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August 26, 2014

Hon. Kathleen H. Burgess, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: Case 12-T-0502, et al.

Ms. Burgess:

I have studied the Advisory Staff's recommendations to the Public Service Commission with interest, given the importance of these case proceedings for residents of my senate district. The outcome of these proceedings will impact the landscape and viewshed of my constituents, and will therefore affect quality of life and property values. If handled improperly, we will see diminished property values and therefore reduced local revenues for schools and municipal governments. I cannot countenance the possibility of a downward spiral in schools and services for the residents of these towns.

While arguments for upgrading our transmission infrastructure are not without merit, those long-term and often indirect benefits must be carefully weighed against the immediate consequences for residents and property owners. With that in mind, I concur with the Advisory Staff's Procedural Proposal recommendations that the respective proposals for transmission upgrade projects be comparatively evaluated according to increased transfer capability, cost to ratepayers, electric system impacts, emission reductions, production cost impacts, expansion of additional rights of way, innovative technologies, and environmental compatibility - including, importantly, visual impacts.

Each of these topics are vital considerations for the Commission. I must make clear, however, that I do not agree with the order of importance that the Advisory Staff has articulated in its numerical listing of the criteria. For example, the first criteria analyzed by the Commission should be the impacts to the public from the physical footprint of the project and the environmental compatibility, including visual impact of the proposed project—designated as 5 and 6 respectively in the Advisory Staff Recommendations.

In addition, the depth of the analysis within each criteria of the Advisory Staff's recommendations fall short. For example, when we consider the cost to ratepayers, we must include the impact on property values – and in fact, we must include the cost *already incurred* by landowners who are now unable to get fair market value for home sales in part as a result of the dramatic and frankly jarring way in which these proceedings were introduced in 2013. A comprehensive accounting of ratepayer costs looks not just at the impact on utility bills, but on real estate values in the affected communities.

Likewise, we should remember that visual impacts relate not simply to the construction of new, larger poles, but the height of these poles. When the governor described a “no higher, no wider” policy preference for certain utility projects, it provided a rallying cry for *all* projects in order to protect houses, farms and property values. When my constituents purchased their property, they did so in the vicinity of utility poles of a certain height – generally below the tree line. They also purchased their property in a bucolic setting that was reflected in the purchase price. Increasing the height of these towers will have a negative impact on the viewshed, and that impact combines both aesthetics and economics. It does so for residents who may want to sell their homes one day, and for vital regional stalwarts like the Omega Institute, whose environmental setting is an integral part of their business.

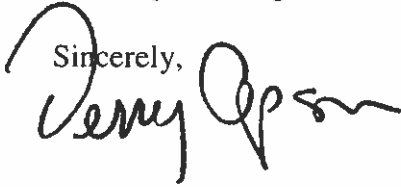
Finally, I am pleased that the Advisory Staff is urging the commission to include minimizing additional rights of way in its deliberations. This is the “no wider” aspect of the policy preference shared across the state for these types of projects. Since February, applicants have been working to reduce their initial proposed right of way extensions, which ranged from disturbing to community shattering. The personal stories tell us a history that must be properly accounted for in the Commission's deliberations: some of the properties affected by these proposals have already been involved in as many as three previous right-of-way expansions for various utility projects. Asking a family to sacrifice their land yet again is unreasonable. They have done enough already to support our region's infrastructure.

In some cases, we are talking about family farms: lands that are the lifeblood and sole economic engine of those who work them and dwell upon them. This is a state that values its agricultural community, and as the ranking member on the Senate's Agriculture Committee I have an additional responsibility to protect our farmers. Literally and figuratively, we will not cede ground on this matter.

I would also like to offer a comment with respect to the Cost Allocation Proposal. I am encouraged by the Advisory Staff's recommendation of a 90% allocation of costs to downstate customers compared to 10% for upstate customers. Dutchess County residents have expressed repeated, educated skepticism as to whether they will see any real benefit from the transmission upgrades. This project serves to resolve a bottleneck that is affecting downstate customers, and I can see no reason to revert to the 79%/21% previously proposed. When making this allocation determination, it is of utmost importance that the Commission appropriately define upstate and downstate. In this context upstate must be defined as all counties above Westchester County, while downstate must be defined as Nassau, Suffolk, Westchester and New York City.

I appreciate the Commission's careful consideration of the Advisory Staff's recommendations, and I urge the commissioners to incorporate the details I have described above. A process that started in rocky fashion has gradually improved, thanks to the tireless advocacy of residents, municipal officials in the affected towns, and my fellow state legislators. There is still some distance to travel in protecting our communities from upheaval. I hope that we can continue that progress along the lines of the Advisory Staff's recommendations, with careful attention paid toward preserving our residents' quality of life and property values.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry Gipson". The signature is fluid and cursive, with a large initial "T" and "G".

Terry Gipson
Senator, 41st District