

Long Island

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Long Island Sound: **New war on the sound**

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It wasn't the weather that drew 75 environmental and civic activists to a North Shore beach last month to launch their campaign against a \$700 million proposal to place a natural gas terminal in the middle of Long Island Sound.

The temperature was 5 degrees and the northwest wind whipped off the water at 20 miles per hour, but what mattered to the freezing activists was the backdrop their protest signs presented for news photographers and television cameras: the shuttered \$6 billion Shoreham nuclear power plant.

"We wanted to send a message to the people of Long Island that this has the magnitude of the threat that Shoreham had," said Richard Amper, executive director of the Long Island Pine Barrens Society.

Amper is a key organizer of a new coalition of civic and environmental groups -- 33 have signed on so far -- mobilizing to fight a terminal that at 1,200 feet would be slightly longer than the world's largest ocean liner, the Queen Mary II. It would be located about nine miles north of the Shoreham-Wading River area, almost halfway between New York and Connecticut.

But the environmentalists were sending another message, too, and it was aimed at scaring off Broadwater Energy, the partnership of TransCanada Corp. and Shell that is touting the project as a way to trim the region's sky-high energy costs.

The message: Two decades ago, a similar grassroots opposition movement managed to overcome the federal government and the energy industry, preventing a completed and fully licensed nuclear plant from operating for the only time in U.S. history.

"Long Island environmental and civic groups have an unequalled track record," Amper said. "We don't lose these fights."

For their part, Broadwater officials say they will press ahead with studies to assess the environmental and safety impacts of a project they publicly unveiled last November.

Later this year, when those studies are further along, the company will decide whether to seek the federal and state approvals it needs to build the world's first offshore terminal for tankers carrying natural gas in concentrated, liquefied form.

At the terminal, the super-chilled, liquefied gas would be warmed until it once again becomes a gas. It would then be pumped 25 miles west in a buried pipeline that would connect with the existing Iroquois line, which would distribute it to New York and Connecticut.

The earliest the terminal could operate is 2010, the company said.

"We recognize that this is a big proposal and a bold one, particularly for this region. We all recognize the hurdles we face in terms of siting a facility here," said John Hritcko, a Shell executive and senior vice president of Broadwater. "What we're saying to people is, don't make up your mind yet, agree with us to go through the process and get the facts."

On Tuesday, the Broadwater proposal is scheduled to undergo its first government-convened public hearing in Albany, as four state legislative committees -- the energy and environmental conservation committees of the Assembly and Senate -- convene a rare joint session to scrutinize the plan.

But even before the official reviews begin, the strategies of the company and its opponents are clear.

While Broadwater has been urging Long Islanders to keep an open mind until studies are complete, the opposition -- which plans to incorporate as the Anti-Broadwater Coalition, or ABC -- is working feverishly to line up political opposition, with some success.

The Riverhead Town Board has approved a resolution opposing the project. And Brookhaven Supervisor John Jay LaValle said he expects his town board to do the same on Tuesday, despite Broadwater's promises that it would pay more than \$15 million per year to school districts and local governments in the two towns.

State and county legislators in eastern Suffolk are also overwhelmingly opposed, while those in the rest of the region have mostly been silent.

"We're speaking out early because we learned from Shoreham that you can't start early enough or say things enough times," said State Sen. Ken LaValle (R-Port Jefferson), a cousin to the Brookhaven leader.

Broadwater won a victory last week when the Suffolk Legislature's economic development committee tabled a resolution opposing the project, saying it wanted to study the issue further. But County Executive Steve Levy said in an interview that he is skeptical.

"We're not looking favorably on this idea of placing such a huge structure in an area so environmentally sensitive," Levy said. "We don't think it's a good idea."

Even local observers who are open-minded about Broadwater's proposal think it will be difficult to win over Long Island public opinion.

"It gets very difficult, and the reason for it is we have a very educated, very proactive, very forceful environmental community on this island," said Desmond Ryan, executive director of the Association for a Better Long Island, a developers' lobbying group. "They're organized, they're well-financed and they carry an enormous amount of credibility when it comes to these public policy debates."

Veteran Republican political consultant Michael Dawidziak, another veteran of the Shoreham battle, agreed.

"It's going to be very tough for the Broadwater people," he said. "If this thing is going to fly, you're going to have to have a very big educational campaign to show why it's safe, why it's necessary, why it's cost-effective and how it's not going to be aesthetically ugly."

Industry analysts, too, think it's more likely that the first offshore liquefied natural gas terminals will be built in an industry-friendly area such as Louisiana. There are

five liquefied natural gas terminals in the United States, and dozens more have been proposed recently, including offshore terminals in California, Louisiana and Long Island.

No offshore project has been approved so far, but all three are still being considered.

"The reality is that you're going to have to see other [offshore terminals] being built, and show that they're working, before you can convince someone to put it in a place like Long Island or California. That's too bad because I think it would be a real benefit," said natural gas analyst Philip McPherson, head of research at C.K. Cooper and Co., an investment banking and brokerage firm based in Irvine, Calif.

Ultimately, however, the Broadwater terminal could be built even if it never earns the support of Long Islanders.

Under U.S. law, the Federal Energy Regulatory Commission, or FERC, is responsible for assessing the environmental impact and determine whether its construction is in the public interest. Three of four FERC commissioners are Republicans appointed by President George W. Bush, whose administration has encouraged construction of liquefied natural gas terminals.

Broadwater would still need to reach an agreement with New York State to lease bottom lands in the Sound, and would also need permits certifying it is complying with state air- and water-pollution rules. But state agencies could not legally address the broader question of whether the project should be built.

Governments at the town and county levels, meanwhile, have no formal role, because the project is offshore.

Here, too, the ghost of Shoreham looms large.

A federal agency, in this case the Nuclear Regulatory Agency, was supposed to have the sole authority to determine whether that plant should open. But state and local governments, prodded by grassroots activists, got involved anyway by challenging the commission's decisions in court and by refusing to participate in evacuation drills.

Broadwater has been concerned enough about local opinion to have hired a raft of high-profile security and political consultants, including former New York City Mayor Rudolph Giuliani, former Suffolk County Executive Robert Gaffney and former Suffolk Police Commissioner John Gallagher.

While Broadwater has declined to provide a complete list of its consultants or disclose how much it has spent so far on the project, Hritcko said the figure is \$10 million to \$50 million.

He also acknowledged that an important consideration for the company was to keep the terminal and the pipeline out of Connecticut waters. Public officials in Connecticut have strenuously opposed previous energy projects in the Sound.

As difficult as it is to build in New York, it would be even tougher in Connecticut, he said. "Connecticut essentially has a moratorium on infrastructure," Hritcko explained. "It becomes almost a nonstarter to try to build something there."