

**A Report on the LIPA and PSEG 2017 Riverhead to Eastport Reconductoring Project An Investigation of the Approval Process and Environmental Impacts on Eastport, Riverside, East Moriches, Center Moriches and the Region.**

By Roy Reynolds, PE  
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Final

**“PSEG and LIPA have made a multi-million-dollar mistake - causing damage to the Region”**



**“Monster Poles” dominate the Eastport Historic District**

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## Introduction

The purpose of this report is to investigate and assess the permitting process for the LIPA/PSEG capital improvement project known as the *Riverhead to Eastport Reconductoring Project* and to detail the environmental impacts on the Eastport Region (including the communities of Eastport, East Moriches, Riverside and Center Moriches). In the aftermath of this project, the East Moriches Property Owners Association (EMPOA), in conjunction with other civic and environmental organizations, undertook a fact finding mission to ascertain how this project managed to be approved and constructed without properly addressing the obvious impacts on the area's character, scenic vistas, safety and economy. To effect this investigation, we researched available records from involved agencies using the Freedom of Information Law (FOIL); we also conducted field investigations, prepared informational videos, attended meetings, reviewed news reports and sent correspondence. A complete compilation of the documents that we obtained can be found on the East Moriches Property Owners Association website (EMPOAweb), see [EMPOA Compilation of Documents](#). Documents specifically used in this report can also be accessed via the links provided in the report and the addresses listed in the reference/appendix section. The following is a summary of the findings.

## Summary of Findings

The research over the last year has revealed that PSEG and LIPA have made a multi-million-dollar mistake, which has caused damages in the Eastport region. This "mistake" was caused by PSEG's negligence in the approval process, which involved presenting incorrect information, using poor engineering design, failing to comply with New York State laws and misrepresenting the facts. This negligence resulted in damages to the Eastport region.

Based upon the facts, PSEG and LIPA short circuited the review and approval process, resulting in devastating effects on the Eastport region. It is clear that **PSEG and LIPA did not effectively share information or provide an opportunity for a public review or input on this project, before finalizing the plan and starting construction.** PSEG and LIPA manipulated the State Environmental Quality Review Act (SEQR) and misrepresented the seriousness of the environmental impacts, thereby avoiding the required preparation of an environmental impact statement (EIS). By hiding the true nature of the project from all those involved, including the DPS, PSEG benefited. Through their actions, PSEG financially benefited, compromised the SEQR process, avoided public scrutiny and deceived the public and DPS. In addition, PSEG and LIPA did not submit a "Part 102 report" to DPS prior to construction as required.

The majority of the new steel poles along the roadways are considered safety hazards according to the *New York State Highway Design Manual*; and are not designed in accordance with good engineering practice. The poor placement of the poles has already resulted in one fatality.

Furthermore, PSEG did not present a "complete analysis of undergrounding versus installing overhead lines" prior to construction, as required by the DPS. Subsequently, EMPOA did its own analysis and found that the benefits of placing the transmission lines underground outweighed the benefits of installing them overhead. Recommendations include removal of the overhead transmission lines along the roadway and replacement with underground lines along CR 51 and 55.

In the past, PSEG has disrupted other communities with the construction of overhead transmission lines, which has caught the attention of the Department of Public Service (DPS). In response, the DPS established measures to prevent future transgressions; however, they proved to be ineffective in protecting the Eastport region. PSEG was found to be deficient in their management of such matters by a 2018 DPS Management Audit. In respect to the Eastport

region, DPS has been ineffective in its oversight of LIPA and PSEG. It is recommended that New York State support the local municipalities in the Article 78 proceeding against PSEG and LIPA.

As a result of our investigation it has been determined that PSEG and LIPA were negligent in the approval process, violated existing laws and policies and misrepresented the facts, which ultimately resulted in damages to the Eastport region.

## ***Background***

The Eastport to Riverhead Reconductoring Project involved the installation of new above ground transmission lines, including over 215 concrete based steel poles ranging in height from 65 to 110 feet. These poles replaced 199 smaller wooden poles that had been installed over 50 years ago; and added an additional 16 poles. As a result of seeing the new construction there was a public outcry from the affected communities and local public officials, who claimed there were impacts on their quality of life, scenic vistas, safety and the regional economy. They also claimed that there was an inadequate environmental review (SEQR) and lack of opportunity for the affected communities to comment on the project and influence its design. Of particular concern were the poles that were installed along County Roads 51 and 55, which were the most intrusive on the scenic vistas and community character and also created a serious safety hazard to those using the roadways. The construction was started in April of 2017 and for the most part was finished in June of that year (approximately a three-month duration).

Starting as early as May 4, 2017, newspapers started reporting complaints about the construction, which continued through the course of construction and continues to this day. See [Eastport News Articles](#). In addition, a series of news reports, starting in 2008, document similar problems in other communities, most notably in Port Washington and East Hampton. See [News Articles Other Affected Areas](#). In response, the New York State Department of Public Service announced measures to prevent future violations; they unfortunately proved to be ineffective in protecting Eastport.

In July 2017, having seen the impact of the constructed project on Eastport and the region, the local civic associations held a community meeting in Eastport (attended by hundreds) to gather information and foster communication among PSEG and elected officials. Following the meeting, PSEG sent a letter to New York Senator Kenneth LaValle offering to “underground” a portion of the transmission lines in the historic district of Eastport (See [PSEG Offer](#)); however, it later reneged on its offer.

Brookhaven Town and Southampton Town sued LIPA and PSEG (via an Article 78 action) in order to effect the removal of all the damaging overhead lines and poles and have the transmission lines placed underground. On April 24, 2018 the Article 78 action was dismissed, on a procedural basis, “mootness”; the court did not address any of the substantive issues, i.e., the things the Town said PSEG had done wrong. Subsequently, the Towns (now joined by Suffolk County) are appealing the ruling.

During this time period there have been numerous news reports (TV and radio), newspaper coverage and meetings highlighting the issue. See [Eastport News Articles](#). In addition, an “independent” LIPA/PSEG management audit was published, confirming some of LIPA and PSEG’s deficiencies that led to the transgressions. See [LIPA/PSEG Management Audit](#). On June 27, 2018 a rally was held in downtown Eastport to protest the failures of LIPA and PSEG; it was attended by hundreds of affected residents and their elected representatives. See [Eastport Rally Video](#).

## ***Discussion and Findings***

### ***PSEG's Poor Engineering Creates Safety Hazard***

Based on the facts, most of the new steel poles along County Roads 51 and 55 are safety hazards, and were not designed in accordance with good engineering practice. A good technical document to use in evaluating the problems with the PSEG design is the [New York State Highway Design Manual](#) which "provide[s] requirements and guidance on highway design methods and policies". Chapter 10 of the *Highway Design Manual* "provides guidance on the issues that NYSDOT designers should take into consideration when engineering judgment is applied to roadside design." Key topics covered include: recognition of potential hazards, selection of clear zone widths, and selection and positioning of guide rail, terminals, and attenuators to shield potential hazards. See [Chapter 10, Highway Design Handbook](#)

In the case of the Riverhead to Eastport Project there is no evidence that any consideration was given by PSEG to the new steel poles as potential safety hazards. In fact, the majority of the poles are located about 3 feet from the pavement and 13 feet from the active roadway lanes. The Highway Design Manual requires that a "clear zone" almost double the 13 feet be maintained along the roadside border. As part of their design, the engineers for PSEG should have taken this into account with the inevitability of a vehicle, traveling at high speed, leaving the confines of the roadway and striking one of the newly placed poles. Among other factors, they should have considered the "clear zone" along the highway and addressed alternatives to construction in a *Design Approval Document*. [Chapter 10, 10.3.2.1]

The New York State Department of Transportation (NYSDOT) defines the Clear Zone as "*that portion of the roadside border width, starting at the edge of the through traveled way, that the Department commits to maintaining in a cleared condition for safe use by errant vehicles.*" Clear areas are those roadside border areas which are essentially without hazards, such as steel utility poles. From a safety perspective, the desired width at any station along the roadway will be a function of the design speed, traffic volume (annual average daily traffic), roadside slopes, and curvature of the roadway. [Reference Chapter 10.2.1]

In this respect, County Road 51 is classified as a "Rural Artery" and traffic routinely travels between 60 and 70 miles per hour. Assuming about 1500 vehicles per day, the required clear zone would be between 22 and 28 feet wide. [Chapter 10, Table 10-1] In placing the steel poles where they did, PSEG only provided a 13-foot clear zone (and in some instances much less), creating roadside hazards, contrary to good engineering practice.

The LIPA Board of Trustees were formally notified of this problem at their Board meetings on July 26 and September 27, 2017, but did nothing about it; shortly thereafter, as predicted, a motorist was killed in a fiery crash into one of the wrongly placed, unprotected poles (pole #132) located in the "clear zone". Furthermore, in at least one case, the placement of a new steel pole (pole #133) dangerously blocks the view of oncoming traffic; good engineering should have addressed these problems prior to construction. These hazards are illustrated in the EMPOA video, [PSEG Monster Poles Video](#) .

### ***Preexisting conditions are not a reason to disregard good engineering practice***

It has been argued that PSEG is not responsible for roadway safety concerns, since they only replaced preexisting poles. This is incorrect; although the old poles were generally replaced in the same locations, they were replaced with larger, more dangerous concrete based steel poles and 16 additional poles were added. The original wood poles were constructed over 50 years

ago, when County Road 51 was not as heavily travelled as it is now. Over the last 50 years, County Road 51 has evolved into a high speed, more heavily traveled divided highway, which became less conducive to having utility poles along the roadway in the clear zone and certainly not conducive to the installation of the larger, more dangerous steel poles. As part of the engineering review, the PSEG engineer(s) who designed this project should have accounted for this change in road usage, reviewed the history of pole accidents and fatalities, considered safety in the “clear zone”, addressed the environmental impacts and proposed alternatives designs. This is a classic case of poor engineering (possibly negligence).

### ***PSEG and LIPA manipulated SEQR and avoided public review***

The State Environmental Quality Review process (SEQR) should have been the “fail-safe” system that should have highlighted the adverse environmental impacts of this project when it could have been stopped and altered; however, it failed to do so because of the actions of PSEG and their consultant. As part of the SEQR and approval process, PSEG was required to complete an Environmental Assessment Form (EAF). When answered correctly, the EAF helps in making a determination as to whether the proposed project poses any possible adverse environmental impacts and if so, triggers a “positive declaration” and requires preparation of a draft environmental impact statement and a full public review of the project. In fact, PSEG did complete the EAF; however, it wrongly answered many of the key questions and misrepresented the seriousness of some of the impacts and their effects. Using these misrepresentations, PSEG declared the project to have “no or small impact” on the environment, and proceeded with construction without doing the required environmental impact statement (EIS) or requiring any public input; this benefited PSEG and LIPA. The EAF was never shown to the public prior to construction; in effect it was kept secret.

We (the public) and the local municipalities were only able to review the SEQR determination through a FOIL request after construction was completed. Based on our research, neither the Towns of Brookhaven, Southampton or Suffolk County were provided with a copy of the SEQR determination until construction was near completion. In any event, the SEQR document prepared by PSEG is flawed, with incorrect answers to questions as described in the court documents filed in the Article 78 proceeding against LIPA/PSEG by the Towns of Brookhaven and Southampton (now joined by Suffolk County). See [Litigation](#).

### ***PSEG Environmental Assessment Form was completed incorrectly***

The following link contains a copy of the Environmental Assessment Form (EAF), which was completed by PSEG (as the agent for LIPA). See link [EAF](#). Several of the questions in the EAF were wrongly answered by PSEG. The following are some of the **incorrectly** answered questions, followed by our comments:

#### ***EAF Part 1 comments***

Question #4- PSEG indicated that there was no rural land use near the project. In fact, both sides of County Road 51 are considered “rural” (bucolic, agrarian, countryside, farmland).

Question #5- PSEG indicated that the adopted comprehensive plan for the area is not applicable to the project. In fact, the *2007 County Road Corridor Land Use Plan* is applicable to the project. See [County Road 51 Corridor Land Use Plan](#). The plan states its applicability to projects in the study area:

*The Final CR 51 Corridor Land Use Plan presents a comprehensive land use and growth management strategy that reflects the Town of Brookhaven's and the local community's vision for the CR 51 corridor planning area...upon adoption by the Brookhaven Town*



*Board, the CR 51 Corridor Land Use Plan will guide future actions by the Town of Brookhaven, **other governmental agencies**, property owners and developers. Specifically, the plan prioritizes “maintaining the rural nature and scenic farmland vistas of the corridor” (p. 51).*

Since the project is in the Plan’s study area, it is subject to the Land Use Plan and its findings. The Plan’s “Guiding Principles” include:

- *Maintain the rural nature and scenic farmland vistas of the corridor planning area.*
- *Achieve site design that is compatible with the natural landscape and the historic character of the Eastport and East Moriches communities.*
- *Provide a safe and convenient traffic corridor (p. 4).*

PSEG’s project design did not take into account any of these principles or criteria.

Question #6- PSEG indicated that the project was consistent with the predominant character of the natural landscape. In fact, the new steel poles dwarf the older wooden poles in size, height and material (steel) and are out of character with the preexisting poles and with the natural, scenic and rural landscape. There is nothing like these industrial type poles in the adjacent areas.

Question #8- PSEG indicated that there were no bicycle routes near the project. In fact, bicyclists use the shoulders of County Road 51 all year round to enjoy the scenic vistas, which have now been degraded by the larger poles. In addition, the Eastport Conservation Area on the west side of CR 51 north of Route 111 has been designated by NYS DEC for bike riding and has extensive off road biking trails.

### **EAF Part 2 comments**

Question #1- PSEG indicated that the project is not in conflict with an adopted land use plan. In fact, the project conflicts with [County Road 51 Corridor Land Use Plan](#) –as described above under Question #5.

Question #3- PSEG indicated that the project would not impair the character or quality of the existing community. In fact, Construction of the steel poles in the Eastport downtown area (Eastport-Manor Road) converted the pre-existing rural character into an industrial character, inconsistent with the historic district designation.

Question #8- PSEG indicated that the project would not impair the character or quality of important historic or aesthetic resources. In fact, the industrial type steel poles are out of character with the quaint Eastport downtown and the designated historic district. The EMPOA video illustrates this, see [PSEG Monster Poles Video](#)

Question #11- PSEG indicated that the project would not create a hazard to human health. In fact, the location and design of the poles are dangerous and have already resulted in a fatality. For a detailed description of this problem see the section in this report, **PSEG’s Poor Engineering Creates Safety Hazard**.

In the EAF, PSEG acknowledged that the project involved the installation of significantly more, larger and taller steel poles; however, they then concluded that the poles “*would not be in sharp contrast to the current character of the area*” (EAF Part 3). Besides being illogical, this conclusion has proved to be wrong in reality, and the visual effects have been condemned by all the affected municipalities, environmentalists, civic associations and residents. PSEG used “simulated” photographs to create “before” and “after” comparisons. Unfortunately, these comparisons were inaccurate, misrepresented and misinterpreted by PSEG. The “after”

photographs did not show the true nature of the impacts. The new steel poles dwarfed the older wood poles and created a tremendous visual impact; changing the character of the region.

### *Finding*

Through manipulation of the EAF, PSEG hid the true nature of the project from all those involved, including the DPS; and thereby benefited. Although PSEG went through the motions of filling out the EAF, it avoided correctly answering the questions that would have triggered an environmental impact statement (EIS). The EIS would have cost them money to prepare and would have required them to modify the project to address the environmental impacts; it was financially to their benefit to avoid the EIS process. This was a high risk project and by incorrectly answering the questions, PSEG was able to deliver a SEQR Determination of Non-Significance, to its own project on March 24, 2017. Through their actions, PSEG financially benefited, compromised the SEQR process, avoided public scrutiny and deceived the public and DPS.

### *PSEG did not correctly identify impacts on Scenic Vistas and Tourism*

As seen in their environmental assessment form, PSEG concluded there would be “no or small impact” to the character of the areas involved; this is not correct. In reality, the large steel poles had a major impact on our communities, which was not in keeping with the character of the area. The steel poles harmed and did not improve the scenic vistas, and do not promote tourism for the region. Visitors come to our area to see the country, not to see a line-up of giant steel poles blocking the open space vistas. The Eastport and Moriches region depends on tourism and strives to keep their rural character. In fact, the New York State Governor has promoted tourism for our region and has emphasized “a shift more to tourism”, as described in a March 6, 2018 Newsday article. [2018 Tourism Article](#) PSEG disregarded the governor’s policy and the impacts on tourism in our area; now, these steel poles line the County Road 51 and 55 corridors; resembling a “Jurassic Park” movie set. This is not what the community or town fathers pictured for “the gateway to the Moriches”.

The State, County and Towns have spent millions of dollars and made great efforts to preserve the open space and scenic vistas, and promote tourism in our region. PSEG did nothing to respect these efforts and instead debased the existing situation by installation of the steel poles. In a Newsday article about the 2018 DPS Management Audit of PSEG and LIPA, PSEG Long Island President, Dan Eichhorn was quoted as saying, “It’s a balance, when we go into an area, we want to leave it the same or better than when we went in.” **Mr. Eichhorn appears to be out of touch with the reality of the situation; this is not what happened in Eastport.** PSEG had an opportunity to improve our area by undergrounding the overhead wires, but instead devastated it. If PSEG had honestly wanted to preserve the area and “leave it better”, it would have removed the old wooden poles and placed the transmission lines underground. See [Newsday Article PSEG Audit](#)

### *PSEG Disrupted the Historic Eastport Downtown*

As part of their environmental assessment, PSEG indicated that there would be no impact on any **historic areas** (Part 2, question #8). In fact, the project intrudes into Eastport’s designated Historic District, which has guidelines for any construction in the area, which are administered by the Town of Brookhaven. In effect, the giant steel poles have transformed Eastport’s rural farming character into a look that presents an industrial character; this is counterproductive to promoting tourism. If PSEG had answered this EAF question honestly the steel poles would not have been permitted in the downtown area.



### ***PSEG offered to place the lines underground***

Following an intense and emotional community meeting on July 12, 2017, PSEG offered to remove the overhead transmission lines in Eastport and place them underground. This is stated in a letter from John O'Connell to Senator LaValle, dated July 14, 2017. See [PSEG Offer](#). PSEG, subsequently, reneged on the offer. A complete video of the meeting is available at [Eastport Meeting Video](#).

### ***DPS did not perform an in-depth review prior to construction***

In a letter from John Rhodes, the Chairman of the Public Service Commission, to Senator LaValle and Assemblyman Thiele, dated August 18, 2017, Mr. Rhodes indicated that the DPS staff conducted a review of the Riverhead to Eastport Reconductoring Project prior to construction in conformance with the "LIPA Reform Act and subsequent commitments". See the letter [PSC Rhodes to Thiele](#). Unfortunately, based on our research, we found no documentation that confirms the DPS did any such review prior to construction. (As a follow-up, the DPS Records Access Officer, Jessica Vigars, was contacted via E-mail and Certified Mail to confirm that no such records existed.) See the letter at [Letter to J. Vigars](#)

The lack of a review by the DPS prior to construction is in conflict with "the subsequent commitments", which are described in a series of letters from DPS CEO, Audrey Zibelman in 2014, to public officials and PSEG. See [2014 DPS Zibelman letters](#). In one such letter to Assemblyman Thiele, dated May 14, 2014, she stated "when new distribution or transmission is required, the opportunity for underground should be presented". There were no records found that indicated such information was presented to DPS prior to construction or that any in-depth review was done by them or anyone else prior to construction; this is contrary to the assertion in Mr. Rhodes letter.

Furthermore, in the August 18th letter from Mr. Rhodes, he admits that **"PSEG-LI did not identify to the Department (DPS) substantial visual, aesthetic and historic impacts..."** If this is the case, then it is obvious that PSEG was less than honest with DPS because we know that the project had significant impacts that created a public outcry, damages and resultant lawsuits. (DPS can confirm this, if they visit the site and review the Article 78 court documents and news reports.) For DPS to ignore this reality leads one to believe that they are hiding the facts. PSEG and LIPA are responsible and should be held accountable for the deception.

### ***PSEG did not present the undergrounding alternative prior to construction***

At the July 12, 2017 community meeting PSEG indicated that they had done a complete analysis of undergrounding the power lines versus installing overhead lines; and based upon this review they decided that the overhead lines were the best alternative. Based upon our research there is no evidence that such an analysis was done prior to construction and certainly it was not offered for public review or input. In response to our concerns about this comparison, the DPS referred us to a document they had received, known as the "Draft Part 102 Report." This document contained a superficial comparison of undergrounding versus overhead with an apparent bias, favoring the overhead option; regardless, the **report appears to have been prepared after construction was completed and therefore could not have been used to make a determination as PSEG had represented.** Such a report, prepared after the fact, appears to be a cover-up and an attempt to justify what PSEG already did; and it shows that PSEG did not follow the directives of the DPS, which required *a presentation of a complete analysis of overhead versus undergrounding* prior to finalizing plans and starting construction.

In the interim, the East Moriches Property Owners Association (EMPOA) did an independent analysis and found that the non-financial benefits of placing the transmission lines underground

out weighed the benefits of installing them overhead. The following table compares the advantages and disadvantages (Pros versus Cons) of placing the roadway transmission lines overhead or underground for this project.

Table Comparing the Advantages (Pros) and Disadvantages (Cons) of Placing the Roadway Transmission Lines Overhead Versus Underground	
Overhead Transmission Lines	Underground Transmission Lines
<b>Pros</b> Less expensive  <b>Cons</b> Increases Safety Hazards Disrupts Scenic Vistas Out of character with rural area Out of character with historic district Inconsistent with Comprehensive Land Use Plan Undermines Tourist Industry	<b>Pros</b> Eliminates Safety hazards Improves Scenic Vistas Improves rural Character of the area Improves character of the historic district Consistent with the Comprehensive Land Use Plan Promotes Tourism  <b>Cons</b> More expensive

**PSEG did not do the calculations necessary for a comparison of overhead and underground transmission lines.** EMPOA asked PSEG for detailed information on the costs of undergrounding prior to the July 12, 2017 meeting, and again in a FOIL request. Since this financial information was not provided (or evidently contained in any redacted records furnished), it must never have existed.

In any event, it is obvious that the non-financial benefits of the Underground Lines far outweigh the installation of Overhead Lines. From a planning and environmental perspective, it makes sense to place the transmission lines underground. The majority of the underground lines would have run along side of County Road 51 and for the most part would not have interfered with other underground utilities or even required paving, since the lines would be off the shoulder of the roadway. Considering the rural nature of the utility easement, and the lack of construction complications, it is hard to believe that the undergrounding cost would negate the benefits. This comparison should have been done by PSEG as part of the SEQRA process prior to finalizing the plans; by not doing so, they made a multi-million-dollar mistake.

### ***PSEG did not submit required Part 102 report prior to construction***

Furthermore, according to the requirements of [NYCRR 16 Chapter 2 Part 102](#) , PSEG and LIPA were required to submit what is known as a “Part 102 Report” to the Public Service Commission, no less than 60 days prior to the proposed commencement of construction. Besides a description of the proposed transmission facility, the report was required to include “a map of the areas categorized in section 102.3...” The Riverhead to Eastport project involves some of these categorized areas as listed below, followed by specific examples.

1. **Areas of outstanding cultural value** with locations of noteworthy architecture that have been formally designated by the appropriate governmental authority [102.3(b)(1)]. [The Eastport Historic District, designated by the Town of Brookhaven]
2. **Existing local (city, town, village and county) parks and open space areas** that have been formally established by governmental or private authorities [102.3(b)(3)]. [NYSDEC, Suffolk County and Brookhaven parklands and properties purchased for open space and properties protected under the farmland protection program, which includes most of the area on either side of County Road 51.]
3. **Existing commercial areas in downtown Eastport** including shopping centers [102.3(b)(5)]. [King Kullen shopping center, Tech Connect, Olish's Farm, Triangle Pub, etc.]
4. **Areas of outstanding cultural value with locations of attractive pastoral scenes** that have not been formally designated by the appropriate governmental authority [102.3(b)(7)]. [NYSDEC parkland, Suffolk County parkland, sod farms and the horse farm along County Road 51]
5. **Woods and open lands.** [102.3(b)(13)]. [Most of the land on both sides of County Road 51.]

It should be noted that the Riverhead to Eastport Reconductoring Project was **not exempt** from the requirement for submission of the Part 102 Report because:

1. **There was an increase in the number of structures (poles)** on the right-of-way [102.2(2)(i)] and
2. **The height of the new towers exceeded the height of the replaced towers by more than 10 feet** [102.2(2)(v)].

We found no evidence that the required Part 102 Report was submitted 60 days prior to construction or that the "commission" reviewed the report as required by 102.2(b). Unfortunately, there appears to be a pattern of failed oversight; which warrants a formal investigation into these inactions.

### ***DPS Management Audit confirms deficiencies of PSEG & LIPA***

On June 29, 2018, the Department of Public Service published an audit of LIPA/PSEG-LI, which confirmed the failure of outreach on projects like the Eastport to Riverhead Reconductoring Project, but the audit fell short of holding LIPA and PSEG accountable for their actions (or inactions) on the Eastport Project. See [LIPA/PSEG Management Audit](#)

New York State Assemblyman Fred Thiele, who was a critic of the past mismanagement by LIPA and PSEG, issued a press release stating:

*"...the audit fails ratepayers as an independent management review of LIPA/PSEG-LI. DPS continues to be a toothless tiger. DPS has demonstrated time and again that it will not provide rigorous oversight of Long Island's electric utility. This audit is more of the same."*

*The LIPA Reform Act should be amended. The rightful oversight role of the State Comptroller should be restored. However, even this feckless audit could not hide the fact that LIPA/PSEG-LI has failed to provide the public with adequate information regarding major capital projects. The audit expressly states that customers are not being provided with the necessary details by LIPA/PSEG-LI relating to capital projects. What the audit does not say is that this lack of transparency is not just bad management, but a deliberate attempt to hide the negative impacts of controversial projects from the communities they affect.*

*Eastport is only the most recent illustration of that policy. East Hampton was also victimized by the failure of LIPA/PSEG-LI to be open and transparent with the public. The result has been needless litigation that costs ratepayers hundreds of thousands of dollars, while communities see their quality of life suffer. LIPA/PSEG-LI must not only reverse this policy in the future, but correct the damage that has already been done to communities like Eastport and East Hampton.”*

In his statement, Mr. Thiele shows his frustration with LIPA and PSEG and their lack of management, which has resulted in real harm to local communities. This frustration is shared by many communities and spills over to the Department of Public Service, which is mandated to hold LIPA and PSEG accountable.

### ***PSEG and LIPA have done this before***

In the past, PSEG has disrupted other communities in the same manner as Eastport and was put on notice by the Department of Public Service. In addition to the problems that LIPA and PSEG created in Eastport, a series of news reports documented PSEG actions in other communities, most notably in Port Washington and East Hampton. The following link contains some of these reports, [News Articles Other Affected Areas](#) . In these other communities, it appears that PSEG conducted itself in an all too familiar manner, promising to consider alternatives and ramrodding the projects through before the communities could react. Some of the articles date back to 2008, and document a history of transgressions by LIPA and PSEG. In response to these transgressions, the New York State Department of Public Service enacted measures to prevent such problems; however, they obviously proved to be ineffective in protecting the Eastport Region.

Considering its history, LIPA and PSEG should not get a free pass on this and **the DPS and the PSC should take action and compel PSEG and LIPA to correct the damage that they have done.** In the meantime, New York State should consider joining Brookhaven Town, Southampton Town and Suffolk County in the pending court proceedings and support the appeal of the Article 78 ruling.

### ***Recommendations***

Considering the findings of this report and the history of similar transgressions by LIPA and PSEG, we make the following recommendations:

1. LIPA and PSEG should be held accountable for the damage they have done to the Eastport Region (including the communities of Eastport, East Moriches, Riverside and Center Moriches).
2. The Public Service Commission (or other appropriate New York State agency) should conduct a hearing to investigate the actions of LIPA and PSEG, in relation to what went wrong with the Riverhead to Eastport Reconductoring Project; and take punitive action where warranted.
3. LIPA and PSEG should remove all the overhead transmission lines (includes steel poles) along the scenic and historic corridors of County Road 51 and County Road 55 and place the lines underground.
4. New York State should take measures to support Brookhaven Town, Southampton Town and Suffolk County in the Article 78 lawsuit against LIPA and PSEG.

## Reference/Appendices

[Eastport News Articles](https://drive.google.com/open?id=0Bwic36Ge-O8lTUxaSjdYZnIWNjQ) Eastport/PSEG News Articles,  
<https://drive.google.com/open?id=0Bwic36Ge-O8lTUxaSjdYZnIWNjQ>

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[LIPA/PSEG Management Audit](http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=16-01248&submit=Search) LIPA/PSEG Management Audit 2018 <http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=16-01248&submit=Search>

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[PSEG Monster Poles Video](https://www.youtube.com/watch?v=0yw-7Un9af0&t=1s) EMPOA Video Discussing Eastport Project  
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[Newsday Article PSEG Audit](https://www.newsday.com/business/pseg-long-island-lipa-audit-1.20071000) July 25, 2018 Newsday article on LIPA/PSEG Audit  
<https://www.newsday.com/business/pseg-long-island-lipa-audit-1.20071000>

[County Road 51 Corridor Land Use Plan](http://www.brookhavenny.gov/DesktopModules/Bring2mind/DMX/Download.aspx?EntryId=662&Command=Core_Download&language=en-US&PortalId=0&TabId=1181) 2007 County Road 51 Corridor Land Use Plan [http://www.brookhavenny.gov/DesktopModules/Bring2mind/DMX/Download.aspx?EntryId=662&Command=Core\\_Download&language=en-US&PortalId=0&TabId=1181](http://www.brookhavenny.gov/DesktopModules/Bring2mind/DMX/Download.aspx?EntryId=662&Command=Core_Download&language=en-US&PortalId=0&TabId=1181)

[Letter to J. Vigars](https://drive.google.com/drive/u/0/folders/1kLslCW6r08cN0I-N_MywcOZeQTXACkei) May 22, 2018 Letter to J. Vigars [https://drive.google.com/drive/u/0/folders/1kLslCW6r08cN0I-N\\_MywcOZeQTXACkei](https://drive.google.com/drive/u/0/folders/1kLslCW6r08cN0I-N_MywcOZeQTXACkei)

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