

**From: The Association for a Better Long Island (ABLI)**

Contact: Rubenstein

Jeffrey Weir (212) 843-8022

[jweir@Rubenstein.com](mailto:jweir@Rubenstein.com)

Howard Cannon (973) 985 9845

[hcannon@rubenstein.com](mailto:hcannon@rubenstein.com)

*For Immediate Release*

**With the region's economy in peril, Long Island's economic development community demands NYS PSC action to end current energy crisis and avert future shortages**

**Coalition seeks an external review of NYS PSC's failed processes to determine how shortage wasn't addressed earlier**

**Standing before a \$92 million mall undergoing redevelopment, executives warn continued natural gas standoff threatens the region's transformative projects, manufacturing expansions, downtown merchants**

**Owners of the former Source Mall to reveal denial of energy is harming its potential as a multimillion dollar tax generator**

Westbury, NY (October 31, 2019) – Long Island's economic development community, including the Association for a Better Long Island (ABLI), Long Island Builders Institute (LIBI), IgniteLI the regions manufacturing trade association, and the Long Island Business Council (LIBC), as well as Long Island's labor community, including Nassau Suffolk Building & Construction Trades Council and Long Island Federation of Labor, have convened within the Samanea, New York mall at 1500 Old Country Road, Westbury, to warn that hundreds of millions of dollars of economic development investments have been lost, or are in jeopardy, because of the region's inability to receive sustainable natural gas supplies.

The experience of Samanea, New York mall, now facing a natural gas embargo while undergoing a massive revitalization, is being repeated at project sites across Long Island, as a standoff continues over construction of a new natural gas pipeline into the region.

### **The PSC's actions demands oversight and review**

“As the governing body responsible for protecting Long Island from an energy crisis, the PSC has failed us. They hit the pause button on every current and future project, from home renovations to transit oriented developments, with no exceptions. An external review of the commission's protocols must be initiated immediately to ensure such a glaring oversight, causing a massive energy crisis in our region, never occurs again,” stated Kyle Strober, Executive Director of the Association for a Better Long Island.

“The inability to provide new gas service is threatening the financial ability of our builders to provide the multi-family housing which Long Island needs to keep our young people

here,” said Mitchell H. Pally, Chief Executive Officer of the Long Island Builders Institute, the largest housing trade association in New York State. “Thousands of units, thousands of construction jobs and millions of dollars of investment are at stake, and will not happen on Long Island unless a new gas supply allotment is made for our projects. New York State and its Public Service Commission must ensure that our gas supply is both increased and sustainable now.”

### **A mall’s enormous economic potential on hold**

Samanea New York regional marketing director, David Ackerman, warned, “This \$92 million retail property is currently unable to fulfill its role in generating millions in economic activity and thousands of jobs because of this impasse. We, and countless other projects, are being held hostage by the standoff between National Grid and the regulatory community and, if action is not taken soon, we run the risk of a self-inflicted recession in the bi-county region.”

Ackerman said if the mall was allowed to access natural gas it could move ahead on tenant leases that would generate millions of dollars in economic activity in the course of a year.

Ackerman added, “It remains inconceivable that this issue has become a matter of debate. Nor are we alone. To be clear, from the Belmont project at the county line to Montauk hotels on the East End, there is not a single new construction project that isn’t being impacted.”

### **L.I. Business Council warns a destructive message is being sent**

“Long Island needs additional energy sources to serve as our bridge to a yet-to-arrive renewable energy future. The lack of sufficient natural gas supplies has created a hardship for businesses that wish to build or expand on Long Island,” stated Michael Harrison, Executive Director of the Long Island Business Council.

“Additionally, the lack of an affirmative resolution to the pipeline project sends a message that is antithetical to ongoing regional efforts at business attraction, creation, retention and expansion. We believe there is a clear and present need for the Public Service commission to constructively and expeditiously address this issue and advance the pipeline project with sensible environmental safeguards. Doing so will help sustain the viability of our region until such time as we can realize the dream of a 100% renewable energy economy,” he stated.

“Long Island manufacturers’ seek confidence to grow and compete in global markets, the open ended natural gas pipeline question deters our members from expanding, hampering their ability to grow, thrive and hire new talent,” said Patrick Boyle, Executive Director of IgniteLI. “Long Island’s business climate is primed for growth across our region in areas such as Pharmaceuticals, Bio medicine, Aerospace & Defense.

“We call on the state to conduct an audit of the PSC and encourage the DEC to work with National Grid to get this vital project rolling,” Boyle stated.

### **Labor: “It must move forward...”**

John R. Durso, President of the Long Island Federation of Labor, AFL-CIO said, “The Public Service Commission determined there is a shortage in gas supply. The Williams energy project will address that shortage and reduce oil demand by approximately 900,000 barrels per year. It is imperative that the PSC and the Department of Environmental Conservation

work hand in glove to address any outstanding issues. This project is a necessary bridge to New York's energy future assisting in the transition away from dirty inefficient fossil fuels and supporting good union jobs along the way. It must move forward."

### **Confronting the PSC's abdication of energy leadership**

While published reports say the PSC is acknowledging there is a natural gas capacity issue, the ability to move forward and resolve the shortage remains stymied. In a letter to the PSC, Strober noted, "On behalf of the Long Island economic development and labor community, represented by the Association for a Better Long Island, Building and Construction Trades Council of Nassau & Suffolk Counties, Long Island Builders Institute, IgniteLI and Long Island Federation of Labor, we write to express our tremendous disappointment with the PSC regarding the Commission's inability to properly anticipate a natural gas supply shortage for our region. We are also concerned about the delay in releasing critical information affirming the shortage until after there was an energy crisis on Long Island."

Strober warned, "Every day that this issue is unresolved seriously harms the economic fabric of our region and presents one more reason why investment dollars are being redirected to other parts of the country. At a time when New York needs to be aggressively pursuing new investment this energy standoff is only benefiting our competitors."

###



October 31, 2019

Hon. Michelle L. Phillips  
Acting Secretary to the Commission  
New York State Public Service Commission  
Empire State Plaza  
Agency Building 3  
Albany, NY 12223-1350

**Re: Long Island Natural Gas Moratorium**

Dear Acting Secretary Phillips:

On behalf of the Long Island economic development and labor community, represented by the Association for a Better Long Island, Building and Construction Trades Council of Nassau & Suffolk Counties, Long Island Association, Long Island Builders Institute, and Long Island Federation of Labor, we write to express our disappointment with the New York State Public Service Commission (“PSC”) regarding the Commission’s inability to anticipate a natural gas supply shortage for our region. We are also concerned about your delay in releasing critical information affirming the shortage until after the development of an energy crisis on Long Island.

As a result of the PSC’s inaction, hundreds of millions of dollar of economic development investments have been lost and/or are in jeopardy of being lost on Long Island. The opportunities for workers to earn a living will be directly affected. These challenges all stem from the inability to secure a sustainable gas supply for current and future projects. While everyone works to navigate this energy crisis, projects are currently on stand-by and investor confidence in our region is approaching an historic low point. Should this crisis continue, billions of pledged private and public funds, earmarked for hundreds of projects in our region, are at risk of being repurposed or allocated elsewhere. In addition to hindering transformative projects and eliminating the work hours of thousands of people, this crisis is hurting “mom-and-pop” shops, as well as environmentally conscious homeowners who wish to convert from oil to natural gas. The impact is widespread and all encompassing.

Furthermore, as a result of your inactions at the PSC, our region is shifting further toward “dirtier” forms of energy to meet economic demands, thus creating greater harm to the environment. More and more propane and oil tanks are being installed to meet our region’s economic demands, as conversions to and new connections allowing for natural gas are no longer available because of National Grid’s moratorium.

Currently, the Northeast Supply Enhancement (“NESE”) pipeline is the only viable project that will provide the necessary fuel bridge for our region as we move forward with renewable energy sources. NESE will also, more importantly, end our current natural gas moratorium. While we all embrace bold and thoughtful solutions to combat the effects of climate change, we must also recognize the disastrous consequences of preventing NESE from moving forward. We eagerly await the building of the wind and

additional solar farms on and off of Long Island, in the amount necessary to deliver a reliable energy supply to meet energy demand in our communities. However, it is clear that such energy supplies are a significant time away from realization.

The New York State Department of Environmental Conservation (“NYSDEC”) is in the process of reviewing the NESE permit application so that there is minimal impact on the environment during construction. Numerous pipelines have been built in the past, and construction technology is constantly improving to reduce the environmental impact, it is unimaginable that such a pipeline could not make the necessary environmental accommodations to be approved.

As the leader of the governing body responsible for protecting our region from an energy crisis, you have failed us. It is now your duty to end the Long Island energy crisis. First, you must immediately release all critical information, including data and reports, as quickly as possible, affirming a natural gas supply shortage. Second, as a bureaucracy that oversees pipelines, you must work with NYSDEC and provide your expertise to make certain that NESE receives all approvals so that the current natural gas moratorium ends immediately. Lastly, you should conduct an internal review to ensure future energy crises are averted and the recommendations from the review should be adopted.

Thank you for your attention to this matter and for your anticipated courtesy and cooperation.

Sincerely yours,



Kyle Strober, Executive Director  
Association for a Better Long Island



Matthew Aracich, President  
Building & Construction Trades  
Council of Nassau & Suffolk Counties



Mitch Pally, CEO  
Long Island Builders Institute



Patrick Boyle, Exec Director  
Ignite Long Island

John Durso, President  
Long Island Federation of Labor, AFL-CIO

cc: NYS Governor Andrew Cuomo  
Basil Seggos, Commissioner, NYS DEC  
Long Island NYS Senate Delegation  
Long Island NYS Assembly Delegation  
Nassau County Executive Laura Curran  
Suffolk County Executive Steve Bellone