

1
2 STATE OF NEW YORK
3 PUBLIC SERVICE COMMISSION
4

5 Case 06-M-1078 - Proceeding on Motion of the Commission
6 to Audit the Performance of Consolidated Edison Company
of New York, Inc. In Response to Outage Emergencies.

7 Case 06-E-1158 - In the Matter of Staff's Investigation
8 of Consolidated Edison Company of New York, Inc.'s
Performance During and Following the July and September
9 Electric Utility Outages.

10
11 Public Statement Hearing
12 PS-11
13 54-25 Skillman Avenue
14 Woodside, New York

15
16 November 2, 2006
17 8:00 p.m.

18
19 PRESIDING:

20
21 CHERYL BULEY, Commissioner

22
23 ELEANOR STEIN,
24 Administrative Law Judge

ORIGINAL

1 JUDGE STEIN: Let's get started. This is a
2 public statement hearing on November 2, 2006 at
3 8:00 p.m. in Woodside, Queens. And this is case
4 06-E-0894, the proceeding on the motion of the
5 Commission to investigate the electric power outages in
6 Con Edison Company of New York's Long Island City
7 electric network.

8 My name is Eleanor Stein. I am the
9 Administrative Law Judge presiding over the
10 investigation of Con Edison. And I would also like to
11 introduce Commissioner Cheryl Buley.

12 COMMISSIONER BULEY: I would like to welcome all
13 of you. I understand you have already suffered a great
14 hardship this summer. I am happy to see that you are
15 here today because I know your time is valuable, but
16 what you have to say is very important to us, truly.

17 So, thank you for coming. And everything that
18 you are here saying today is being taken by a
19 stenographer and becomes a part of a record that will be
20 considered in our proceedings. So, thank you for coming
21 and we look forward to hearing from you.

22 JUDGE STEIN: If you were here an hour ago you
23 heard a presentation from Department of Public Service
24 staff concerning the status of the Commission

1 investigation of Con Edison to date. That investigation
2 is ongoing and it has not concluded.

3 Last week we held a two-day technical conference
4 at which high level executives of Con Edison were put
5 under oath, they testified and they were questioned not
6 only by the Commission staff but by the staff of
7 Attorney General Eliot Spitzer, the Consumer Protection
8 Board, members of the New York State Assembly, the
9 Public Utility Law Project and Western Queens Power for
10 the People Campaign, some of whose representatives are
11 here today and who very ably represented this community
12 at those hearings.

13 There is also going to be ongoing discovery and
14 litigation between staff and Con Edison and the other
15 parties which will result in a report that will go to
16 the Public Service Commission.

17 This investigation is looking at taking a
18 comprehensive look at the circumstances that lead to the
19 outage, at Con Edison's investments, at their expenses,
20 at the actions they took and the decisions they made
21 during the outage itself, at their communication with
22 their customers, with New York City, with emergency
23 services during those days, and at their response to
24 their customers and their response in restoring power to

1 the network.

2 All of those things are under active
3 investigation currently. And your experiences, both in
4 terms of when your power went out, the kind of
5 communication you had from Con Edison during that time,
6 what their response has been to date, is all very
7 valuable information that will be useful to the
8 investigation as it proceeds.

9 And so I would like to join Commissioner Buley in
10 thanking you very much for taking the time to share that
11 information with us. If you have signed up to speak I
12 have your name and I can call you in the order in which
13 you signed up. If you haven't, please do so.

14 There are people in the back of the room who will
15 give you a sign up card. If you would like to make your
16 views known but you don't care to speak tonight, there
17 is also information in the back of the room about how to
18 do that, and how to make sure that we have the benefit
19 of your experience and your views and concerns.

20 So, with that, I am going to now call the first
21 speaker. Our first speaker is Alyssa Bonilla.

22 MS. BONILLA: Hi, everyone. My name is Alyssa
23 Bonilla. I live in Sunnyside, Queens. I am a survivor
24 of the Con Edison power outage.

1 Con Edison continues to refer to the power outage
2 as merely an event. For those of us who lived through
3 it the power outage was a nightmare, but to be technical
4 it was actually, in my opinion, a product failure. Con
5 Edison's product is to deliver the electricity that
6 comes through their meters and into our homes and our
7 businesses. At the very least, Con Edison's product
8 failed 25,000 times.

9 At the recent technical hearing I attended I
10 heard people testify about how a low voltage cable
11 failed, how a contact in the substation failed, how a
12 monitor light failed, how an automatic shutdown system
13 failed, how ultimately 13 different primary feeders
14 failed.

15 And we all know that Con Edison's communications
16 systems failed and that their system for counting the
17 number of customers without power failed. So, in the
18 end, to me, this power outage was a catastrophic product
19 failure.

20 During the technical hearing I asked Con Edison
21 if the 25,000 customers without power included people
22 who were 100 percent without power, or if they also
23 counted people who had partial power. I don't know
24 about you all, but I had partial power, which means I

1 only had enough power to make one light bulb in my house
2 very dark brown. Con Edison told me that they counted
3 only the people who were completely without power.

4 The next day I went back to them and asked if
5 they knew how many customers, like myself, had partial
6 power, but that the power was so low it was as if we had
7 no power. And then Con Edison answered me the exact
8 opposite of what they said the day before. They said
9 that people with partial power like myself were counted.

10 Both these statements can't be true. Since the
11 community has no way to verify the truth of any of Con
12 Edison's statements, and given Con Edison's history of
13 underreporting figures to their own advantage, I
14 respectfully request that the Public Service Commission
15 undertake an investigation of this specific issue: How
16 many customers had no power? How many customers had
17 partial power? The community deserves to know the truth
18 about what happened to us.

19 I would also ask as a corollary that the Public
20 Service Commission compare the total number of customers
21 affected with census reports so that they can get an
22 accurate picture of how many human beings were affected.

23 I would also like to ask the Public Service
24 Commission to mandate a study of the public health

1 impact of Con Edison's catastrophic failure. Analysis
2 should include looking at the 311 calls we all made
3 those nights, the 911 calls, the nature of emergency
4 room visits, if there was an increase in the number of
5 people who were now on life saving emergency equipment
6 since the power outage, to look at the number of
7 companion animal deaths, because we know that some
8 people did lose their pets, and to see if heat was a
9 factor in any of the human deaths that happened during
10 the crisis.

11 I would also like to ask the Public Service
12 Commission to mandate retroactively new reimbursement
13 policies that recognize all types of losses the
14 community suffered as a result of Con Edison's failures.
15 It is unfair that only food losses are recognized.

16 Finally, I would like to ask the Public Service
17 Commission to mandate a study of the full economic
18 impact of Con Edison's product failure on the
19 communities affected, including both residential and
20 commercial customers.

21 Food losses, revenue losses, wage losses, losses
22 due to damaged electrical equipment, all need to be
23 tabulated to appreciate the full extent of the damage
24 Con Edison's failures have inflicted on our community.

1 Thank you.

2 (Applause.)

3 JUDGE STEIN: Lisa Kremens.

4 MS. KREMENS: My name is Lisa Kremens and I would
5 like to share with everyone here this evening my
6 personal nightmare.

7 My family and I suffered psychologically and
8 physically in our apartment for seven days during
9 temperatures of 110 degrees or higher, and that was on
10 the outside. Inside it felt more like 130 degrees.

11 Does the PSC, does Con Edison, do they have any
12 idea what it is like to sleep in an oven for seven
13 nights, to worry about your mother who is a senior
14 citizen who decided to leave the apartment after three
15 days of sweating like a pig, only to find her on the
16 fourth floor crying and stating she had chest pains from
17 trying to walk up six flights of stairs?

18 Do you have idea what it is like to worry if your
19 mother, who is a senior citizen, is going to die because
20 of a blackout in the middle of the summer? To worry
21 about our elderly neighbors and watch them suffer with
22 the heat, knowing they can't go outside to get a breeze?
23 Do you know what it's like to worry that your 17-year
24 old cat might die as you stare at him panting? To worry

1 about your other three cats that are panting and you
2 have never seen them pant like that before?

3 Do you know what it's like to not be able to
4 leave your apartment and go to a motel to cool off
5 because your four cats are panting and one of them may
6 die? I lived with this for seven days.

7 Do you know what it's like to not be able to go
8 to a motel and cool off? To see your neighbor carrying
9 his dead dog out of an apartment building? Do you know
10 what it's like to prepare and go to work without
11 electricity?

12 To not sleep properly or eat, for that matter,
13 for seven days? Four of which I was working. Do you
14 know what it's like to work without getting proper sleep
15 and nutrition? Do you know what it's like to--what it
16 feels like to stand in a Red Cross line so you can get
17 some food?

18 Do you know what it's like to be at work and know
19 that you have to go home and sleep in a 130 degree oven,
20 to try and fall asleep in 130 degree oven? To use a
21 personal day, a vacation day, because you were too
22 exhausted from the heat to function and go to work?

23 Do you know what it's like to live on the sixth
24 floor during a blackout, up and down, up and down, seven

1 days. Of the fear I had each and every time I had to
2 leave, return, to, from my apartment that there could
3 have been a murderer or rapist just waiting for anyone
4 around any dark corner of the building. And the
5 building was dark even in the day time.

6 Do you know what it's like to see water bugs on
7 the walls and floors of your apartment building during a
8 blackout? Do you know what it's like to live like a
9 stinking animal for seven days? And for this I received
10 a \$3 credit?

11 We suffered in a way we have never suffered in
12 our lives as New Yorkers. It was a true nightmare. It
13 is simply outrageous that all Con Edison had to do is
14 reimburse us for food.

15 I want Con Edison to reimburse me for the
16 vacation day I took from my own personal time. I want
17 Con Edison to give me free electricity next summer for
18 the pain and suffering we all experienced.

19 (Applause.)

20 I want Con Edison to reassure my community that
21 we have nothing to worry about when we see all those new
22 high rise luxury apartment buildings being built in Long
23 Island City.

24 Con Edison has turned its back on our community.

1 It's time they step up to the plate and pay us back for
2 the misery they left us in for seven very long, hot,
3 sweltering days.

4 Thank you.

5 (Applause.)

6 JUDGE STEIN: Alice Tufel.

7 MS. TUFEL: My name is Alice Tufel and I live in
8 Sunnyside and experienced the outage like most of you
9 here or all of you here did. I want to comment mostly
10 on the Con Ed report, but I just wanted to make a couple
11 statements before that.

12 One is that it was reported that the PSC
13 Commissioner during the outage was in touch every day
14 with Con Ed CEO Kevin Burke, as well as Governor
15 Pataki's chief of staff, and Mayor Bloomberg. This was
16 probably better for the question period but I would like
17 to know if he was in touch with anybody in the
18 community, because Mayor Bloomberg was certainly not a
19 proxy. He did not show up in Sunnyside at all and he
20 was in Astoria I think four days in.

21 So, Kevin Burke was certainly not a reliable
22 source. So, I think in emergencies like this the people
23 should be heard from, not the CEOs or the politicians.

24 The second comment quickly I just want to make, I

1 am disturbed about what may be a demographic bias
2 because it seems that when these type of outages happen
3 they happen in largely working class neighborhoods and I
4 think that should be looked into. It's very disturbing
5 to me. Gramercy Park, upper east side, upper west side
6 of Manhattan, I don't recall that happening.

7 Okay, the Con Ed report. I read the Executive
8 Summary, not all 600 pages, and it seems to be awash in
9 technical mumbo-jumbo that explains what happened during
10 the outage with no analysis of the events preceding it.

11 In the very first sentence it refers to an
12 extraordinary series of events, which suggests that Con
13 Ed is not taking responsibility for what happened since
14 those events were precipitated by Con Ed's long term
15 neglect.

16 In the second sentence there is a reference to a
17 heatwave that caused the power outage. Again, it was
18 Con Ed's failure to prepare for that heatwave, which was
19 not unprecedented, we get heatwaves in New York, and it
20 was not the heatwave that caused the outage.

21 The whole first paragraph is self congratulatory.
22 Oh, we did a great job responding to this outage. I am
23 not going to go through every single sentence in the
24 report. I just want to comment on just a few more

1 statements that seem particularly outrageous to me.

2 The report notes that certain conditions arose
3 well beyond the design criteria of the network. This
4 statement begs the question how old were those criteria
5 and why had they never been assessed and updated? And
6 if they had, why was nothing done about it?

7 There is a laughable certain laundry list on page
8 seven of the Executive Summary describing what Con Ed
9 allegedly did to reduce network load. It mostly states
10 that Con Ed asked the public to reduce their usage.

11 For one thing, most of us had no power to reduce.
12 For another, I don't know where the NYPD was
13 broadcasting their appeals by public address systems,
14 not in my neighborhood. I didn't see trucks in my
15 neighborhood. As for the media, they didn't seem to
16 have any knowledge of the outage until it had been in
17 progress for three or four days.

18 I remember on day three listening to my
19 transistor radio and hearing about an outage in Astoria.
20 I heard nothing about the outage in Sunnyside on that
21 third day listening to the radio. So much for the
22 media.

23 The Executive Summary made no mention of the fact
24 that in some and perhaps many of the cases power was

1 lost a second time. Our power was initially restored on
2 Friday, July 21st, day five. We lost it again on
3 Monday, July 24th. I called several news stations about
4 it that night, as did my neighbors, and we were told by
5 one station that Con Ed had said it was just our
6 building. I was standing in my apartment looking out on
7 a block of darkened buildings, so Con Ed apparently was
8 deliberately deceptive about the extent of the outage
9 and their efforts to restore power and to keep their
10 customers informed.

11 Con Ed also states for the first four days "based
12 on calls received the company believed that about 1600
13 customers in the Long Island City network were without
14 service". It seems incredible to me that a company of
15 Con Ed's size and wealth relies on their customers for
16 information about their own system. Can't they monitor
17 especially during a heatwave and especially knowing that
18 their system is antiquated and overburdened? They have
19 no trouble monitoring usage when it comes time to
20 calculate our bills.

21 (Applause.)

22 One more point before I conclude this. At least
23 four times this Executive Summary says that Con Edison
24 is taking steps to "reduce the probability of inrush

1 current trip out". Technical jargon aside, I just want
2 to say that reducing the probability is not good enough.
3 We want more assurance than that. Other industries
4 today are setting their sights on a so-called
5 theoretical limit of zero, which means aim for zero
6 level of error and maybe you will be able to reduce it.
7 You don't aim for a reduced level. You aim for a zero
8 level and maybe you will get somewhere.

9 So, that's just a brief summary of some of the
10 things that really made my blood pressure go up as I was
11 reading this thing. To me this report just attempts to
12 exonerate Con Ed by laying the blame for the outage or
13 the event, as Alyssa said and that's what they keep
14 calling it, on an unprecedented set of circumstances
15 without accepting responsibility for those
16 circumstances.

17 I think it can be summed up just with this little
18 metaphor. To me, this is like a drunk driver saying,
19 well, it's not my fault those four people died in the
20 accident. I couldn't help it. I was drunk.

21 (Applause.)

22 JUDGE STEIN: Patrick Barnhart.

23 MR. BARNHART: My name is Patrick Barnhart. I am
24 a resident of Sunnyside, Queens. On Monday July 17th I

1 was listening to the Mets pregame and the radio show.
2 The radio went out, which was my first sort of warning
3 that there might be sort of a power problem.

4 In my building we didn't actually lose power, or
5 as far as I knew the first night, my apartment didn't
6 lose power but other folks in my building did lose
7 power. But I went for a walk later on in the evening,
8 and it was quite clear that there was something strange
9 and amiss in Sunnyside.

10 There was smoke in the air from the fires in the
11 manholes and a number of areas were dark. I only recite
12 this because I had the opportunity to attend the
13 technical hearing and at the technical hearing it seemed
14 that Con Ed was trying to give the impression that the
15 real problem wasn't until Wednesday because that's when
16 sort of all heck sort of broke loose for the system.
17 And it sort of definitely reads to their trend of
18 ignoring the impact on their customers or we people
19 here, we neighbors.

20 I wanted to give some specifics about my building
21 because I know that's important for the record. I know
22 that there are at least five people in my building who
23 are elderly or frail and cannot leave the building. I
24 know that one resident of my building was carried out on

1 a stretcher.

2 Because, as I said, we didn't lose power entirely
3 in the building, we wouldn't even have been counted in a
4 brownout count, but we were asked to turn off our
5 elevators and everybody in the building had cold showers
6 for eight days.

7 So I mean I have to say compared to some of the
8 stories here I think we definitely got off easy, but
9 that doesn't reduce my anger at Con Edison and the way
10 that they have treated this problem.

11 I think we should consider that in the past 40
12 years this is the worst network outage in the Con Edison
13 system not caused by terrorism, and Con Edison's efforts
14 to minimize this problem are truly insulting.

15 At the technical hearing that I attended, the
16 presenter mentioned that the first time he had heard
17 that there was a widespread problem in our area in the
18 network was Thursday morning when the vice president for
19 Brooklyn and Queens Con Edison came back and reported
20 that, oh, there is a problem there.

21 And while the initiative of this executive is
22 inspiring, I am somewhat surprised that they were unable
23 to get a report from one of their other agents or
24 employees.

1 I would encourage the Commission to consider this
2 sort of failure to inspect on the part of Con Edison
3 when considering whether or not they have been
4 negligent.

5 There was a lot of talk or there was some talk
6 about the reporting systems and very technical jargon
7 about how the engineers might get more information. And
8 from somebody who is not a technical person I was
9 shocked and amazed that they didn't have somebody
10 driving out and doing a drive by survey. It's a common
11 technique that's used in a lot of other industries.
12 It's not very expensive. It seems a much better
13 investment than the proposal of \$2 million investment
14 for some sort of new warning light that we don't even
15 know if it's going to work.

16 It's not that hard to drive through a
17 neighborhood and sort of see if those lights are out, I
18 think we may have a problem in that area.

19 I also want to say that residents of this
20 neighborhood have been sacrificed for the benefits of
21 Con Edison's shareholders and that the Public Service
22 Commission--in addition to being sacrificed for the
23 benefit of the shareholders we have also paid a price
24 for the rest of the system.

1 I believe the Public Service Commission has the
2 power to both rebate and also to limit the amount that
3 residents have to pay. I would truly hope that they
4 would consider the Long Island City or at least the
5 affected residents, when identified in the Long Island
6 network, have paid much more than anyone else in the
7 entire Con Edison system and should in some fashion be
8 remunerated for that.

9 This doesn't--I think other folks had some other
10 very good calls tonight. I would encourage them to look
11 at this also. Of course I think they also need to look
12 at the fact that damages go far beyond food. And when
13 people are out of power for one week, \$100--or I am not
14 certain the exact amount the reimbursement is for, but I
15 am certain there are families of four and five and six
16 in this neighborhood that their food budget is far
17 beyond what they would have been reimbursed for.

18 I also encourage that--Con Edison indicated at
19 the technical conference that the repairs in the
20 network, they were doing as much as they can. One of
21 the things I think they should consider is when you have
22 a weak network if you can reduce the demand within the
23 network through energy conservation then there is less
24 demand on the network.

1 So, in other words, if we can all save power or
2 if we can encourage the new developments in Long Island
3 City to be green buildings or to have reduced power
4 loads, then that's going to save the rest of the
5 network. And I would encourage the Commission to
6 consider that in its findings.

7 Finally, I have something that I would like to
8 say off the record because it comes from the technical
9 conference.

10 (Off the record.)

11 JUDGE STEIN: Catherine Fitzgerald Volpe.

12 MS. VOLPE: My name is Catherine Fitzgerald
13 Volpe. I am a resident of Woodside here, block away
14 from the school, in a 12-story building which I walked
15 up and down four times the day we had no power.

16 Again, my story maybe is not quite as dramatic as
17 I know a lot of people in Sunnyside. I have a lot of
18 friends in Sunnyside. I was making calls for friends in
19 Sunnyside who were out for a week, who had nothing, no
20 air conditioning, no elevators, no electricity, no
21 ability to cook. Pretty much nothing.

22 But I do know my own personal experience that
23 week was--started on Tuesday. A friend of mine who
24 lives over by La Guardia told me the lights were so low

1 in her apartment on Monday night that she couldn't read.
2 So I would think that it started to happen in parts of
3 Jackson Heights and Astoria and Con Ed should have been
4 even aware of that event.

5 But Tuesday became very markedly different in
6 this area. I had no lights in the halls. It first
7 started going on and off. So it was like part of a hall
8 would be lit or maybe one hall would be totally dark.
9 The stairwells were dark. If you had to walk down them
10 it was very dangerous.

11 But Wednesday was when all hell broke loose. I
12 live in a 12-story building, so unlike a house you
13 depend on electric pumps to get your water through the
14 buildings. And once the electricity went totally out,
15 all of the water went out. And I think that was
16 probably the most horrible part of that particular
17 situation.

18 You had no water to drink if you didn't put some
19 in your refrigerator or had some bottled water. You had
20 no sanitary facilities in your house. It was like
21 living in a third world country. I just--after that
22 happened I happened to call somebody at--actually
23 someone at Councilman Gioia's office called me shortly
24 after that happened and I started to describe what was

1 going on, and they couldn't believe it because they had
2 had no word of it. And based on that they did call the
3 city Emergency Management Office, and they had no word
4 of it, this was Wednesday in the middle of the day.

5 And it seemed that city officials had not been
6 apprised of anything. The Office of Emergency
7 Management had yet to be apprised of anything. And I
8 think in an emergency that's an extremely slow response
9 from any utility supposedly serving the public.

10 It did--that was a horrible day. We have a lot
11 of senior citizens in our building. They were in a
12 situation described by the lady from Sunnyside, but
13 fortunately for a shorter period of time, because I
14 think once they realized that we had a block, they were
15 saying 1600 people were out in the western Queens grid.

16 When I was told that, I looked at some reporter
17 and I said, I can count 1600 people on this block and
18 the unfortunate part is my building has 222 apartments
19 and there are three other similar buildings. There's
20 almost a thousand on the block and if I walked around I
21 would get thousands of others, but they count each of
22 those--at least my building as a co-op as one customer,
23 so their counts are totally off.

24 And I agree with that sentiment that they have

1 to--in this day of technology there has to be a better
2 way to count your customers and know how many are out.
3 Even though I don't get an individual bill, they get a
4 very large payment from our co-op for the electricity it
5 uses, and they should know--department building records
6 have it, census records have it, they should know how
7 many people in the area.

8 What they were saying to the public was totally
9 disingenuous. We were fortunate in that I think because
10 of the call to Office of Emergency Management and
11 Councilman called the Red Cross in because we had
12 absolutely no water. And he sent the Red Cross--Office
13 of Emergency Management sent the Red Cross in with water
14 to us and they were very good.

15 Our building staff plus the Red Cross were
16 running up and down the stairs to all these people who
17 had no water. They did help. We were back into a
18 brownout status for Thursday and Friday and on
19 Saturday--probably on Saturday and Sunday they hooked up
20 generators, so that was kind of our salvation at that
21 point. You lived with the fumes and the pollution of
22 the generator but at least we had some electricity.

23 But at that same point I was still calling for
24 friends in Sunnyside who had absolutely nothing. And

1 this went on unfortunately in Sunnyside for an even
2 longer period of time.

3 I did go down to a hearing where they were
4 talking about people having power back. I think it was
5 the first city council hearing. I think they were still
6 counting people like us on generators as people back to
7 normal and we really were not. We were not back to
8 normal for almost a month. We were on that generator
9 for like three and a half to four weeks.

10 On a personal basis my own was a very horrific
11 day or day and a half, but it really teaches you a
12 lesson in civics. And you realize that something is
13 absolutely radically wrong living in New York City if
14 this is what can happen to you. I could understand if I
15 was living in Iraq or somewhere--island in southeast
16 Asia, but there's no reason for that to happen in New
17 York.

18 This is an area that has been growing rapidly for
19 years. I had--when my daughter was in school had served
20 on the community school board in this area for 13 years.
21 The schools have been overcrowded and getting more
22 overcrowded for probably 20 years.

23 There have been more businesses and I think every
24 single piece of land in this area they built some

1 multi-story building on, yet I don't think Con Ed has
2 ever kept up with the growth of the area.

3 And particularly the Long Island City area and
4 Sunnyside and Woodside at this point need tremendous
5 amount of work in terms of the infrastructure to support
6 the density. It mentioned that when this happened the
7 capacity of the network was overwhelmed then. I want to
8 know when that capacity was designed because I have a
9 feeling it was a good two or three decades ago and has
10 not kept up with the population growth in this area. I
11 don't know.

12 I hope the Public Service Commission report
13 addresses that situation, but when you get large you are
14 going to have more and more of that, more large
15 buildings and no water goes up unless you have electric
16 pumps.

17 So I would hope that--I am a little disturbed too
18 that it's going to take the Public Service Commission
19 over a year to present a report on this. I heard
20 something about that means we have to go through another
21 summer if the report is not coming out until about a
22 year from now.

23 JUDGE STEIN: The staff investigation report will
24 be out certainly by the beginning of next year, first

1 month or so next year.

2 MS. VOLPE: Right, but probably too late to--

3 JUDGE STEIN: There are other audits and so on.

4 MS. VOLPE: Right, but probably too late to
5 implement changes for next summer so we can try to avoid
6 the same type of event. I would think under the
7 circumstances that things should move a little more
8 speedily.

9 COMMISSIONER BULEY: Our goal is to have
10 actionable things before the summer.

11 MS. VOLPE: Something that would be done prior to
12 next summer to avoid such an event.

13 COMMISSIONER BULEY: Absolutely.

14 MS. VOLPE: That's probably the only good news I
15 have heard tonight. Thank you.

16 JUDGE STEIN: Thank you very much.

17 (Applause.)

18 Luz Dary Valencia.

19 Molly Charboneau.

20 MS. CHARBONEAU: I'm from the Western Queens
21 Power for the People Campaign, and we came into
22 existence I think on July 20th or 21st, within three or
23 four days of the power outage. We pushed for these
24 hearings because we really want the community to speak

1 out. So I think people here should think about if there
2 is something you want to come up here and say, please
3 come up and say it. This is our time to say what
4 happened to us and to get it into the record.

5 I want to say a couple of things about Con Ed's
6 management version of events and about the need for the
7 PSC to delve deeper into the company's PR spin they have
8 been putting on everything since the outage first
9 happened and most recently in their 600 page report
10 about what a great job they are doing.

11 I had a hard time getting past the first couple
12 pages of the Executive Summary because I found problems
13 immediately. On page one it stated that the Long Island
14 City network ranks in the top 25 percent of the
15 company's system for reliability. My first thought was
16 I would hate to live where the other 75 percent is.

17 But by Con Ed's own six recent annual reports,
18 which were submitted to the PSC, the Long Island City
19 network had more feeder cable failures than 56 other
20 networks in 2004 and 2005. So, it wasn't reliable. It
21 was poorly maintained. It was a ticking time bomb and
22 Con Ed management knew it.

23 The outage wasn't due to an extraordinary series
24 of events, as they said in the report, or "transformer

1 magnetizing inrush current" or any of the other techno
2 excuses Con Ed management put into its report.

3 The Long Island City network was old, it was
4 poorly maintained. Con Ed management knew it. And all
5 that was needed was heat, the heatwave, to set it off.
6 Con Ed's report also says that everyone in the Long
7 Island City network was restored to power by July 25th,
8 which implies that we were back on line. I think other
9 people have spoken to this.

10 This is not true. My building, 4601 39th Avenue
11 in Sunnyside, which is on a list of generators that was
12 provided to the PSC by Con Ed as part of the
13 investigation, it was on the generator for three weeks
14 after July 25th. That's emergency power. That's not
15 regular power.

16 In fact, it failed once during that time. It
17 just--while they were doing some cycling it went off and
18 it plunged the whole building back into darkness and
19 everybody was afraid, oh, here we go again.

20 I know people in Astoria that as of August 3rd,
21 which was the date of the first Public Service
22 Commission hearing, still had no power at all. Yet in
23 the report it says as of July 25th everybody was back on
24 line.

1 I am glad to see that the PSC has changed its
2 presentation about the outage to reflect that this isn't
3 really accurate reporting by Con Edison. These hearings
4 are very important, but they can't capture really the
5 full extent of the damage from the outage that happened
6 here and what happened to us.

7 Western Queens is made up of working class
8 immigrant communities. We have small shops that are
9 open for long hours. We have workers that sometimes
10 work 12 hour shifts. It's multi-ethnic, it's
11 multi-cultural, it's multi-lingual.

12 I know the Public Service Commission plans a
13 telephone survey, but there are going to be language
14 barriers. Therefore, Power for the People proposes that
15 the Public Service Commission--that the PSC commission a
16 demographically balanced scientific study by a New York
17 City university that can accurately assess the social
18 and economic toll of the outage. I think that's the
19 only thing that's really going to get out there and find
20 out what happened.

21 Finally, our community suffered, and it's us who
22 have paid the costs and it's millions of dollars in
23 non-food expenses. I am one person. I had to go out
24 and buy a camp light, a battery operated fan just to get

1 through the night. My expenses came to about \$50. You
2 multiply that times 100,000 people that's \$5 million.
3 And believe me, the expenses were way higher than that.

4 When we went around posting up fliers for this
5 hearing, just anecdotally one Korean Internet cafe, they
6 had lost \$6,000 in computers. Across the street, a
7 Chinese restaurant had lost their exhaust fan. We were
8 on Steinway Street. There were Arab coffee shops that
9 had televisions that blew out.

10 All over the community there were losses and we
11 need to be reimbursed for these costs. These were not
12 our fault.

13 Con Ed management has spent all kinds of money to
14 show they are on it. They put out 600 page report.
15 Everybody has probably seen the ads they put in the
16 Queens paper, big centerfolds, there are ads in the
17 subway system, there are ads in the Daily News. And
18 they are hiding behind the utility workers who really
19 did do some good work, who really did work hard in
20 dangerous conditions to get us back on line.

21 On July 20th, I was going through the Con Ed
22 website to see if there was any news about what I was
23 going to come home to, and they had a release posted up
24 there when they still were not giving an accurate count

1 of how many people were out. They were still saying
2 1200 or something like that.

3 But the release on their website was talking
4 about how they had 12 billion in annual revenue and 25
5 billion in assets. And it was a report to their
6 stockholders about the dividends that they had accrued.

7 This was on July 20th. So, we say to Con Ed
8 management: How about putting some of that money back
9 into the system? How about making our community whole?
10 How about paying for damages your negligence caused?
11 And how about spending some of that money on preventive
12 maintenance for the Long Island City network?

13 And to the PSC, please seriously look at the
14 causes of the outage before July 17th. And we would
15 also like a change in the reimbursement rate retroactive
16 so Con Ed will cover non-food damages for Western Queens
17 and also for future outages going forward.

18 The Power for the People Campaign is going to
19 continue to be involved and we want everybody here, if
20 you are not already on our mailing list, to please see
21 us in the back and sign up and join us, because unless
22 our community is vigilant we are not going to win these
23 things.

24 Thank you.

1 (Applause.)

2 JUDGE STEIN: We have two more speakers and it's
3 almost 9:00 so I am going to have to ask people to be
4 succinct.

5 Anthony Aveni and then the last speaker is Kama
6 Timbrell.

7 MR. AVENI: Hello, everybody. I am Anthony
8 Aveni. I own Rosario's Pizzeria on Skillman Avenue and
9 51st Street. My father started this business in 1965.

10 And recently, you know, we had this blackout.
11 It's not the only blackout we have had in the area, the
12 past four or five years we had about three blackouts for
13 which I personally submitted all my proof and all my
14 documents to Con Edison and never received zero. Zero.

15 But like the woman earlier spoke about, when it
16 comes time to get their money you can be sure if you are
17 a little bit late they want to charge you interest,
18 penalties and all this stuff.

19 So, anyway, on July 17th to the 26th I was
20 blacked out for 11 days in the pizzeria. I lost \$20,000
21 or better. Recently I called up to find out what
22 happened with my claim. They said I had to submit all
23 kinds of tax forms, receipts, and everything.

24 I am like, who's going to save receipts for

1 months and months? It's ridiculous. Who expects that
2 you are going to have a blackout, like, be out for
3 11 days?

4 So, anyway, I made a couple of calls, I called
5 John Kujack and all these people, and they always said
6 the same thing. Oh, send us forms, send us this, send
7 us that, but still nothing.

8 A couple of years ago, August 11, 12 and 13, we
9 were also blacked out, the whole east coast. Again, I
10 received nothing because they said that was an east
11 coast situation. It had nothing to do with the
12 immediate vicinity. Okay, write that off, another
13 \$3,000.

14 Few years back, July 5th, 6th and 7th of 2004,
15 there was another blackout for three days. Lost another
16 \$3,000. Received zero again. But to make matters
17 worse, a couple years back some Con Edison people came,
18 went into the basement of the buildings. And they said,
19 oh, Mr. Aveni, you have been receiving free electricity
20 for quite some years now.

21 I said, really? My bills are tremendously high
22 as it is. Are you sure about this? He said, yeah.
23 Okay, when are you going to fix the problem? Right
24 away. Come down, fix the problem, and guess what? From

1 that point on I started monitoring my electric bills
2 really carefully only to discover that my bills have
3 been becoming \$100 per month less, which means for all
4 those years I was paying too much, but guess what?

5 When they accused me of receiving free
6 electricity they imposed me to pay \$5,000 immediately or
7 else I was not going to get anymore electricity and I
8 would have to close up the pizzeria.

9 So, I dug deep, got the \$5,000, gave it to them.
10 They fixed the problem. And, as I said before, my
11 electric bill was now \$100 a month less. So after six
12 months I finally called them up. My bill is \$100 a
13 month less since you accused me of receiving free
14 electricity. It was more like an accusation, like I did
15 the electrical work myself. Hey, I make pizzas. I am
16 not an electrician, okay.

17 (Applause.)

18 So, I called them. I said, listen, you made me
19 give you \$5,000, I deserve the \$5,000 back and not only
20 that but I feel I deserve an extra \$5,000 for all the
21 years that I have been overpaying.

22 Guess what I got back? \$2,000 out of ten, okay.
23 Make a long story short, if I add up all the losses that
24 I have had from Con Edison, \$25,000 just recently,

1 \$3,000 from August 11, 12 and 13 of '04, July 5, 6, and
2 7th '04, for \$3,000, another blackout. False accusation
3 of free electricity. We are talking \$41,000, okay, over
4 the course of the past four years.

5 So, I want to know when is some justice going to
6 finally come to us. People have come into the pizzeria
7 and they ask me, have you got your check yet? No, I got
8 nothing yet. Wow, believe it or not I was on vacation
9 and I wasn't even around for the blackout but I filed my
10 claim and they sent me \$350.

11 So people all over the neighborhood who didn't
12 really lose much are getting checks for 300, 350. Me, I
13 lost thousands and thousands and get zero. I lost fish,
14 \$600 worth of fish in these tanks too.

15 Look, they sent some guy into my pizzeria, some
16 guy Mike Gibbons, saying--offering me like \$3,500,
17 \$4,000. I laughed. I said, are you kidding me? I lost
18 \$20,000 or more and you are offering me \$3,500?

19 I mean that was like insult to injury. You know,
20 why don't you just throw salt all over the wound,
21 alcohol and everything, and just kill me there. You
22 know? Something's got to be done. Hopefully we will
23 have a class action lawsuit and everybody could really,
24 you know--

1 (Applause.)

2 JUDGE STEIN: Thank you.

3 MR. AVENI: --let them have it. We want our
4 money back.

5 (Applause.)

6 JUDGE STEIN: Is Kama Timbrell here? This is our
7 last speaker.

8 MS. TIMBRELL: My name is Kama Timbrell. I live
9 in Sunnyside. And the only thing I really wanted to
10 comment on tonight, because everyone else has spoken so
11 eloquently and interestingly about everything else, is
12 the complete and utter lack of information from Con Ed
13 during the blackout.

14 They couldn't get the numbers right on how many
15 people were affected, where putting some feet on the
16 ground probably would have given them a clue it was
17 bigger than they thought.

18 There wasn't any information. There was nothing
19 in the media. And I read a newspaper every day. I am
20 on line every day at work and nothing to tell me how
21 long to expect this to happen for, how many days I was
22 looking at, what was being done. No information booths
23 anywhere, you know, maybe perhaps public information
24 booths in commercial areas so people getting off the

1 subways could see there is information. This is what we
2 expect to happen. Just nothing.

3 And then even afterwards with the reimbursement
4 for food spoilage from Con Edison. First, you know, it
5 was \$100 if you had receipts. Then maybe it was \$250,
6 but you still had to have those receipts because we all
7 hang on to receipts for the pot roast we bought a month
8 ago sitting in the freezer because I do, don't you?

9 And then finally we were--eventually found out
10 you could submit up to \$350 without receipts and I don't
11 have much complaint about that because I actually did
12 get my check rather quickly, but it seems a paltry sum
13 for a family of five, six people who may have lots of
14 food in the fridge, may have lots of things frozen.

15 And for businesses, well, our previous speaker
16 just explained that quite well I think. That's really
17 my main complaint for me personally tonight is that the
18 communication and the crisis management plan seemed to
19 have been non-existent, and perhaps with a company as
20 large as Con Edison providing as much service as it
21 does, perhaps they should have something in effect for
22 that. Thank you.

23 (Applause.)

24 JUDGE STEIN: Thank you very much. I just wanted

1 to second what Commissioner Buley said at the start of
2 the hearing, to thank you for coming out and sharing
3 your ideas and your concerns with us for our record.
4 And there being no further speakers, and it being 9:05,
5 this hearing is adjourned. Thank you very much.

6 (Hearing adjourned.)
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24