

**TOWN OF GHENT
PROPOSED NYSEG POWERLINE
SUMMARY OF ACTIONS TO DATE**

The proposed powerline first came to attention of the Town of Ghent about 2 years ago. Burns & McDonnell, a developer of new powerlines was hired by NYSEG in this regard. It is clear that the sole objective of Burns & McDonnell was to assist in NYSEG's application to construct a new powerline and not to first determine whether or not there were any acceptable alternatives. Accordingly the Ghent Town Board formed a sub-committee to review the matter and to engage NYSEG in discussions regarding the various perceived issues including, are there better options than the construction of 115kv new powerline through the middle of the Town of Ghent.

A couple of residents in the Town participated by underwriting the cost of two engineers retained to study these issues. After meeting with these engineers, they indicated to our committee that there was a better alternative to construction of a new line and that alternative was an upgrade of the existing 34.5kv lines. This would cause minimal environmental issues and our engineers also verily believed that the proposal to upgrade would be similar in cost.

In June 2011, our engineers met with the NYSEG engineers and at that time our engineers proposed the alternative upgrade rather than a new powerline across the Town. NYSEG agreed with our engineers that this alternative might solve most of the concerns. NYSEG indicated to our engineers that they would study the proposal further and get back to us. Thereafter, nothing happened for a long period of time until October 2011, when communication was received from NYSEG indicating:

- a. A low voltage alternative is a viable technical option for addressing this matter.
- b. The cost to do this would be approximately \$3,000,000.00 more

However, our engineers continue to believe that a low voltage alternative can be accomplished for much less than NYSEG's cost estimate. Particularly it was unclear from NYSEG's reply whether they were adopting the recommendations made by our engineers or actually using another upgrade plan which they themselves determined.

We next heard from NYSEG on October 24, 2011 by telephone from their representatives, Burns & McDonnell, indicating that there would be a meeting to be held only three days later, on October 27, 2011, at their Chatham, New York facility. Our engineers could not attend nor could myself or several committee members. Because of this inadequate notice, it was determined that there would be no useful purpose for this meeting and a letter was sent to Burns & McDonnell accordingly. However, they went ahead with the meeting anyway, clearly confirming that NYSEG had no intention of really listening to the concerns of the Town of Ghent nor to seriously consider the alternate proposal.

Thereafter, both our engineers and myself attempted to set up a further meeting between the NYSEG engineers and our engineers to understand why the proposed alternative would not be cost effective. At some point we got a letter from the NYSEG attorney, John Draghi,

indicating that the proposal made by our engineers was not acceptable because of “environmental and cost reasons”. However, at no time has NYSEG ever explained what these environmental reasons are nor provide any specific information as to why an upgrade would cost more than a new line. Despite our requests for additional meetings to discuss these issues, NYSEG and their lawyer refuse to do so, obviously having pre determined that they were going to construct this new line, rather than listen to the concerns of the residents of the Town.

Then, NYSEG went ahead and filed its application with the Public Service Commission. As a result of these actions by NYSEG, the Ghent Town Board met on June 21, 2012 and passed the following resolution which I want to read to you.

**TOWN OF GHENT
COLUMBIA COUNTY, NEW YORK**

**YEAR: 2012
RESOLUTION NO. 29**

At a regular meeting of the Town Board of the Town of Ghent, Columbia County, New York, duly held on the 21st day of June, 2012 at the Town Hall, Ghent, New York, the following Resolution was proposed and seconded:

Resolution by: Lawrence J. Andrews;

Seconded by: Richard Sardo;

WHEREAS, New York State Electric and Gas Company, (hereinafter "NYSEG") has filed an application with the Public Service Commission for the construction of a 115 KV new powerline through the middle of the Town of Ghent, and

WHEREAS, the Town Board of the Town of Ghent is very concerned with respect to this matter and the effect it will have upon the environment and the residents of the Town of Ghent, and

WHEREAS, prior to this filing, the Town of Ghent formed a sub-committee to obtain information from NYSEG regarding this matter and with respect to possible alternatives, and

WHEREAS, in connection with this matter, the Town engaged engineers who have studied this matter and proposed an alternative to provide for backup power needs to be met by upgrading existing lines and facilities rather than the construction of a huge 115 KV new powerline through the Town of Ghent, and

WHEREAS, although NYSEG's engineer showed interest in this alternative, NYSEG rejected this proposal without adequate explanation and refused to meet with representatives of the Town to discuss this matter and to set forth a reasonable basis for this rejection, and

WHEREAS, there are numerous unanswered questions in connection with this matter which NYSEG has yet to properly address,

NOW, THEREFORE, BE IT RESOLVED, by the Town Board of the Town of Ghent as follows:

1. The Town does hereby seek party status in connection with the application that NYSEG has filed before the Public Service Commission and the Town Attorney is hereby instructed to take all necessary steps to file for party status in connection with the review of this matter.
2. There are several unanswered questions which the Town Board hereby demands that NYSEG answer including the following:
 - A. Is there a need for an improvement to the NYSEG power grid?
 - B. Does such upgrade serve the residents of the Town of Ghent or is it intended to serve some other area?
 - C. Why doesn't NYSEG want to consider the alternative proposed by the engineers acting on behalf of the Town?
 - D. What are the environmental issues alleged by NYSEG's lawyer regarding an upgrade rather than the construction of a new powerline through the middle of the Town of Ghent?
 - E. The attorney for NYSEG has alleged that an upgrade of the existing system is going to be more detrimental to the environment than the construction of a new line. How is that possible?
 - F. What are the specifics regarding the allegation from NYSEG's attorney that an upgrade would cost significantly more than the construction of a new line? NYSEG has failed to adequately demonstrate this differential.
 - G. Why did NYSEG in its application to the Public Service Commission propose a route that is not straight across the Town but rather zig zags in order to create 11.2 miles rather than a shorter distance? Initially, prior to NYSEG's application to the Public Service Commission, NYSEG had proposed a new powerline of approximately 9 miles rather than 11.2 miles. If the most feasible path across the Town is less than 10 miles as

originally proposed, then this application under Article 7 of the Public Service Commission Law would not be appropriate but rather NYSEG would have to apply under other regulations of the Public Service Commission and the Town of Ghent would have regulatory authority.

H. Why has NYSEG refused to meet with representatives of the Town to discuss these matters, despite repeated request from representatives of the Town to do so?

Upon question of the foregoing Resolution, the following Town Board Members voted "Aye" in favor of the Resolution :

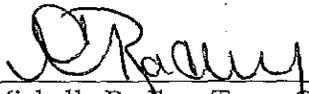
Lawrence J. Andrews Jr. _____;
Linda Hess _____;
Peter Nelson _____;
Richard Sardo _____; and

The following Town Board Members voted "No" in opposition

thereto: none _____; and

The Resolution having been approved by a majority of the Town Board, the same was declared duly adopted by the Supervisor of the Town of Ghent.

DATED: June 21, 2012



Michelle Radley, Town Clerk
Town of Ghent

Additional Points

Burns and McDonald were not hired to consider any alternatives that could avoid this significant detriment to the Town. They were hired solely to help NYSEG get approval of a new 115kv powerline.

Neither NYSEG nor Burns and McDonald have:

- Any concern for the Town of Ghent
- Any concern for its citizens
- Any concern for the detriment this proposed powerline will cause to the environment
- Any concern for the detriment this proposed powerline will cause to agricultural lands in the Town of Ghent
- Any concern for the significant decrease in property values that will occur by reason of this proposed line (The alleged cost of Three Million dollars for the alternative is much less than this significant decrease in property values that will occur, perhaps three times as much.)
- Any concern for the peaceful enjoyment by the residents of the Town of Ghent of their properties and the detriment to some of the most beautiful fields and vistas in the state.
- Any concern for cultural entities such as Art Omi. Art Omi is an outdoor art museum with a café and programs involving artists who come to this facility from all over the world. The proposed powerline will go right through this property.

Why is NYSEG doing this? The main reason is money. They get a much better benefit in terms of fees and charges by constructing a new powerline versus simply upgrading the existing lines and using the existing easements. We recently learned that they have many existing easements that are available but that they do not wish to consider for use. Why? It's all about the money. They have the potential to charge a lot more money to customers in connection with the new line and this is much more important to NYSEG than any concerns regarding the issues affecting the residents of the Town of Ghent.

So we are asking the Public Service Commission to have the requisite concern for these issues. A balancing of the equities shows that the equities and reasons for not approving this project, as I've just stated, significantly outweigh any benefit to the public. The Public Service Commission should deny this application.