our world

1 class workforce, and further proof of our ability to
2 compete for global jobs and businesses. In support
3 of the proposed expansion, we received two filings.
4 Corning Natural Gas is seeking approval to amend its
5 existing negotiating gas transportation agreement
6 with Corning Incorporated for the service to the
7 diesel manufacturing plant, extending it to a ten
8 year term. The rate for the incremental gas usage
9 above historical thresholds would be set at a
10 competitive price to serve the expansion of the
11 plant. Although Corning Natural Gas is tariff,
12 limits in the negotiated contracts to a maximum term
13 of seven years, we are recommending that requirement
14 be waived to extend the transportation agreement to
15 ten years. The diesel manufacturing facility
16 anticipates the expansion will result in an
17 incremental increase in natural gas at 110,000 MCF.
18 In addition, NYSEG is seeking to make \$2 million
19 infrastructure improvement grant to Corning
20 Incorporated. NYSEG manages a portfolio of
21 commission approved economic development programs
22 that are intended to foster economic development
23 through the attraction, expansion, and retention of
24 businesses within its service territory. NYSEG
25 proposes to use two of its economic development

1 programs to provide the grant. The utility
2 infrastructure investment program provides grants to
3 \$400,000 per project for electric related
4 infrastructure improvements evaluated in terms of
5 their economic impacts, including job creation,
6 business retention, and capital investment. The
7 capital investment incentive program provides grants
8 of up to \$300,000 in support of economic development
9 progress that results in job creation and capital
10 investment. The Commission has established several
11 criteria for projects of qualified, they qualify for
12 these programs. First, a project must involve
13 capital investment in facilities or equipment
14 purchases that are over \$1 million. And the
15 increment to monthly electric demand, after the
16 capital investment is made, must be at least 100
17 kilowatts. Second, the grant recipient must
18 demonstrate the ability to retain jobs or attract new
19 employment. Third, the grant recipient must show
20 that it has made efforts to obtain other state and
21 local economic development incentives. Corning
22 Incorporated's diesel manufacturing project,
23 expansion project meets all of the criteria for both
24 of these economic development programs. However,
25 given the magnitude of expansion, NYSEG is seeking a

1 waiver of the grant limits in order to offer a 2
2 million grant, which will better support the
3 construction of the electric infrastructure upgrades
4 necessary to serve the expansion. The estimated
5 incremental load for the expansion is 5.5 megawatts.
6 The grant would be funded from NYSEG's economic
7 development reserve, which currently has a balance of
8 approximately \$12.2. Corning Incorporated has shown
9 its commitment to New York and the diesel
10 manufacturing expansion project by committing
11 expenditures in excess of \$220 million and obtaining
12 financial support from other entities. The expansion
13 project will serve as a much needed growth engine for
14 the region and New York's statewide economy by
15 creating significant capital investment and creating
16 and retaining jobs. Further, the increase in sales
17 by Corning Natural Gas and NYSEG to Corning
18 Incorporated following the expansion will enhance the
19 utility revenues. In summary, staff is recommending
20 that you approve the petitions filed by Corning
21 Natural Gas and NYSEG. Specifically, we recommend
22 extending Corning Natural Gas's transpiration
23 agreement with Corning Incorporated to ten years by
24 waiving certain tariff provisions and increasing the
25 cap on certain economic development grants in NYSEG's

1 economic development program to 2 million for this
2 project. Thank you. And we're now available for
3 questions.

4 CHAIRMAN BROWN: Thank you. Obviously, I
5 think this is a really, a good news story today that
6 the venerated manufacturer of New York State, Corning
7 is staying here and expanding here. By the way, if
8 you've never been to the Corning glass museum, you
9 need to go. I'll just mention that. But so I think
10 this is important. I think that's a responsibility
11 of the utilities to try to insure that economic
12 growth occurs within their area and they've stepped
13 to the plate here, so I thank Corning Natural Gas and
14 NYSEG for their efforts here. Comments or questions?
15 Commissioner Burman?

16 COMMISSIONER BURMAN: First of all, thank
17 you very much. I think, to echo Governor Cuomo's
18 comments, I think this is great news for New York.
19 This is great news to see that we're looking at these
20 economic development programs. I am interested in
21 more Commission approved economic development
22 programs, looking at, from what we've done, and also
23 looking at the reserves in the economic development
24 programs. I do note that NYSEG is, in this case, has
25 really stepped up and this is a great public private

1 partnership with the company and government working
2 well and looking at how we can help our communities
3 and the funds that are available. And I do note that
4 there seems to be other funds that are available and
5 I look forward to hearing more about the government
6 working with the communities and the businesses to
7 take advantage of that.

8 CHAIRMAN BROWN: Thank you, Commissioner.
9 Commissioner Acampora?

10 COMMISSIONER ACAMPORA: I agree with
11 everything that's been said and it's wonderful when
12 New York can start making things that actually give
13 jobs to people and spurs on the economic development
14 environment. But I have to ask a question with
15 regard to the cap. How do we keep track of this cap?
16 Is the cap naturally too low? Is that why the
17 reserve of \$12.5 million dollars is so high?

18 MS. SCHERER: The reserve is the balance,
19 the underspend on economic development through 2010.
20 I think there's some approved programs that haven't
21 been paid from the reserve. For example, the
22 commission approved a, I think it was a 4 or \$5
23 million, a \$5 million grant to Agra Farma, a big
24 Chobani yogurt factory, to do electric infrastructure
25 improvements up there. So it's kind of a moving

1 target.

2 CHAIRMAN BROWN: Is that unspent out of the
3 12 million? In other words, 5 is, is direct, all
4 ready directed? I'm just curious.

5 MS. SCHERER: Yeah. I have information on
6 projects that have been approved. I'm not sure
7 whether or not they've been actually paid out yet,
8 but I can get more information to the Commissioners
9 on that.

10 CHAIRMAN BROWN: But I think Commissioner
11 Acampora's question about the cap is at least a
12 legitimate thing to consider. Do we have the same
13 cap for all of our utilities?

14 MS. SCHERER: No. There's the rate payers,
15 the rate payers fund is \$6.8 million economic
16 development program in NYSEG service territory. So
17 that's different than the Grid fund, which is more
18 around \$12 million. So the cap varies by utility.

19 COMMISSIONER BURMAN: How do we determine
20 how, what the cap should be?

21 MS. SCHERER: The cap for NYSEG was reduced
22 at the last rate case, because of the underspend. So
23 it's reset when we set rates. We look at what's
24 been, what programs, what projects have been funded
25 and whether or not we need a reduction or increase in

1 the economic development fund.

2 COMMISSIONER ACAMPORA: I mean, do we have a
3 history that the companies do not spend, so that's
4 why we then reduce?

5 MS. SCHERER: Yes.

6 COMMISSIONER ACAMPORA: So I really think we
7 need to look at that.

8 MS. SCHERER: I think in the last couple of
9 years we've seen increases in spending as the
10 economy's turned around. But in the middle of the
11 last decade, there was some years the spending was
12 very low.

13 COMMISSIONER ACAMPORA: I mean, it's a good
14 program. But if the money is just going to lay there
15 and no one's going to get benefit of it, I think it's
16 something that raises a red flag that we should be
17 looking at.

18 COMMISSIONER BURMAN: I agree with
19 Commissioner Acampora. I'm very interested in this
20 and I really think it's very important that we track
21 this, but also are proactive in making sure that
22 these moneys are spent appropriate.ly. And if it
23 means proactive engagement with why the moneys are
24 underspent, I'm not, I don't believe that the
25 communities and the businesses would say that they

1 don't need the money. So I would like to see how can
2 we help dust it off and not just lower the cap, but
3 to make sure that we are maximizing the moneys there
4 and if it is needing to engage with what are we not
5 doing and to help in, in that. I know that Empire
6 State Development is very aggressive in a positive
7 way in working with the communities and I want to see
8 us as a Commission, since we're approving this
9 economic development programs, being very focused on
10 tracking and proactively engaging on these programs
11 and working with the appropriate officials and
12 companies and the communities to help insure that the
13 economic development programs are vital, 'cause I do
14 know that they are very, very necessary.

15 CHAIRMAN BROWN: Well, what I would suggest
16 is we do a little compare and contrast. Just so we
17 have a kind of big picture understanding each of the
18 utilities what they've got different programs,
19 different caps. Kind of put it together and what is
20 working, what isn't working I think would be very
21 useful to the commission as we consider these sort of
22 one offs along the way.

23 COMMISSIONER ACAMPORA: You know, I hate to
24 ask you to even do more, 'cause I know you're all
25 stretched to the limits. But it would be interesting

1 to also see what the projects had been and how much
2 money was put into those projects. So we get kind of
3 a real overview of what has been going on.

4 MS. SCHERER: Okay. We do meet regularly
5 with utilities to go over the projects, but we will
6 start doing that.

7 COMMISSIONER ACAMPORA: Thank you.

8 CHAIRMAN BROWN: Commissioner Larocca?

9 COMMISSIONER LAROCCA: I couldn't let the
10 day go by without one broken record comment, but the
11 pattern of when we've looked at these in the past is
12 that the companies with the more distant ownership
13 and leadership have been the least likely to embrace
14 economic development spending. And we've pushed back
15 on them a couple of times in rate cases and I think
16 they're better than they were, but it's not in the
17 culture of some of those companies north of here. I
18 don't mean geographically, I mean in their hierarchy.
19 And so I think part of the campaign to keep economic
20 development at the front of the consciousness of
21 these companies is to engage the parents as well,
22 because this is something that utilities have done
23 historically and historically well in New York. And
24 it is an activity that probably, and you could find
25 examples where they did it before anybody else.

1 Certainly before municipal economic development. So
2 I think it's part of that campaign we have to keep
3 going with causing the culture of those companies to
4 embrace us should continue.

5 CHAIRMAN BROWN: Any other comments or
6 questions? Then I'd like to take this to a vote.
7 All those in favor of the recommendations to approve
8 the proposals of Corning Natural Gas and New York
9 State Electric and Gas to provide economic
10 development incentives to Corning Incorporated as
11 described by Dave, please say aye.

12 SEVERAL VOICES: Aye.

13 CHAIRMAN BROWN: Opposed? Hearing None, the
14 recommendations are adopted. That's it for our
15 regular agenda today. I do want to take one minute
16 here, because this is going to be the last session
17 for Commissioner Larocca. My first boss in the state
18 of New York and fellow State Energy Office alumni.
19 He was the Commissioner. I was a Grade 18, but hey
20 we were there at the same time. I just want to thank
21 him. He came here with a wealth of experience and
22 expertise, perhaps unrivaled by a new Commissioner,
23 of all that he had been involved in in the state and
24 his expertise has been absolutely invaluable to me
25 and to the Commission. I appreciate your wisdom.

1 And, counsel, over the few years we got to spend the
2 time together, I feel sorry Commissioner Acampora now
3 all alone in New York City after a time. But I just
4 want to sincerely thank Jim for your service to the
5 State of New York over all of the years, but
6 especially your service to the State of New York here
7 at the Public Service Commission. Thank you very
8 much.

9 [Applause]

10 COMMISSIONER LAROCCA: Yeah.

11 CHAIRMAN BROWN: I can tell that he hated
12 that.

13 COMMISSIONER LAROCCA: May I say a word?

14 CHAIRMAN BROWN: Absolutely.

15 COMMISSIONER LAROCCA: First I want to thank
16 you for not doing a proclamation. I do. Last night
17 I was, with some of those of you who worked closest
18 with me and I tell them that I had prepared a 45
19 minute farewell to arms, so they named it diplomats.
20 They thought it was a terrific idea, but could I get
21 it down to 45 seconds. Not quite, but close. I've
22 had the good fortune in the time I've been here to
23 work, especially with Joe Parello, Peter Catalino,
24 and Michael Williams helped with us in various
25 configurations the commissioners on a day to day

1 basis and a special thanks to all of those and for
2 their endless patience, which at least they needed
3 when it came to me. And on the 20th floor, Jody and
4 Kris and Zen and Anne Dalton who also preceded us
5 into retirement. My mother was in the habit of
6 saying that the only constant in life is change. And
7 she meant it very often in small ways and also about
8 the journey itself. And that's absolutely clear and
9 the older I get, at least, the more the wisdom of
10 that becomes clear to me. My father was always in
11 the habit of quarrelling with anybody who said you're
12 only as old as you feel. My father's view was you
13 are as old as you are, whatever you may feel.
14 There's a certain inevitability in that ability to
15 the process and the journey. And one of the tricks
16 in life is knowing the time. And I've felt for a
17 while now that this was the time. You know, I came
18 in late part of '08 into a term that was in place
19 until February '12. So I came with the expectation
20 that I'd be here about three years and it turned out
21 to be four and a half and I've liked every minute of
22 it. This has been a terrific thing in my life to
23 come to this at the stage of my career that I did.
24 On the first meeting where we had a big issue, I said
25 to you all to the staff that on that case, it was a

1 complicated case, there were a lot of issues in it,
2 presentation was flawless and full. And I said to
3 you that one of the nice things about coming back
4 into this environment was that I was reminded of how
5 good you are. That I've known this Commission and,
6 with the exception of the Pataki years where I wasn't
7 as welcome around town as I might have been, I've
8 known every Commissioner since Jim Swiddler, for
9 those of you who know that name. And so I've known a
10 lot of you and some of you did work with us at the
11 energy office and so forth. And when I said it then
12 that it was nice to see that you were as good as you
13 are, I say that again today as I leave. That one
14 thing that is being reinforced to me over and over
15 and over again is how good you are. And I mean it
16 every possible way. We do not always make it easy
17 for you to be as good as you are. Regulation is a
18 very complicated business in this country, in this
19 democracy. It's been around since the Articles of
20 Confederation. There is always a political figure in
21 the picture that will describe any regulation as
22 excessive and energy and telecom and all of the
23 things we regulate are no exception. But you have to
24 be good in an environment that doesn't always
25 understand and appreciate what it is you do. And

1 those of us who come in and out of the pictures as
2 appointees that come from the public policy or the
3 public political process are here to both help you do
4 all of that and to complicate your lives in doing it.
5 It's just built into the system. When regulation
6 works as it should, it is an integral essential part
7 of the democratic process. When Congress passed the
8 15th Amendment, it directed the Congress to write
9 legislation and rules and regs on implementation.
10 And very often throughout our history, and I taught
11 this in my legal career academic life, that that
12 process involves an enormous delegation way beyond
13 the level of detail that legislators and governors
14 and others can master. And that's what you do and
15 that's what you do so well. So I want you to know
16 that I believe in what you do and that it is
17 necessary for you to retain faith in what you do.
18 And even when we don't make it so easy. Don't be
19 afraid to initiate. Don't be afraid to speak truth
20 to power, one of the keys to life in my judgment,
21 particularly in the public sector. And to never lose
22 sight of why it's important. This very day, the lead
23 story in the Wall Street Journal is about FERC
24 imposing, reaching a settlement on JP Morgan that
25 might have been as high as \$1 billion and it's going

1 to be about half a million dollars, for manipulating
2 energy markets in California. And it's the second
3 event of the week. On Tuesday they banged Barkley's
4 I believe it was for hundreds of millions of dollars
5 for manipulating energy markets. What we do, what
6 you do and have been doing all of your careers, is
7 absolutely essential to the fairness of the
8 marketplace, to the success of the democracy, because
9 democracies don't work very well when things are not
10 fair. So you will continue to be unsung, for the
11 most part. Remember this. It's, it's easier to
12 suffer in silence when you know somebody is watching.
13 I am watching. Others are watching. We appreciate
14 very much what you do. And having done, I think,
15 almost all of the jobs you can do in this energy
16 sector in New York, this has been, in many ways, the
17 most gratifying, because it has been the most
18 relentlessly professional, civil, and good spirited
19 people I've ever worked with and I thank you for
20 that. And good luck to you all.

21 SEVERAL VOICES: Thank you.

22 CHAIRMAN BROWN: Commissioner Acampora?

23 COMMISSIONER ACAMPORA: You can't have the
24 last word. That's not working today.

25 COMMISSIONER LAROCCA: Patty, I never do.

1 COMMISSIONER ACAMPORA: I have to say it has
2 been an absolute pleasure and I am going to be alone
3 in New York, so I hope you're going to stop by,
4 because who's going to eat the candy that I buy all
5 of the time that you've been eating for three and a
6 half years. Anyway. I think what you have brought
7 to this commission and to the department has been
8 unmatched by anyone that I've ever worked with before
9 in this state. And, actually, when you talk about
10 the history and you've done so much in this state and
11 you mentioned before historical markings that have
12 gone on, I really think that you should be the
13 official historian of New York State. And you look
14 pretty good. Really, you are going to be sorely
15 missed. And the real sign of a leader is someone who
16 makes you want to do better. And this is what this
17 man has brought to the commission. He makes
18 everybody want to do better. We've all worked
19 harder. We've really done our homework. And for
20 that, we are all grateful and the state of New York
21 should be grateful, too. And the residents in the
22 state of New York who, unfortunately, don't know you,
23 but who will benefit from all of those years of what
24 you've brought to the table. So God bless.

25 COMMISSIONER LAROCCA: Thank you.

1 CHAIRMAN BROWN: You know, I'll just echo on
2 that. You may not know, but at one point he
3 entertained the possibility of running for governor
4 and it's a shame for the state of New York that that
5 didn't happen, 'cause he would have been outstanding.
6 So--

7 COMMISSIONER LAROCCA: [Interposing] Well,
8 as Patty just said, nobody knew who I was.

9 [Laughter]

10 CHAIRMAN BROWN: Your name was in a blog the
11 other day. They said I thought he was dead 20 years
12 ago. Commissioner Sayre?

13 COMMISSIONER SAYRE: I've been serving next
14 to you for about a year now and I can tell you that
15 you will be sorely missed by me personally as well as
16 everybody else here at the agency. What you do so
17 frequently is come up with a question, have you
18 thought about this, can we look at this in a
19 different way, what if we approach it that way. And
20 everybody sits back and thinks, wow, yes, that's
21 another view, yes we have to think about that. Hey,
22 maybe we should change our position. Maybe we should
23 change our direction. We will miss that voice.

24 COMMISSIONER LAROCCA: Thank you, Gregg.

25 CHAIRMAN BROWN: Thank you. Okay. Madam

1 Assistant Secretary, is there anything further to
2 come before us today?

3 MS. AGRESTA: No, Mr. Chairman. That
4 completes today's agenda. The next regularly
5 scheduled session will be held on August 15th here in
6 Albany at 10:30 a.m.

7 CHAIRMAN BROWN: Thank you very much. The
8 meeting is adjourned.

9 [END OF HEARING]

C E R T I F I C A T E

I, Christina J. Cox, certify that the foregoing transcript of proceedings in the State of New York Public Service Commission of the National Grid Affiliates' Rates or Earnings was prepared using the required transcription equipment and is a true and accurate record of the proceedings.

Signature: Christina J. Cox

Date: July 19, 2013