

1 STATE OF NEW YORK
2 PUBLIC SERVICE COMMISSION

3 Case 06-E-0894 - Proceeding on Motion of the Commission
4 to Investigate the Electric Power Outages in
5 Consolidated Edison Company of New York, Inc.'s Long
6 Island City Electric Network.

7 Public School 234
8 30-15 29th Street
9 Astoria, New York

10 Wednesday, August 9, 2006
11 2:30 p.m.

12 BEFORE:

13 CHERYL BULEY, Commissioner

14 GERALD L. LYNCH
15 Administrative Law Judge

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23 Reported by:
24 Jeanne O'Connell, RPR (518) 271-7904

1 JUDGE LYNCH: We are going to get started.
2 Good afternoon, ladies and gentlemen. This is a hearing
3 as part of the Department of Public Service staff's
4 investigation of a power outage that began July 17, 2006
5 in Con Edison's Long Island City electric network. The
6 matter is captioned PSC case 06-E-0894.

7 My name is Gerald Lynch. I am the
8 Administrative Law Judge, and my day to day
9 responsibilities include conducting hearings like
10 this one. With me today is one of the members of the
11 Public Service Commission.

12 COMMISSIONER BULEY: Hello, my name is
13 Cheryl Buley, and I am serving as Commissioner on the
14 Public Service Commission and I am privileged to be
15 here today. I was here a couple of weeks ago to be
16 on location to see what was happening here in Queens
17 and I know the hardship it's been for the people in
18 this area, so I want to thank you for taking the time
19 out of your busy schedules again today to help us in
20 our investigation of this very critical matter.

21 And I am here to listen to your concerns
22 and your experience during the power outage and
23 welcome your commentary today.

24 JUDGE LYNCH: Thank you. I should add

1 that as one of the five Public Service Commissioners
2 she will be involved in making ultimate decisions
3 about what action is required. Once the
4 investigation is concluded, the Department of Public
5 Service staff reports back, and any further
6 proceedings have concluded.

7 I want to go immediately to a little
8 introductory information for the hearing, and note
9 that this proceeding was instituted by an order on
10 July 26, 2006 concerning the outage that began July
11 17th. And staff has been directed to conduct a very
12 thorough examination of various issues including the
13 events that lead up to the numerous voltage, primary
14 voltage feeder outages and the subsequent customer
15 outages, Con Edison's response, communication and
16 restoration efforts, the need for changes to Con
17 Edison's practices and procedures to avoid similar
18 failures and outages in the future, and the cost
19 incurred by Con Edison related to the failure and
20 outages.

21 The Department of Public Service staff
22 will be gathering facts as part of its investigation.
23 One way to help gather the facts is to allow for
24 comment by those who are affected. In particular,

1 those who were affected are invited to provide
2 comments in response to the following questions: How
3 exactly were you affected by the outages? Do you
4 think you received timely, accurate and adequate
5 information from Con Edison or otherwise about what
6 was happening before, during and after the outage?
7 Did you attempt to contact the company for
8 information or assistance immediately before, during
9 or after the outages and did you get what you were
10 requesting? What are your overall impressions about
11 how the company responded to the outages and your
12 reasons for those impressions? What are your
13 recommendations about actions you believe Con Edison
14 should or should not have taken before, during and
15 after the outages? And what actions do you recommend
16 the Commission take in light of all you know about
17 these events?

18 Comments that don't concern the outage
19 and recovery are not solicited at this time. As I am
20 sure you also noticed as you were walking in, Con
21 Edison has several people available in its vans
22 outside to process claims such as for food spoilage.

23 Now, there are up to six ways to comment
24 and the hearing today is just one of them. There is

1 a handout available to all of you in the back of the
2 room, it's two sided, and it lists the questions that
3 I just reviewed and it offers ways to write, to call
4 and to submit comments electronically.

5 And in addition, you can make oral
6 statements at today's hearing and other hearings that
7 we will be holding in this area concerning the
8 outage. Now, I want to make the point that however
9 you comment, whether it's at this hearing or you
10 write a letter or you send an e-mail or dial the
11 1-800 number, all the information is going to be
12 reviewed, so if you give your comments in a letter
13 you don't have to send an e-mail also. I mean you
14 can, but it's not really going to help because
15 whatever comments you have in whatever form you give
16 them they will be reviewed.

17 The other thing is that the more contact
18 information you provide when you comment, the easier
19 it is for staff to follow up with you in the event
20 they have further questions. For those who want to
21 comment at today's hearing, the procedures are very
22 straightforward. There are cards as you enter the
23 room. You sign up, fill in your name and address.
24 At this point I have been given one card. And after

1 you fill it in, when your name is called please come
2 up. Doesn't look like we are having a big crowd this
3 afternoon, maybe tonight will be different, but what
4 I will do is call people to each of the podiums so
5 that there is no wasted time and we make sure we
6 accommodate everyone.

7 Many of you are not public speakers. If
8 not, when you come up try to stay relaxed, speak
9 directly into the microphone clearly and slowly. We
10 have a court reporter here who is very interested in
11 getting down everything you say exactly the way you
12 said it. To the extent you can overcome your anxiety
13 and be slow and direct you will be very successful
14 and she will be able to get it all down.

15 The hearing will stay open at least for
16 one hour and after that for as long as necessary to
17 accommodate as many speakers as possible. Because we
18 are in a school facility we have school bells going
19 off as time to change class, but we will stay here.

20 I don't know if there will be need for
21 breaks with the reporter, but if so I might take a
22 break for five minutes. Please understand finally
23 that the purpose of today's hearing is to hear from
24 the public about how they were affected by the

1 outage. The investigation is just beginning. It's
2 ongoing. It would be premature for any of us sitting
3 here today to try to give you feedback on what
4 happened and when it happened. These are things that
5 should be answered once the investigation is
6 complete.

7 Let me ask at this point: Are there any
8 questions about the process that we are going to
9 follow at the hearing today? Okay, if not, the first
10 speaker we have today is Jerimiah Francis of 45-13
11 20th Road, Astoria, New York. Is Jerimiah here? We
12 will call him again.

13 The next person who signed up to speak is
14 Iris Long, 20-39 33rd Street, Astoria, New York,
15 11105. Welcome.

16 MS. LONG: Thank you. My name is Iris
17 Long. I have been a resident of Astoria since 1993.
18 The outage of July 17, 2006 occurred and affected my
19 life as well as thousands of other lives. Although
20 it affected many residents, employees and businesses,
21 I would like to give you an idea how it affected me,
22 an elderly person recovering from heart bypass
23 surgery.

24 The electricity went off in my home about

1 7:00 p.m. on 7/18/06 and I had no electricity until
2 8:00 p.m. on 7/21/06. It went off again about 9:00
3 p.m. on 7/22/06 and on again at 5:00 a.m. that day.
4 My heart surgery was done in late May. Being without
5 air conditioning and refrigeration at a critical time
6 caused me discomfort, pain and anxiety.

7 As a class, the elderly, sick and
8 disabled people suffered physically during the power
9 outage. Why the blackout occurred required my own
10 investigation of the outage. The electric
11 distribution system of the northwestern Queens'
12 customer is antiquated and inadequate. Electrical
13 wires failure, due to damage and deterioration,
14 insulation. There should be regular monitoring of
15 natural aging of the wires and associated stress
16 factors such as weather conditions and heat stress.

17 Two, public accountability of Con Ed, the
18 electricity distributor, is lacking and must be
19 strengthened. The New York State Public Service
20 Commission should demand a complete and clear
21 assessment from Con Edison's electrical--about Con
22 Edison's electrical supply and distribution system
23 before and after July 17, 2006 power outage. Such
24 assessments should occur on a continuing basis and

1 seek public comment on this information.

2 Finally, communication to the residents,
3 well, this is another point actually. I have more
4 than that. Number three, communication to the
5 residents, the public in general, was poor. It
6 seemed that no one, Con Ed, New York City, etc, was
7 in charge of this neighborhood crisis. Little
8 information was available, and if you were disabled
9 you were out of luck altogether.

10 Con Ed and PSC and New York City should
11 allocate resources to enhance communication to
12 residents and businesses in the communities affected
13 by the outages.

14 Repairs--five, repairs by Con Ed are
15 still ongoing, as is indicated by the electric
16 generators and feeder wires on the street. The
17 public has a right to know when this system of
18 repairs and upgrades will be completed.

19 Finally, communities and their
20 representatives should not be complacent about their
21 energy resources. They should develop community
22 input mechanisms in an electric power infrastructure.
23 Thank you.

24 (Applause)

1 JUDGE LYNCH: Thank you very much.

2 Before Ms. Long had spoke I had called the name of
3 Jerimiah Francis. Is he here?

4 Are there any other completed cards for
5 people who would like to speak this afternoon? What
6 we will do is we will remain available here. If at
7 any time anybody signs up we will take their
8 comments.

9 And let me say again, you know, that there
10 is a form in the back if there are people present who
11 don't want to speak. There is a form in the back that
12 has three questions on the front, three questions on the
13 back. You can take that form and fill it in right here
14 and hand it in in the back of the room or you can mail
15 it in.

16 Then in the other handout, as I
17 mentioned, on the back--on the front is a list of
18 questions that people are asked to comment on and on
19 the back are other various ways to comment other than
20 through oral comment at a hearing like this one.

21 Also, if you are thinking maybe you will
22 be braver tonight, and really, it's very relaxed
23 here, very informal, I hope nobody is nervous, but we
24 are having other hearings. We will be here tonight

1 at seven o'clock and we will be at La Guardia
2 Community College tomorrow afternoon and tomorrow
3 evening for additional opportunities for public
4 comment.

5 So, we are going to be here as long as it
6 takes to hear from as many people as possible, but in
7 the meantime there are no other speakers available at
8 this time, so we are going to go off the record and
9 at the point that a speaker comes back or it gets to
10 be 3:30, I will adjourn the hearing.

11 As I said, we will go--if people come to
12 speak we will go indefinitely through the afternoon
13 for that purpose. At this point, we will go off the
14 record. Thank you.

15 (Recess taken.)

16 JUDGE LYNCH: Can you state your name for
17 the record, please.

18 MR. GIACOMARRA: Gary Giacomarro.

19 JUDGE LYNCH: Gary, where do you live?

20 MR. GIACOMARRA: I live in Astoria, right
21 near Steinway Street, 38th Street.

22 JUDGE LYNCH: Could you give me a house
23 number or anything?

24 MR. GIACOMARRA: 30-78 38th Street.

1 JUDGE LYNCH: Thank you. We have had an
2 extensive off the record discussion concerning our
3 willingness to answer some basic questions about the
4 process, and we are certainly willing to try to do
5 that to have a dialogue, but I have also been clear
6 as I stated on the record that the investigation is
7 ongoing, just beginning, and that it would be
8 premature for us to try to answer any substantive
9 question about the outage.

10 Let me just start with a couple of general
11 comments and then if you have a specific question I will
12 try to answer it. And that's that the New York State
13 Public Service Commission certainly has jurisdiction
14 over the delivery of electricity in the State of New
15 York, and by that I mean they are responsible for, among
16 other things, setting the rates for that distribution of
17 electricity.

18 There is a Department of Public Service
19 which has more than five hundred people, some in New
20 York City, some in Albany, some in the western
21 regions of the state. They are the professional
22 staff of the Department of Public Service. Also
23 housed within the department there are five Public
24 Service Commissioners. These are individuals who are

1 appointed by the Governor with the advice and consent
2 of the Senate and they serve a fixed term.

3 And basically the staff is the part of
4 the department that gathers information, analyzes
5 problems, does research, makes recommendations,
6 listens to public comments. We have formal
7 proceedings to allow people to participate in
8 decision making. Ultimately it falls to the
9 Commission to make ultimate decisions in cases, so in
10 a proceeding like this, where there's an ongoing
11 investigation, I am expecting that, and I don't know
12 this for a fact, but based on past experience I would
13 be expecting that at some point in the future there
14 would be a report and there would be recommendations.
15 Either the Commission will act on the report and
16 recommendations, or depending on what the
17 recommendations are there may be a need for a more
18 formal process, including trial type hearings. It
19 really remains to be seen.

20 After that, the Commission at some point
21 would make a decision, and then it's premature for me
22 to speculate about what the decision would be, but it
23 would make presumably findings about what happened
24 and then if there is anything that needs to be done

1 differently what ought to be done differently. And
2 that would get--go from the very general to very
3 specific.

4 And that would be--so, I think that's a
5 general view of how an investigation is done in the
6 department. Every investigation is not the same. In
7 my experience, I would say this very, very quickly
8 became a very, very high priority within the agency.
9 And, you know, beyond that, I think I would leave it
10 to you if you have a question about.

11 And the other thing I wanted to add is
12 that, again, staff will be looking at what Con Ed is,
13 you know, looking at Con Edison's records and so
14 forth, but they are also looking for, for example, on
15 communications, what people have to say about their
16 personal experiences on communications. You know,
17 the more people you talk to and they say I called
18 this number and I got this response, or I got
19 whatever I got, you know, that's data that could be
20 relied on in the investigation.

21 And people may say something which they
22 have no idea is important, but if we have contact
23 information for you staff can reach out to you and
24 ask follow up questions.

1 Does this help?

2 MR. GIACOMARRA: Thanks. You guys have a
3 website?

4 JUDGE LYNCH: It should--it certainly
5 should be on--there is a handout with six questions
6 on it, on the front and the back, there's three on
7 the front and three for the back and a place for you
8 to place a name and address. Below that is the
9 website address, www.dps.state.ny.us. And then there
10 is further instructions on how you can find all the
11 information about this investigation.

12 My guess is at this point there are ten
13 or 12 documents at that web page, some preliminary
14 reports, correspondence, Commission orders, the
15 notice of these hearings and the one that was held
16 like it last week. So, as things come up they will
17 be added to that website and they will be available
18 for public inspection.

19 So, the way it's been described to me is
20 that it's going to be a very open investigation and
21 that the public will be able to see much of the
22 public documents concerning the investigation as it
23 proceeds.

24 COMMISSIONER BULEY: I also think it's

1 important to note that this also gives rise to our
2 ability as a regulatory agency to continually strive
3 to improve what we are doing. And this certainly
4 will give us an opportunity to take pause and review
5 our regulatory practices and approaches so that we
6 can do the best job possible in regulating utilities
7 and meeting customer expectations.

8 MS. WIEGER: Laurie Wiegler, I am not a
9 resident of Queens. I am a freelance reporter. I
10 spoke to someone at Texas A&M University, a
11 professor, who told me--coincidentally he happened to
12 be in Queens just a few days before the outage. I am
13 wondering if the Commission looked into the
14 possibility there were problems with the cable that
15 were distributed by Con Ed prior to the outage which
16 were flat before problems started.

17 JUDGE LYNCH: Right. As I said, the
18 gentleman asked a question about the procedure. We
19 are not responding today to questions about the
20 investigation. Additionally, there is someone here
21 from our press office who would handle any press
22 inquiries. She's right here on your left. But
23 factual questions about what's going on in the
24 investigation, I am not involved in it directly. I

1 am not an engineer, especially an electric engineer,
2 so I am here today to facilitate this meeting and to
3 help gather information for staff.

4 I am certainly willing to try to explain
5 what's going on in broad terms, but that's a very
6 specific question. I don't know the answer.

7 MS. WIEGLER: May I please have your
8 name?

9 JUDGE LYNCH: My name is Gerald Lynch. I
10 am the Administrative Law Judge that's been asked to
11 preside at the hearing this afternoon, the one
12 tonight and two tomorrow.

13 MS. WIEGER: Are you with?

14 JUDGE LYNCH: New York State Public
15 Service Commission.

16 COMMISSIONER BULEY: Cheryl Buley. I am
17 the Commissioner on the Public Service Commission.

18 MS. WIEGLER: Thank you.

19 JUDGE LYNCH: We are going to go back off
20 the record. Were there any other procedural
21 questions?

22 MS. LONG: I have another comment.

23 JUDGE LYNCH: Could you stand up please
24 because I want to make sure the reporter hears you.

1 Ms. Long has returned and further comment.

2 MS. LONG: About calling Con Ed, my
3 husband and I, we did call Con Ed and really there
4 was not much response. And I found from somewhere
5 that there was a phone number Con Ed 75, or something
6 like that. And I actually went down the street at
7 that point and asked people to call, and no one--it
8 didn't dawn on anyone that this was really important
9 to do. It was like they weren't informed of what
10 they should do, whether they should contact Con Ed or
11 what.

12 So, it just shows another lack of
13 information to the public of what to do when they
14 experience any type of outage. And I don't know if
15 the information is clear on a bill that you get or
16 anything, I really haven't looked. There are phone
17 numbers there, but when to use them and what they
18 should be used for.

19 JUDGE LYNCH: Thank you very much for
20 that extra comment. At this point we are going to go
21 back off the record and we will remain available at
22 least until 3:30. If anyone else additional signs up
23 to speak we will take them immediately. Thank you
24 very much.

1 (Recess taken.)

2 Ladies and gentlemen, we are going to go
3 back on the record. Our next speaker is Eric Gioia,
4 who is a City Council member, and his address is
5 47-01 Queens Boulevard, Sunnyside, New York.

6 Welcome, Councilmember Gioia.

7 COUNCILMAN GIOIA: Thank you very much
8 and thank you for coming out once again to our
9 neighborhood, the site of the blackout.

10 I have a couple concerns that I would
11 like to share with you. When you look around this
12 room, when you look around this room you don't see
13 many of the people who were affected by the blackout.
14 I know that there were tens of thousands, well over a
15 hundred thousand, perhaps a quarter of a million
16 people who were affected by the blackout. I am
17 concerned that you don't see the people who were
18 impacted, and I think frankly we are going to have to
19 do a better job at outreach.

20 Right now if you don't watch New York One
21 you probably don't know these hearings are going on.
22 They seem to be the only ones who are reporting this.
23 So, what I would suggest--and WNYC itself, pardon me.
24 Seriously, it's the media that is alerting people to

1 this. I think frankly we need to do a better job as
2 government in alerting people.

3 What I suggest is a very simple plan.

4 One, we mail--PSC mail everybody in the affected
5 areas. Mail them immediately and let them know when
6 the hearings will be. Second, that we actually move
7 these hearings around the district to areas that are
8 also being affected.

9 I know there is another hearing coming up at
10 La Guardia College, but that is not the densest area of
11 the population. Another--I would suggest you move to
12 Sunnyside and Woodside, the public schools in those
13 areas. Third and finally, I would suggest that you
14 actually take out public service announcements on the
15 both cable and network television during prime time to
16 alert people in the affected areas.

17 Really, those three simple steps. One,
18 let's mail everybody in the affected areas. Two,
19 let's move to the population centers in Woodside and
20 Astoria where people were really impacted. And
21 three, let's take out public service announcements
22 both on television, on cable, and in the newspapers
23 alerting people to what happened.

24 You know, after the disaster Con Edison

1 took out full page ads in every newspaper in New York
2 City really as a PR stunt. This would be the time to
3 be taking out ads saying that there is a place to
4 have you folks heard, to know what happened to you,
5 and also to talk about what you would like to see
6 happen.

7 I know that when I go out and speak to
8 people in the community, I mean what happened in our
9 community should never happen to another community
10 ever again. To actually not have power for nine days
11 in New York City is extraordinary and it is
12 devastating to this community.

13 There are families that tell me now they
14 don't know how they are ever going to get back to
15 where they were because they lost so much in food.
16 There are businesses on the verge of bankruptcy. I
17 wouldn't be surprised if some of these businesses
18 have gone bankrupt. There are certainly businesses
19 that have not opened their doors again.

20 We need to make sure the people who have
21 been injured by this have an opportunity to tell
22 their stories, and we need to insure that once their
23 stories are told that we do everything in our power
24 to make sure this never happens again.

1 My concern is that you have a hearing and
2 nobody knows about it and you have it in a place
3 where people really can't get to, then it is like not
4 having a hearing at all. And when I think about a
5 senior citizen in Woodside who is--really doesn't get
6 around so well, coming here you may as well ask him
7 to go up to Albany. And so I would ask that we do
8 move these around.

9 On behalf of all my constituents I say
10 thank you for being here, but I would ask for a
11 little bit more. Thank you very much.

12 JUDGE LYNCH: Thank you.

13 The next speaker is Assembly Member Mike
14 Gianaris, 21-17 31st Street, Astoria, 11105.

15 ASSEMBLYMAN GIANARIS: Thank you. Let me
16 add my voice on the disappointment at the way that
17 these hearings have been noticed to the public. In
18 fact, I just met a woman outside who said she was
19 standing outside Junior High School 141 where this
20 hearing was originally supposed to take place and I
21 guess it's changed to this location, but even on my
22 own calendar I had it there. I think the
23 Councilman's idea is a good one. People should be
24 notified individually by mailing if necessary.

1 Let me tell you something: For those of
2 us that live here and those of us who went through
3 this you can't walk down the street without
4 encountering people who want to share their viewpoint
5 of what happened to them.

6 Nobody knew this was happening and it's a
7 real problem and I think a failure of the PSC as it
8 begins this investigation in this respect. So, I am
9 also grateful that you are conducting these hearings,
10 but you got to do a better job of letting people know
11 where they are and when they are. I think the last
12 one is scheduled for tomorrow, but nobody is going to
13 know they are happening in time to get where they
14 need to be to express themselves.

15 We have been through a hellish month. We
16 talk over and over again about how many people are
17 affected. Businesses are actually shuttered as we
18 speak because of what happened, never to reopen, two
19 or three right on the street where my office is. And
20 we are continuously trying to hold Con Ed accountable
21 for what they did to us.

22 The \$7,000 that is contained as maximum
23 reimbursement because of the tariff, I don't believe
24 ever envisioned a blackout that lasted over a week.

1 The losses suffered by these businesses are so great
2 because of the duration of the blackout that we need
3 compensation in excess of what's contained in that
4 tariff or else the economy of this region will suffer
5 permanently.

6 It's up to the PSC to do that. We hope
7 you go forward, and in the meantime, if you really
8 want to get an opinion of the people who were
9 affected by this and suffered by this, you have got
10 to have more of these and you got to do a better job
11 of letting people know where they are and when they
12 are and stick to what you originally announced,
13 because I suspect there is a group of people standing
14 outside in front of the Junior High School 141
15 wondering why they can't testify. Thank you.

16 JUDGE LYNCH: Thank you very much. We
17 are going to stay available here if there are further
18 public comments. Off the record.

19 (Off the record.)

20 MR. GAMBINO: Ferdinand Gambino. I lived
21 in the Astoria area for the last 70 years. Yes, we
22 were affected by the power outage. We lost some
23 goods, we had a terrible time with our generator and
24 our refrigerator part of the time because we shared

1 the generator with the neighbors.

2 Do I think Con Edison's doing a fine job?

3 I think the guys in the field are doing an excellent
4 job. I am an electrician so I have intimate
5 knowledge of what it means to be enclosed in hot
6 places and wires. So, I think they did an excellent
7 job.

8 As for the executives, no, I don't think
9 so. I think they could be more cognizant of what
10 goes on in Astoria. I'll give you an example. As a
11 licensed electrician I'm called many a time to
12 upgrade the service of a house. The house may be 60,
13 70, 80 years old, it has two wires number six--excuse
14 me--two wires 60 M 30. This amounts to something
15 like 60 times a hundred, I guess six thousand watts
16 of maximum power.

17 Lo and behold, two years later on
18 somebody comes along and develops or buys the
19 property, and I have nothing against a developer,
20 which is what makes Astoria grow. Developer buys a
21 property, puts up a four story, 30 apartment
22 building, calls Con Edison, files the necessary
23 papers with the city of New York--I know, I do
24 it--and he gets 200 amp service, 208.

1 Well, if you take 200 amps and multiply
2 by 208, and you connect those demand lines to the
3 feeders in the street, wow, what's going to happen?
4 You do that hundreds of times in Astoria and the
5 feeders are going to blow. If you don't believe me,
6 that's why we are here.

7 On Ditmars Boulevard, 45th Street,
8 there's a building going up. It used to be a
9 warehouse for the Sterns Furniture people. Maybe
10 they had a few toilets in there for the guy, excuse
11 me the way I use the language, but now there's a
12 couple hundred apartments going in there, a lot of
13 toilets.

14 I never saw the streets dug up once. How
15 do I know? I lived there for the past 70 years. I
16 am sure they use a lot more power. Did I ever see
17 the streets dug up or people there reinforcing the
18 service? Not from the street side, unless they had
19 some magic formula of getting electricity to the
20 middle of the property. Usually electricity comes in
21 from the front of the property. That's part of the
22 electrical code.

23 So, my comment to the Public Service
24 Commission, whomever you may be, is to put in force

1 some facility where when a developer or the city
2 wants to develop a property, they should go through a
3 review process, which should insure that the
4 necessary infrastructure is in place. If you don't
5 do that you're going to have to do what you are doing
6 now over and over and over again.

7 When Con Edison comes before you and asks
8 for a rate increase, which they have to, we all ask
9 our bosses for a pay increase, my employees ask me,
10 it's something you want to do, what you should do is
11 say wait a minute. Last year you got a rate increase
12 and you said you were going to increase the budget
13 for the infrastructure repair by 16 percent. You
14 didn't do that. You could show them. You know what?
15 The rate increase you are asking for now you'll be
16 getting less 16 percent. Use their money and force
17 them to spend it in infrastructure.

18 Federal government supplies grants to the
19 New York City Housing Authority. I know because I am
20 a registered electrician with the Housing Authority,
21 subcontractor. They have to spend that money on
22 doing their job, not on the plants, not on the rocks,
23 not on the sidewalk, but what the job was planned
24 for.

1 If the Public Service Commission directs
2 its thoughts in that direction and asks Con Edison
3 some of these delicate questions, I guess they could
4 be indelicate if you have to go into the books, and
5 you make sure that the infrastructure is improved
6 with the rate increases, you are not going to have
7 the problems now.

8 Two things. Make sure their
9 infrastructure is increased with the increase in
10 rates and make sure that before something is
11 developed the infrastructure is in place. So, if
12 not, you are going to have the same thing over again.
13 That's it. Thank you.

14 JUDGE LYNCH: Thank you very much. We
15 are going to go back off the record for a minute.

16 (Recess taken.)

17 JUDGE LYNCH: Back on the record. This
18 hearing is adjourned. We will be back at 7:00 p.m.
19 sharp. Thank you very much. Have a good day.

20 (Recess taken.)

21 JUDGE LYNCH: If we could come to order,
22 please. I adjourned the 2:30 hearing this afternoon
23 because we were under the impression that there were
24 not going to be any more speakers and we waited

1 considerably past 3:30, but as we are leaving a
2 number of other members of the public have arrived
3 and have asked to be heard and for that reason we are
4 going back on the record.

5 The next speaker at this hearing is
6 Kostas Constant of 23-08 33rd Street, Astoria.

7 Mr. Constant, welcome.

8 MR. CONSTANT: What we would like to do
9 is let Jack speak for all of us that are here.

10 JUDGE LYNCH: All right.

11 MR. CONSTANT: It will be much easier
12 because he could explain to you all in one great big
13 lump. And I'm a volunteer, he's a volunteer, we're
14 three volunteers. All of us, actually.

15 JUDGE LYNCH: So, if I understand what
16 you are saying correctly, Jack Brucculeri is going to
17 speak.

18 MR. CONSTANT: On behalf of the 31st
19 Street.

20 JUDGE LYNCH: That's Jack Brucculeri of
21 18-55 42nd Street, Astoria, Queens, New York. And
22 they are representing the Ditmars-31st Street
23 Merchants Association and the Steinway Industrial
24 Park Association. And Mr. Brucculeri, if you could

1 come to the podium please and make your statement.

2 And please speak slowly and clearly so that the
3 reporter can hear everything you say and get it down.

4 MR. BRUCCULERI: Good afternoon. My name
5 is Jack Brucculeri. I am a member of the
6 Ditmars-31st Street Merchants Association and
7 Steinway Street Industrial Park Association. We are
8 a group of merchants and businesses in the community
9 which was affected by the power outage. We are not
10 funded by anyone, no city, state or any authority.
11 We are self funded with some of the merchants and
12 some of the commercial businesses who put up the
13 money to fight for causes for our community.

14 Our community's been involved in many other
15 issues other than this particular one. Some of the
16 issues were very large, such as the train to the plane,
17 that La Guardia extension. I know that's not the issue
18 here, but I just want to tell you what we are all
19 about.

20 I'm also involved in other merchant issues
21 about vagrants and issues on the commercial strip to
22 make sure that the quality of life in the community is
23 in safe condition for businesses as well as people who
24 shop in our area.

1 I would like just to begin to thank the
2 Commission for allowing us to speak today, and there
3 is a couple of issues at hand. Issue number one is
4 we understand that we had a power outage, and not to
5 say that--Con Edison happens to be the power company
6 that we are talking about, and I am sure it's a very
7 good company, do a lot of good things, give us the
8 power that we all enjoyed through the years, but
9 something happened in the last--in the month of July.
10 Whether it's July 18th, 17th, for about nine or ten
11 days we were kind of with a lot of problems and this
12 never happened in the history.

13 I have been around, I'm 51-years-old. I
14 don't remember any outage like this for this long
15 period of time. It was very traumatic to the
16 businesses, the retail stores of our community, and
17 commercial, industrial park area where we have
18 factories and lots of employees.

19 We represent on or about 500 businesses, 300
20 retail stores, 200 large factories, construction
21 companies. They are in the industrial park as well.

22 We hired more than 12,000 employees in our
23 community. A lot of our employees live in the area.
24 Most of them live in the area. And I am here today to

1 tell you what we need you, the Commission, to help us do
2 to speak to the powers that be, which would be the Power
3 Authority, which is Con Ed or whichever one supplies us
4 the utilities. I know different people, but this is the
5 problem that we have right now.

6 What happens is that we, as the merchants,
7 also people in our families and ourselves that work
8 here, live and reside here, never realized that a 24
9 hour blackout is okay. An evening blackout is okay.
10 Nine days is like living in hell. It's not easy to stay
11 in apartments or businesses and in 90 degree weather and
12 not even be able to put a fan on.

13 So, I am the first to speak about--I'll
14 start first from the residents' point of view and the
15 homeowner, because these are the people that shop in
16 our business and our commercial strip that we
17 represent. These are the people that work in our
18 factories or in our construction facilities down at
19 the industrial park area and these people are
20 affected.

21 I understand that Con Edison has certain
22 rights within the system that only allows a certain
23 amount of money that should be granted according to the
24 records, which is prior to me probably being born how

1 much money it could be getting, and we understand that
2 there was floating around anywhere from \$150 to \$350 per
3 resident or household.

4 We find that that is a good gesture and at
5 the same time the applications that are given out for
6 the people in the street, which have not hit every
7 homeowner, have not hit every apartment dweller, the
8 application is absolutely ridiculous and outrageous for
9 the questions.

10 An example. It asks you what model number
11 is your refrigerator, and serial number. I don't think
12 anyone in their right mind could tell you that, where to
13 look for your serial number or where to look for the
14 model number of the refrigerator. I am sure especially
15 the older people in our community, you know, they don't
16 even know where to look for that. Maybe the younger
17 people have ways of asking a friend to look for it.

18 The only thing I remember from years ago is
19 if you wanted to get a serial number you had to go to
20 the back of the refrigerator and open up the electrical
21 box and look in to the compressor to get the serial
22 number. So, that application that comes to the
23 residences and homeowners is ludicrous.

24 We understand that Con Edison needs a

1 guideline to give refunds back. We feel that Con Edison
2 knows exactly who their residents and homeowners are
3 because it's very simple mathematics. You know how many
4 grids were down, you know how many transformers were
5 down, you know the transformers, you know the grid path
6 was down, services X amount of transformers, you fix the
7 transformers, you take all them out, and these
8 transformers in turn will tell you the community and
9 streets and blocks that were affected by it.

10 So, we feel that Con Edison, with your
11 help maybe you could talk to them. Con Edison, we
12 want what's coming to these homeowners. You have a
13 reg between \$150 and \$350, I'm going to give you some
14 simple mathematics. If a typical apartment resident
15 or homeowner who has a refrigerator in today's day
16 and age has to have at least two weeks of frozen
17 foods in their refrigerator, whether it's meat,
18 poultry, frozen goods, at least two weeks' supply.

19 A homeowner at a minimum has to have some
20 food and dairy products in their refrigerator. If you
21 just take at a minimum in today's expensive life it's at
22 least \$150 just for a single apartment, for them to have
23 food within their house, within the house, especially
24 elderly. The elderly don't shop every day. They could

1 only get once in a while. They shop enough to last them
2 a week or two weeks and then they get the necessities on
3 a daily basis.

4 I'm just about to tell you something else.
5 What about the fact for nine days these residents and
6 home owners, since they have no refrigeration, they have
7 to have breakfast, lunch or dinner. Although it was so
8 hot and nervous tension was so crazy that probably they
9 had no appetite, but I am sure that they have to eat in
10 order to live.

11 These people had to go out in their
12 community and the adjacent community in the areas where
13 there was power and some merchants got their own power
14 through generator system and had to go out and purchase
15 breakfast, lunch or dinner. If you go to a fast food
16 restaurant or delicatessen for foods, you have to pay at
17 least five to eight dollars per meal. If you take three
18 meals, simple mathematics, at least \$15 a day. You took
19 nine days, it's almost \$150.

20 So, not only did they lose \$150 in their
21 refrigerator and freezer, they also had to go
22 out-of-pocket money for additional \$150 which
23 that's--when you go to prepared food place you pay
24 almost four times the amount if you prepare yourself.

1 Forget about if these people had to take a bus or train
2 or take a cab to go to the outskirts areas. I'm not
3 even counting that, so, they had to endure an additional
4 \$150 of their personal income that was not caused by
5 them, that was caused by the power outage.

6 So, we, as the Merchant Association of
7 Ditmars-31st Street and Steinway Industrial Park
8 Association, who have employees in our community, live
9 in an area, people that reside in the areas that were
10 affected, that lived within our area, which would be the
11 31st Street-Ditmars area and Steinway Industrial Park
12 area, which we'll give you boundaries in a few minutes,
13 that these people should not fill out an application,
14 which some of them, a lot of immigrants, a lot of
15 elderly, they don't have the proper sight to fill it
16 out.

17 These people should not be taken advantage
18 of. These people should get a check directly to their
19 name. They have an account number. They should receive
20 a check from Con Edison--I am not saying \$150, I'm not
21 saying \$350, but a minimum of \$300.

22 Do not make it difficult for these people
23 who live in these apartments or who live in these homes.
24 That is the minimum they got to get. It would be good

1 community relations for Con Ed. It's good for the
2 public commission here to understand the grief.

3 We are not just talking ourselves in the
4 room today, five or six of us that came to represent our
5 groups. We are talking about people that we hear in the
6 streets. We--we're ex-merchants in our area. We are
7 still merchants--I am still a merchant in the area who
8 has businesses and we hear the cry of the community.

9 We are here for the community at large. We
10 are here for the homeowner. We are here for the
11 apartment dweller. We are here for the young men, the
12 young women, as well as elderly. We need you to try to
13 find a mechanism that this application system is very
14 difficult and a lot of people do not have the
15 availability to go and pick them up where it's at or
16 they stand on line. It's bad enough some of them had to
17 stand in line while there was an outage like refugees
18 trying to get a bottle of water.

19 We hope you guys will talk to Con Edison and
20 powers to be to please--you know who do not have the
21 power.

22 I am in the heavy construction business. We
23 have electrical engineering people in the Industrial
24 Park Association, we have engineers of all kinds of

1 phases, okay, that will show you that you can figure out
2 what power was out according to the information that we
3 have been hearing through the media and the report that
4 was given at the City Council meeting, which we have
5 that videotaped and we are constantly reviewing who
6 someone says to make sure that everyone gets what's
7 coming to them in a fair fashion.

8 This incident did happen but we are here to
9 work together to try to make sure it doesn't happen
10 again, if you guys with the Commission would come in and
11 figure out how it shouldn't happen again. If there's
12 any assistance that the Commission may need from our
13 business community we are willing to come forward and
14 give you some ideas. Not that we want to, but if you do
15 we are available at your convenience.

16 At the same time we feel and actually demand
17 that Con Ed gets together with you guys on the
18 Commission and please send these home owners a check
19 directly to their home. You know their name, you know
20 their account number, and just give it to them. That's
21 what I think should be done as far as the residents or
22 the homeowners in our community.

23 Now, putting that to the side, I am just
24 going to tell you the other stuff that's happening in

1 our community. We represent approximately 300 stores on
2 31st Street-Ditmars area. These stores are made up of
3 different variations. We have restaurants, we have meat
4 markets, bakeries, little bodegas, little delicatessens,
5 little coffee shops. We have nail salons. We have
6 beauty parlors. We have computer stores. We have a
7 variety of merchants in our community. What's happening
8 is Con Ed, about three or four days after the outage
9 came very, very--you said I wasn't being videotaped.
10 He's got a video on, right?

11 (Off the record.)

12 MR. BRUCCULERI: Pardon the interruption,
13 but we are back on I guess. I am also here representing
14 the 31st Street Merchants, which has approximately 300
15 members. These are people, retailers in our community.
16 Retailers in the community when the power outage was out
17 suffered greatly, all of them did. The perishable
18 people, which you have on the record that you are
19 allowed to give them up to \$7,000. That's a wonderful
20 thing to do, but there's other merchants who feel
21 discriminated against what happened which was not caused
22 by them that the business was interrupted.

23 Con Edison did come out three days later,
24 canvassed the area to the larger businesses,

1 restaurants, I am sure bakeries, and did an immediate
2 assessment of what went on. They were very friendly.
3 They went on a walkie-talkie and got the first names of
4 the business naturally, helped us get the account
5 numbers via walkie-talkie, within three or four days a
6 lot of our businesses did get their money. Some got
7 \$2,000, some got \$5,000, some got \$7,000. Some of the
8 restaurants, some of the bakeries and some of the
9 butcher shops and some of the large delis got them.

10 The problem we got is we're getting
11 complaints from the smaller merchant, the small
12 delicatessen, the candy stores, the ice cream parlors,
13 the small business people who have not been contacted
14 again.

15 What we would like is if you and Con Ed sit,
16 talk to each other and maybe send out a team of people
17 to canvas the area, giving them sufficient enough time
18 for them to be at their business. If you disseminate
19 the information to us, this group of people who we
20 represent, the merchants, we will disseminate the time
21 that Con Ed will be there. This way our merchants know
22 that you are going to be canvassing other than
23 restaurants and the bakeries, the smaller stores like
24 the little bodega who's got the ice cream and lost some

1 refrigeration.

2 Maybe the assessment is a lot less. That
3 would be helpful if Con Ed knew that. It's not all the
4 businesses in our community. We're talking about maybe
5 300. If you go to 30th Avenue or you get into other
6 areas, maybe get in the four, five hundreds.

7 I think the presence of Con Ed coming into
8 our community, a few vans, a couple, half dozen people
9 walking around helping them through the application,
10 which the only thing they do is you just fill out your
11 name, they get your account number for you, because they
12 got it readily available in their walkie-talkie. You
13 sign it and see how much you're going to get and that's
14 what happens and that's how you get reimbursed.

15 We would like to see that happen for the
16 perishable merchants who have not been contacted by Con
17 Ed, or that the process of the applications that they
18 are not really in tune exactly how it should be filled
19 out because the questionnaire is a little bit difficult
20 for the average storekeeper maybe not equipped.

21 JUDGE LYNCH: Does somebody from your
22 association have a list of who these contacts are?

23 MR. BRUCCULERI: We have--yes. What we
24 would like to do is besides giving you a list, we will

1 give you the list but at the same time we handed out
2 over three thousand fliers on helping the issue, not
3 bashing anyone. And it only took us like six hours, and
4 we are handing out fliers much quicker than taking
5 applications.

6 I think if Con Ed puts a team of six to
7 seven people on our strip, within three days they will
8 get all the perishable people who have not been
9 contacted by them, that would solve that. That would
10 give our community a little relief knowing that these
11 people are being attended to, that issue on the way the
12 rules are applicable that up to \$7,000 in perishable for
13 people who have some kind of food place.

14 Now, the other problem I have is that we
15 have merchants other than perishable. What we have done
16 is held several meetings with them and they told us that
17 what's happening with them is that they said what about
18 us, we have to pay our rent, we have to pay our
19 insurance while we are out of business. Some of our
20 motors burnt out, our computers might have burnt out,
21 our compressors need to be redone, and what are you
22 going to do about us? So, being the responsible
23 merchant association, we feel that we have to let them
24 tell us what their problem is and bring it out to you.

1 Just simple mathematics. After meeting with
2 the staff here as well, as well as a lot of the
3 merchants, because we did have a meeting, I think it was
4 August 3rd and we had over 130 businesses at our
5 meeting. It happened to be the same day you had your
6 hearings here, and so we couldn't come over, because we
7 didn't realize until that night that you were having it.
8 So, it's a matter of miscommunication sometimes or not
9 getting communication in a timely fashion. But we had
10 over 130 people come over.

11 A lot of them have bigger problems. We have
12 businesses that lost half a million dollars in
13 perishables. Key Food, Regency Food. \$200,000 of
14 damages. Those people have to work it out with their
15 attorneys for whatever legal modification they have.

16 We are here for the smaller community of
17 businesses. And I just wanted to take out what we came
18 up with after surveying, what I remember anyway. Here's
19 what we did and what we did was we took a total of 300
20 merchants. These are retail merchants on 31st Street
21 and Ditmars.

22 We took 300 merchants and we figured 25
23 percent of them pay \$7,000 a month rent. To rent space
24 on Ditmars and 31st Street area is very, very expensive.

1 The other 25 percent of the 300, represent 75
2 businesses, pay an average of \$3500 a month.

3 And then we took 150, which would be 50
4 percent of the 300 stores which would pay \$2500. We
5 multiplied it by monthly. We came up with a monthly of
6 \$1,162,000 for a month period. We then divided it by
7 three and came out to approximately \$3875. Then we
8 multiplied it by the day and we figure the average
9 business, big or small, spent \$130 a day in rent only.

10 So, the question is: These merchants are
11 going to pay the rental regardless, so they were
12 affected by the power outage because they can't pay.
13 They have to pay an additional \$130.

14 So, the other situation is this cost of
15 insurance, machine malfunction, computers, motors, and
16 some of them maybe had to pay some of their employees,
17 you know, standby employees with the hope that maybe
18 tomorrow we are going to open up. So, some of them have
19 been affected doing that.

20 What we came up with was that not only did
21 they incur the nine days of rent, which is \$1,162, not
22 only did they have the costs for the items I mentioned,
23 cost them to do their business while the power outage
24 was out, they still had to pay regardless, that we felt

1 that our community was not at full capacity because if
2 you found out in the area where the power outage
3 occurred you ain't going to come and shop there for two,
4 three, four, five days because you're worried the goods
5 are damaged or the goods are no good. Let's wait until
6 a little time goes by and we will go shopping.

7 We feel what's equitable for these merchants
8 I'm speaking to you about right now is that the nine
9 days of loss of rent, which is probably more than \$130,
10 should be at least double that, which we are looking for
11 \$2,325.16 of reimbursement, if it's possible, from Con
12 Ed where the Commission could look at that. This way
13 all people are being compensated somewhat fairly.

14 Now, if there are merchants who feel that
15 they should be getting more money and join a class
16 action lawsuit, well, let them do that. There are
17 attorneys, we know, there are law firm who are looking
18 for people who want to get more than, you know, the
19 actual dollar for dollar.

20 We don't really represent them. We are only
21 representing the smaller group. The larger group,
22 eventually we will represent them because they are going
23 to come to us, but we are not looking for pie in the
24 sky. We are just looking for the necessity and

1 essentials. We need homeowners, apartment dwellers,
2 these people who live in the apartments, to get what's
3 coming to them.

4 We would like to have you guys talk to Con
5 Ed and maybe change some of the rules, that no one
6 should be discriminated, other than the food merchants,
7 people with food, that these people should be
8 reciprocated close to \$2400. The way we would like to
9 see them reciprocated is as follow. Again, this is only
10 opinion of the Ditmars Merchant Association and the
11 Industrial Park Association for the smaller merchants
12 that we are talking about.

13 We feel that \$2400 should be given to the
14 non-perishable merchant, they should be given a \$200 a
15 month credit on their electric bill for 12 months. This
16 way they know, although they laid out this money
17 immediately, at least they know that they are going to
18 get it back. So, if someone's electric bill is \$300 a
19 month it will be minus 200, it will be a hundred, so
20 this way it doesn't cause a great dollar value for Con
21 Ed to come up and everyone is happy, we believe.

22 Some of the merchants bitched and moaned to
23 us, no way, I paid my rent now, I lost my business now,
24 I want my money now. If you could do that that would be

1 wonderful, but we are trying to be fair with the crisis
2 that we got. So, we would like to see if each merchant
3 could be reciprocated on or about \$2400, which I will
4 give this in writing to your organization.

5 Which is really not a lot of money. If a
6 lot of merchants don't want to take the money and they
7 want to do a class action suit because they got more
8 money, let them go to do what the powers to be of our
9 great country and city here, what they do for their due
10 process, whichever way they deem legally to get.

11 Basically I could only tell you Con Edison,
12 I believe--we have had some meetings with some people
13 from Con Ed. They do want to help the community out.
14 They do want to keep the image of being a good community
15 service to supply us with whatever power electricity
16 they do, but some of them are telling us their hands are
17 tied because anything other than the perishable laws
18 that they got with you guys they have to pass it through
19 you, but if their heart is in the right place, help the
20 residents, help the home owner, help the small
21 businesses and have them come back out.

22 The same way I walked into this building
23 today and I see Con Edison truck with a little table out
24 there taking applications. There's no reason why they

1 can't do that on the corner of Steinway Street and
2 Ditmars Boulevard. There's no reason why they can't do
3 that on the corner of 31st Street and Ditmars. There's
4 no reason why they can't do that on 29th Street, you
5 know, of these centrally located areas. Not in back of
6 a bank, not in back of my business. It's fine that
7 Commerce Bank did what they did, that's wonderful, but
8 people have to see it.

9 We have people who park trucks out there
10 that sell their goods. Let's take a few spaces and put
11 a couple Con Ed vehicles out there that at least a
12 customer could walk right up to it, not that they feel
13 intimidated, but I think that--it's in writing. I guess
14 you guys took the information.

15 JUDGE LYNCH: It's in writing.

16 MR. BRUCCULERI: Let me just go back to Con
17 Ed. Con Ed cannot tell us that they don't know who was
18 out of power. Mr. Burke might be a good administrator
19 but his information, he's got to do a little bit more
20 and get more information.

21 Let me just tell you. A transformer--I am
22 only going to give you one transformer, okay, one
23 transformer which--and the reason why I am speaking this
24 way, this not only is given to me by the Industrial Park

1 Association, which we do have businesses there that are
2 going to go after Con Edison with a class action
3 lawsuit, there's no doubt about it. There's at least a
4 dozen of them that had severe, severe damages in their
5 business.

6 That's a secondary issue. That's not the
7 issue here today. You may come and see us again on the
8 secondary issue, but what's happening is that--about the
9 transformer. What happens is the typical transformer is
10 made up of eight feeders. These eight feeders are 900
11 amps per foot. It's a three phase transformer. There's
12 eight feeders. That means that this transformer
13 produces 7200 amps of service. The 7200 service then
14 gets divided with a formula that the engineering people
15 did within our group. Comes out that 422 apartment
16 dwellers were affected by it.

17 So now if you take--maybe there is 200
18 transformers in our community, 400 transformers, so the
19 transformers, they know which ones were blew out, which
20 ones were affected, which lines were affected. Take
21 that and just multiply it.

22 I know one thing. Mr. Burke says that ten
23 lines out of 22 were out at one given time, so that
24 means, whichever methodology you want to use, this had

1 to be at least 16,000 people, not people, 16,000
2 customers out of power at one given time. Maybe for a
3 short period of time, maybe some of them went on and off
4 as they were being repaired, but I can tell you nothing
5 went on and off for nine days in our community. We were
6 out for nine days.

7 So, the answer is that Con Edison knows who
8 we are, Con Edison knows the homedweller who's got a
9 problem or the apartment. Those people should be
10 reciprocated.

11 And not too make it a long, drawn out
12 thing. Today I am here. This is a meeting. I
13 understand how many people before me, four?

14 JUDGE LYNCH: You are the seventh speaker.

15 MR. BRUCCULERI: People like myself and the
16 other seven speakers, and hopefully more speakers come
17 out this evening to tell you we need you, the
18 Commission, to try to talk to Con Edison or change the
19 rules. And we appreciate your time and if you could do
20 that.

21 Just one last question. Maybe you could
22 answer this.

23 JUDGE LYNCH: I will see.

24 MR. BRUCCULERI: When Con Edison needs to

1 pay more money for fuel that they got to use to get the
2 generators going, when Con Ed has to get more money to
3 rebuild the infrastructure, do they come to your
4 Commission to ask for a raise in rates?

5 JUDGE LYNCH: It's up to them.

6 MR. BRUCCULERI: It's up to them to raise
7 it?

8 JUDGE LYNCH: It's up to them to ask.

9 MR. BRUCCULERI: If they do ask that, do
10 they come to the Commission?

11 JUDGE LYNCH: Yes.

12 MR. BRUCCULERI: So, they come to the
13 Commission, the Commission sits down, analyzes the
14 situation, and then--because you are the body to keep
15 them straight of what they are doing. Then eventually
16 we do get an increase in our electric bill because of
17 rebuilding the infrastructure or the gas prices from
18 Arabia went higher. What I am saying to you guys--not
19 to you individually but to the...

20 JUDGE LYNCH: The agency.

21 MR. BRUCCULERI: The agency. Is that the
22 way the agency gets involved in raising our rates,
23 please, get involved in getting us what's coming to us.
24 The power outage was not the customers' fault, it was

1 not the tenant, it was not the homeowner, not the
2 businesses. It was something that was past along to us
3 against our will from Con Ed.

4 Please, the way you raise our rates with
5 them, please, get us our money. On behalf of myself,
6 Gus, Vinnie, Phillip, we are all volunteers here. We
7 represent 500 businesses and hundreds and hundreds of
8 people who live and work in our community.

9 I wish I could be part of the team to
10 represent 30th Avenue and other areas, but unfortunately
11 you can't be all over. So, what we are talking about
12 here should be extended throughout the entire community
13 that was affected and in western Queens.

14 Thank you very much.

15 JUDGE LYNCH: Thank you.

16 (Applause)

17 The next speaker is Catherine Piecora of
18 22-38 48th Street, Astoria, 11105. Thank you for
19 waiting, and welcome.

20 MS. PIECORA: First of all, I would like
21 to say I concur with everything my colleague Jack
22 Brucculeri said about the residents, about the
23 suffering of the merchants.

24 My name is Catherine Piecora, I'm the

1 executive director of the Astoria Restoration
2 Association with an office on 31st Street and Ditmars
3 Boulevard, and I'm also a resident of Astoria, 48th
4 Street and Ditmars. I was without power in business
5 and residential from Tuesday night through Sunday
6 afternoon.

7 Your questions on the questionnaire say
8 you want to know how we were affected as residents.
9 Well, we were all hot, tired, and hungry and both in
10 the dark literally and figuratively. We didn't have
11 any idea when the power would go on. When we called
12 Con Ed they told us we had power, when we didn't, and
13 they told one of my neighbors that he was the only
14 one that called, which had to be ridiculous.

15 We had no information of any value for at
16 least four days. When we talked to the men on the
17 street, the Con Ed workers on the street, they were
18 at least straight with us and finally told us we
19 think Sunday we are going to hook you up to
20 generators, you will get power.

21 You got to understand we kept thinking
22 tomorrow, tomorrow, tomorrow, just like the
23 merchants. We didn't leave the area. We didn't go
24 off to our cousin's or our mother's or our sister's

1 because we thought okay, tomorrow. And it kept
2 coming and coming and it got hotter and hotter and it
3 got more and more uncomfortable. There was no breeze
4 out there.

5 So, and then when you have to completely
6 throw away everything in your refrigerator,
7 everything, it's just so demoralizing. It really is.
8 Now I am finding out people are looking at Con Ed
9 bills and their bills actually went up. We lost a
10 week's worth of power and nobody notices a difference
11 in the bill going down? Actually the rates seem to
12 have gone up.

13 So, it's quite infuriating. As a
14 business person, I have no office, I had no phones, I
15 had no power, no copy machine, no computer, no
16 nothing. There was nothing I could do, so I went
17 home to sweat.

18 And speaking for the rest of the merchants
19 on Ditmars and 31st Street, I know that a lot of them
20 lost more than \$7,000. Just the ice cream stores alone
21 had much more value than \$7,000. Coldstone Creamery,
22 they had quality merchandise and everything melted.
23 They were out of business for a week.

24 And then of course there are the

1 merchants that Jack spoke of that didn't have
2 spoilage but couldn't do any business. They had no
3 power, no computer, no web, no Internet, no lights,
4 no nothing. So, everybody's doors were closed. Few
5 stores had generators. A few guys were able to go
6 out and get generators, but from what I hear they
7 were extremely expensive, so the small store who did
8 have a spoilage problem, I don't think they were
9 going to lay out that amount of money. Wouldn't be
10 practical.

11 All I can say is where was the oversight?
12 Where was the maintenance? And where is our
13 recompense? Because \$300 for the groceries and the
14 refrigerator, it starts to help, I will be honest,
15 but it was just disgraceful to have to wait a whole
16 week.

17 What I said at first was one night was an
18 adventure but by Friday it was ridiculous. I was
19 starting to feel sick because I think I was getting
20 overheated. I actually had to go to a mall to cool
21 down. I am sure I am not the only one.

22 There was a lot of people throughout
23 Woodside, Sunnyside and Astoria stuck in apartment
24 houses that didn't have cars, that couldn't go to the

1 mall or drive out to Northern Boulevard to go to the
2 diner. They were stuck and stuck big time. They
3 were sick, heart conditions, children, the works, and
4 there was nothing. There was nothing for them.

5 So, there it is. Thank you.

6 JUDGE LYNCH: Thank you very much.

7 (Applause)

8 MR. BRUCCULERI: People walked around
9 like zombies, you know, people in the street like
10 disarray. It was sad.

11 JUDGE LYNCH: We have another gentleman
12 who would like to make a statement. His name is
13 Thomas L. Maguire, 21-36 46th Street, Astoria, New
14 York, 11105.

15 MR. MAGUIRE: Thank you. Appreciate your
16 coming down to talk to us here in the neighborhood. I
17 have printed up a couple copies of this so you can
18 follow along, it might make it a little easier. Some of
19 the stuff is slightly complicated.

20 The New York City Bureau of Electrical
21 Control issues a permit every time a building's wiring
22 is upgraded, so there is a public record of the new main
23 fuse or breaker amperage. This number can be used to
24 determine the correct size wire to feed that service.

1 Con Ed uses one size, which has been
2 empirically shown to be inadequate. The City of New
3 York, in its nation leading Electrical Code, specifies a
4 much larger size.

5 Section 27-3008 of the New York City code
6 defers control over Public Service Corporations to your
7 agency. Why is the PSC not inspecting the local grid
8 and services, relying instead upon Con Ed's goodwill?
9 If you cannot inspect them due to the workload it would
10 create, then cede control to the New York City Bureau of
11 Electrical Control who is already inspecting everything
12 south of the meter.

13 Pass a resolution today allowing the New
14 York City Bureau of Electrical Control to begin
15 inspecting and issuing violations on all components of
16 Con Edison's distribution network which do not meet the
17 prevailing specifications called out in the code, system
18 wide.

19 After all that has happened, you simply
20 cannot tell the public they must hold to a higher, more
21 expensive standard of electrical performance and safety
22 in their homes than we hold Con Ed to in our city.

23 In this dog eat dog energy market Con Ed is
24 eating dogs, literally, along with the occasional person

1 or two in the interest of saving shareholder money on
2 wire and transformers of adequate size. Ethics, the
3 economics of settling wrongful death claims, the Astoria
4 black out and endless hearings, combined, are not enough
5 to make them do the right thing. Only economic force
6 will do the job.

7 The electrocution deaths, Washington
8 Heights-Astoria black outs, combined with Con Ed's
9 inadequate remediation, give the PSC jurisdiction and
10 mandate to act swiftly, autonomously and decisively to
11 protect its citizens from harm.

12 Remember, violations, fines and the
13 necessary corrective actions come from the pockets of
14 the same shareholders undeservingly enriched by
15 management policies that risk our health, safety and
16 economic security over profit.

17 If Con Ed is allowed to pass them off as
18 system upgrades, customers will pay. Disgorge some of
19 the cash into a safe modern electrical system for New
20 York and sidestep Mr. Burke's soft shoe entirely. Since
21 distribution losses are now so high, a rate reduction
22 should be possible after the undersized components are
23 replaced.

24 There is no economic incentive for Con Ed to

1 do this work on the basis of conservation as
2 distribution losses--wire resistance, transformer
3 saturation, faults, leakage current and theft are paid
4 by the customers.

5 Preparing a technically accurate document
6 with the data Con Ed offers is difficult. Local
7 underground services in Astoria are grossly undersized
8 and as a bonus is covered in lead in most of our homes.

9 "Community service" is used where a single
10 home is entered and one or more neighboring homes are
11 then served. Con Ed denies maintenance and upgrade of
12 this dangerously undersized wiring within our homes,
13 which they are in turn using to sell electric to our
14 neighbors.

15 There are no arc detectors or fuses of merit
16 in these lines so should they fault, they will burn back
17 until they clear, vaporizing their lead jackets in the
18 process and burning everything they contact, including
19 their creosote soaked wooden conduit releasing
20 hazardous, toxic materials.

21 I personally spent \$20,000 relocating my
22 community service to a concrete bunker built to Con Ed
23 specs, outside my home. The new wire has no lead but
24 they abandoned the old lead wire and creosote conduit

1 both on my property and city property.

2 I cannot imagine the 208/120-volt network,
3 distribution transformers or feeders are any more
4 robust. Those I have seen are woefully undersized. In
5 my case, a pair of #4 wires, installed in 1930 and sized
6 for a total of 8 15-amp fuses in four single family
7 homes, were now feeding two two-family and two single
8 family homes with modern wiring and main breakers
9 totaling over 1,000 amps. Looking only at the electric
10 bills, a student could tell this wire is too small.

11 On the 17th, July 17th, at 10:15 I reported
12 job QE 06028201 to Con Ed after having a representative
13 first argue that I only have an eight percent brownout
14 despite measuring 79, 12 and two volts where I should
15 have 120 three times.

16 The standard Con Ed answer: What side of
17 the meter are you measuring that from followed,
18 dismissing the measurement. I would need a Con Ed
19 employee with a key to obtain a measurement from the
20 line side. With that attitude and no remote
21 instrumentation online, how could they have known? The
22 PSC then took this report as an opinion. Voltages then
23 dropped into the 40s on the best phases.

24 Throughout the week, instead of cutting off

1 power entirely, Con Ed delivered just enough voltage to
2 severely damage motor driven and electronic appliances
3 for days at a time. To add insult to injury, every time
4 one of these appliances tries to start on extreme low
5 voltage, it wildly spins your electric meter, creating
6 additional profit for Con Edison directly from their
7 negligence. They are not permitted a 33 percent
8 brownout for this reason.

9 Virtually all capacitor-start motors,
10 refrigerators, air conditioners, washing machines, etc.,
11 have had their capacitors start overload relays and
12 windings stressed beyond endurance. While they may
13 start now, their life will be shortened, energy
14 consumption increased and performance reduced from this
15 abuse, ironically, using more electric and lining Con
16 Edison's pockets in the process.

17 Customers need wholesale replacement of
18 starting components in affected areas, performance
19 testing of related appliances with replacement or repair
20 where required, compensation for electric charges
21 accumulated during the black out for out of spec power,
22 compensation for power, labor and materials used to
23 clean up or mitigate losses, consequential damages, plus
24 several months free electric for being placed in a war

1 zone, over and above the \$350, \$7,000 offer and without
2 case by case review. I want the old lady next door to
3 get it without a lawyer.

4 Mr. Burke's assertion that the technology is
5 unavailable to dynamically monitor the voltage levels,
6 current flow, temperature and power factor at each
7 distribution transformer, as well as the 330 plus or
8 minus substantial crosspoints of Long Island City's
9 120-volt network grid to quickly isolate faults before
10 another catastrophe is just plain bull.

11 Dranetz Corporation of New Jersey builds
12 just such systems and there are numerous companies in
13 New York City engaged in remetering retrofits for co-op
14 conversions that are very low cost and would be far
15 better than guessing. These systems are in production
16 for over 20 years, but nothing would have stopped their
17 being built with earlier technology nearly a century
18 ago.

19 It is my position that a dynamic monitoring
20 system be installed immediately and that the Office of
21 Emergency Management/Bureau of Electrical Control have
22 online access to system data. Then, based upon that
23 data, services, network grids, transformers and feeders
24 would be upgraded to New York City Code Compliance in

1 order of need--worst cases, essential services, etc.

2 Since the system is also vulnerable to
3 intentional failure by the introduction of DC saturation
4 currents, we must monitor AC and DC levels. Modern
5 loads like computers, for instance, can create excess
6 neutral currents in polyphase service, causing even
7 fully New York City Code sized neutral conductors to
8 burn. For this reason, neutral current and ground
9 integrity must be measured.

10 In a section startup from black out, all of
11 the computers plugged in, even if switched off, present
12 a near dead short surge when power is applied. New
13 inverter style high EER air conditioners are like ten
14 computers on one plug. New TVs, VCRs, DVDs, etc., are
15 no better.

16 When all is well, loads like this combined
17 with motor loads present a reasonable power factor at
18 the substation indicating a false sense of stability and
19 capacity. When an entire neighborhood must be
20 restarted, even though the RMS load may be nominal, the
21 surge current is enormous and can saturate the core of
22 distribution transformers.

23 Once the core is saturated, several things
24 happen. The inductance of both the primary and

1 secondary windings drop loading both the feeder and
2 120-volt network grids. This generates heat in the
3 windings raising their DCR, which makes yet more heat
4 and transfers less power.

5 The transformer action is inhibited by the
6 saturation of the core, so the transformer no longer
7 supports the grid, it loads both feeder and grid
8 instead. If this condition is not reversed, it will
9 take down whatever it is attached to. Con Ed is blind
10 to this from the control center without remote monitors.

11 There should be some federal, state and even
12 city money to support the monitoring system under the
13 guise of Homeland Security. Anyone visiting Astoria
14 during the black out must realize that a coordinated
15 effort to destroy our electrical system would be
16 devastating and is well within the technical abilities
17 of a high school student.

18 First thing the United States does when we
19 attack a country is drop powdered graphite bombs on the
20 powerhouses and substations. The graphite is conductive
21 and is electrostatically drawn onto insulators,
22 everywhere, causing difficult to clear shorts, much like
23 Astoria.

24 This cripples the country much like we were

1 crippled. The difference is: The Astoria scenario is
2 much more difficult to correct. If this was triggered
3 intentionally, it was only a test. What would we do if
4 it happened in ten networks at once?

5 The 67-year-old feeder line is likely the
6 smoking gun, but its age is not the main issue except as
7 a petard hoisting grommet for Mr. Burke. He will do his
8 best to deflect to an unnamed engineer charged with
9 prioritizing the lines replacement amid scarce allocated
10 resources.

11 In a properly designed system, we could have
12 lost 11 of 22 feeders without losing a customer since we
13 would be sized for double connected load as a minimum
14 over the entire distribution systems. Moreover, if the
15 system were sized that way, the likelihood of more than
16 one failing at a time is remote.

17 Local network grid sections would be fused
18 to protect the wires which are in turn sized to carry
19 back-feed fault currents caused by feeder or transformer
20 failure, not sized by average peak demand with all
21 systems online. The design of our grid system has been
22 abused and all safety-factor utilized to extract the
23 maximum revenue.

24 Con Ed was also engaged in a project on 20th

1 Avenue between 45th Street and 47th Street just prior to
2 the black out where they were dumping a tank car of
3 liquid nitrogen into our cables. I could not get any
4 further details from anyone, including 311, as to what
5 was going on.

6 Look for information on this and demand an
7 answer if it is not forthcoming. If I can be of
8 assistance in interpreting incoming data or providing
9 alternate assessment, please feel free to contact me.
10 Thank you for your time.

11 (Applause)

12 JUDGE LYNCH: Thank you very much.

13 MR. MAGUIRE: Is there anything specific you
14 would like to ask me about what I just said?

15 JUDGE LYNCH: No. And the reason for that
16 is that I am here to gather information. There is a
17 group of people that are doing the investigation that
18 include engineers, and they are technically competent to
19 review what you just said and I am not.

20 MR. MAGUIRE: The problem that I have
21 specifically is this codicil that abdicates control to
22 the Public Service Commission for the distribution
23 system, and we don't see the Public Service Commission
24 coming down and inspecting these lines.

1 JUDGE LYNCH: I understand.

2 MR. MAGUIRE: On my block we have four homes
3 being fed by a piece of number four wire. These homes
4 have been made into two or three family homes. They get
5 enormous electrical bills. How is it they don't know
6 it's time to replace the wires?

7 If you can't get on top of it give it to the
8 Bureau of Electrical Control and let them do it because
9 they are down inspecting the other side already. We
10 really have two things. We have Con Edison on the honor
11 system and then we have got the Bureau of Electric
12 Control riding herd over the homeowners and property
13 owners.

14 So, everybody in the city has got to hold to
15 this really high standard and Con Ed is down there. Can
16 you bring them up to meet us?

17 JUDGE LYNCH: I understand that.

18 MR. MAGUIRE: Could you make them use the
19 same size wire we have to use? Thank you.

20 JUDGE LYNCH: Thank you. Ladies and
21 gentlemen, that's the last statement for this hearing
22 and we are adjourned until 7:00 p.m. tonight right here.
23 Thank you very much.

24 (Hearing concluded.)

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