

**LEAD AGENCY FINDINGS STATEMENT
STATE ENVIRONMENTAL QUALITY REVIEW ACT**

This Findings Statement has been prepared in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act (SEQRA), and its implementing regulations set forth at 6 NYCRR Part 617.

Lead Agency: Long Island Power Authority (LIPA)

Address: 333 Earle Ovington Boulevard
Uniondale, New York 11553

Name of Action: Southampton to Bridgehampton Transmission Line
And Expansion of the Bridgehampton Substation Project

Description of Action: LIPA has proposed to install a new 69 kilovolt electric transmission line from the Southampton Substation to the Bridgehampton Substation that would meet projected future growth and increase reliability for residents and businesses in the Village and Town of Southampton as well as for residents and businesses across the South Fork of Long Island. The new transmission line will be installed 55 percent below ground and 45 percent overhead, coincident with existing overhead distribution lines. In addition, the Bridgehampton Substation will be expanded on a LIPA-owned parcel adjacent to the existing Bridgehampton Substation.

Location: The transmission line will extend from the Southampton Substation at North Sea Road, Village of Southampton to the Bridgehampton Substation at Bridgehampton Sag Harbor Turnpike, Town of Southampton via North Sea Road, Wiltshire Street, David Whites Lane, Seven Ponds Road, Lower Seven Ponds Road, Head of Pond Road, Scuttle Hole Road (Huntington Path), and Bridgehampton Sag Harbor Turnpike. The substation expansion will occur at the site of the existing Bridgehampton Substation on Bridgehampton Sag Harbor Turnpike, approximately 0.4 miles north of Scuttle Hole Road on the Suffolk County Tax parcel identified as District 900, Section 39, Block 27, Lot 1.

Date FEIS filed: January 24, 2008

I. INTRODUCTION

This Findings Statement for the Southampton to Bridgehampton Transmission Line and Expansion of the Bridgehampton Substation Project (the “Project”) provides LIPA’s rationale for its decision to undertake the Project and its choice of route for the transmission line, drawing upon information in the Final Environmental Impact Statement (FEIS) prepared at the direction of LIPA as the SEQRA lead agency, as well as related documents and public comments received on the Project, including the Draft Environmental Impact Statement (DEIS) dated December 2007.

This Findings Statement also certifies that LIPA, as lead agency, has met the applicable requirements of SEQRA and its implementing regulations at 6 NYCRR Part 617 in assessing the potential environmental impacts of the Project, including but not limited to:

- Establishing LIPA as the lead agency;
- Issuing a determination of significance;
- Preparing a Draft Scope of Work for the DEIS for public review and comment;
- Holding a public meeting and receiving written and oral comments on the Draft Scope of Work;
- Preparing a Final Scope of Work for the DEIS;
- Causing the preparation of the DEIS by expert consultants retained by LIPA;
- Reviewing the DEIS for adequacy and completeness and issuing it for public review and comment;
- Holding three public hearings on the DEIS;
- Receiving public comments on the DEIS within the prescribed period after the close of the public hearing;
- Causing the preparation of the FEIS; and
- Reviewing the FEIS for adequacy and completeness, issuing a notice of completion, and circulating the FEIS for public review.

This Findings Statement is the final step in the SEQRA process for the Project.

A. Project Purpose and Need

LIPA provides electric service to most of Long Island and a small portion of New York City. Included in the LIPA service area are the North and South Forks of Long Island (i.e., the East End) in Suffolk County. In order to meet current and future service needs (i.e., the projected growth in demand for electricity) as well as to ensure system reliability, LIPA periodically proposes improvements and upgrades to its transmission system. Based upon demand forecasts, as described below, LIPA has identified the need to increase transmission line capacity between the Village of Southampton and Bridgehampton hamlet by the summer of 2008.

Peak demand for power in LIPA's service territory, including the South Fork, has been increasing steadily in recent years. Demand on the South Fork has increased over the last six years (between 2000 and 2006) by an average of 5.2 percent. KeySpan's Electric System Planning Group has forecasted demand to increase on the South Fork at an annual average of about 3.3 percent through 2025. This growth rate is almost double the 1.7 percent annual growth rate in electric demand projected for the remainder of LIPA's service territory. This growth in peak demand is greater than the existing electrical transmission system on the South Fork can sustain.

Development within the Town of Southampton is increasing at a rapid pace. Based on population projections made by the Long Island Regional Planning Board (LIRPB) in July 2004, the Town of Southampton population is expected to grow 35 percent during a 25-year period from 2000 to 2025 (an annual growth rate of 1.4 percent). The population of the Town in 2000, according to the US Census, was 55,216, and the forecasted population in 2025 is 74,347. Further, population within the Town of East Hampton is expected to increase by 31 percent over the same period (an annual growth rate of 1.2 percent). In contrast, Suffolk County as a whole is expected to grow 20 percent over the 25 year period from 2000 to 2025 (an annual growth rate of 0.8 percent). The South Fork growth rate, based on the LIRPB population projections, is more than triple that expected for Suffolk County as a whole. A major portion of the new load growth on the LIPA system within the Town is expected to be from residential development.

In addition to load growth, the reliability of the existing 80-year-old 69 kV transmission system operating between the Southampton and Bridgehampton Substations is a major concern. The system experienced a total of 24 breaker trips between 2000 and 2007. Approximately 13 percent of the trips were caused by equipment and grounding problems, including insulator and static wire failures, and 67 percent of the trips resulted from unknown causes. Unless reinforcements are made to the system, the South Fork transmission system will experience thermal overloads and voltage collapse, resulting in blackouts for various East End electricity users. A loss of the existing double circuit infrastructure between the Southampton and Bridgehampton Substations would create severe transmission circuit overloads and voltage problems on the South Fork system. Specifically, the loss of this line west of Deerfield could cause the Jamesport to Peconic 69 kV circuit to reach 118 percent of its long term emergency (LTE) rating and 108 percent of its short term emergency rating. In addition, the Southold to Buell 69 kV cable would reach 116 percent of its LTE rating. A loss of the existing double circuit line would also cause service interruptions on the East End, including the Towns of East Hampton, Riverhead and Southold as well as areas outside of the East End, including the Town of Brookhaven.

Transmission supply interruptions, especially those of a sustained nature, impact public health and traffic safety. The problems associated with blackouts were evidenced by the power failure on August 14 and 15, 2003, which led to large public costs and loss of output in the private sector.

Going back to as early as 1999, LIPA determined that there would be a need for South Fork reinforcements in the 2008 to 2010 time frame. Options considered at that time included a new 138 kV line (initially operated at 69 kV) from Southampton eastward to either the Bridgehampton Substation or to the Buell Substation (located in the Town of East Hampton). Future conversion to 138 kV operation and installation of new 138/69 kV transformers were also considered. Updates to analyses were performed periodically to account for the changes to the East End system and the higher than expected load growth that occurred in subsequent years. In 2005, the analysis of the above mentioned various options resulted in the selection of the Project as currently configured for the 2008 time frame.

In order to provide sufficient capacity and maintain reliability in the East End service area, LIPA has determined that a new 69 kV transmission supply is needed between the Southampton and Bridgehampton Substations. In addition to the new line, the Bridgehampton Substation needs to be upgraded and expanded to accommodate the new 69 kV line. The Project will eliminate the potential for thermal overloads and the potential voltage collapse of the South Fork system caused by the limitations of the existing Southampton to Bridgehampton 69 kV double circuit line. Further, the Project will ensure sufficient electrical capacity for the expected continued load growth on the South Fork through the year 2025. Once completed, the new 69 kV line will be able to sustain the forecasted future load growth and will increase system reliability. In addition, the new transmission line will increase the reliability of electric supply on the East End of Long Island. If the existing transmission lines were damaged, the new transmission line could still supply electricity. If the new transmission line were not operational by summer 2008, the current South Fork system would have to be operated at extremely high loads. As described above, the high loads would create a greater risk of voltage collapse (power outages and blackouts) in that part of LIPA's eastern service area, and would increase the possibility that outages could cascade back into other Towns within the district, including East Hampton, Southold, Shelter Island, Riverhead, and Brookhaven.

The Project will thus minimize the risk of blackouts and brownouts and ensure system reliability by providing transmission capacity that is independent of the existing transmission system. The Project will also alleviate the potential for load shedding, and reduce reliance on local electric generation and shunt capacitors, which could be needed to ensure system reliability if the Project were not undertaken. Moreover, the Project will enhance the delivery capability of the South Fork transmission system and act as a strong source to support the South Fork electrical load growth.

B. Description of the Project

Transmission Line

The Project as selected will comprise a combination of underground and overhead lines. The FEIS also analyzed the potential environmental impacts of both an all-overhead and an all-underground configuration, to determine what the worst-case impacts would be if one of those configurations were selected. As discussed below, none of these configurations would cause significant adverse environmental impacts. Based on considerations that balance the differential in cost for installing underground and overhead transmission lines, discussed further below, as well as the community preference to place the transmission line underground to the maximum extent possible, LIPA has determined that it will install approximately 55% of the transmission line below ground and the remaining 45% aboveground, following the same route as existing distribution lines.

The selected transmission line route, referred to in the FEIS as the Direct Route Alternative, will follow existing roadways between the two substations for about 8.4 miles. Starting at the Southampton Substation, the route will follow North Sea Road to Wiltshire Street to David Whites Lane to Seven Ponds Road to Lower Seven Ponds Road to Head of Pond Road to Scuttle Hole Road (Huntington Path) to Bridgehampton Sag Harbor Turnpike to the Bridgehampton Substation. The transmission line will be all underground from the Southampton Substation to North Sea Road to Wiltshire Street to David Whites Lane to just east of the intersection of North Sea Mecox Road and Seven Ponds Road, where the line will transition to overhead. The transmission line will be overhead for approximately 3.7 miles until it returns to underground about 0.3 miles west of Mitchells Lane. At that point, the line will transition belowground for the remainder of the route to the Bridgehampton Substation. There are currently 270 existing wood distribution mono poles along the entire route (including the portion where the underground cable will be installed) that are between 30 and 35 feet above grade and approximately 16 inches in diameter at the base. Approximately 126 existing wood distribution poles will be replaced, with approximately 144 existing wood distribution poles remaining in place in the areas where the transmission line will be installed underground. No new poles will be introduced in the one area of the route where poles do not currently exist, as that portion will be installed underground. The typical wooden replacement poles will be about 22 inches in diameter at the base and about 48 feet above grade. Two taller wood poles, about 56 feet above grade and 22 inches in diameter at the base, will be utilized for riser poles (i.e., poles that are installed at the end of the underground segment, acting as a transition from underground to overhead lines), at the two transition locations. Poles approximately 56 feet above grade will also be used at the approximately 10 road crossings (20 poles) along the route. In the area where overhead transmission lines will be installed, the existing distribution lines that supply electricity and communication services to residences and businesses along the route will be transferred to the new transmission poles and remain at about the same height as current conditions, while the new transmission lines will be accommodated in the approximately 10 feet above the distribution and other utility lines.

The underground portions of the system will consist of a manhole and duct system having three 6-inch and one 4-inch high density polyethylene (HDPE) conduits installed approximately 4 feet below grade in a triangular fashion along the route. Within each 6-inch conduit, a 69 kV solid dielectric cable will be installed. The 4-inch conduit will be used for system control and protection of fiber optic cable. Manholes will be spaced about 2,200 feet apart throughout the

route, providing a work location for splicing cable ends. The underground trench required for installation of the cable will be approximately 2 to 3 feet wide by 4 to 6 feet deep.

Substation:

The Bridgehampton Substation will be installed on the current Bridgehampton Substation parcel north of the existing substation. This approximately 10-acre parcel is located on the west side of Bridgehampton Sag Harbor Turnpike, approximately 0.4 miles north of Scuttle Hole Road on the Suffolk County Tax parcel identified as District 900, Section 39, Block 27, Lot 1. Construction of the new transmission substation will include the installation of a 4-legged, 69kV breaker and a half bus arrangement with provisions for a future fifth leg. Development of the new transmission substation will require clearing and grading on the proposed transmission substation site as well as construction of an access road to the proposed substation site. In addition, culverts to handle storm water run-off for the on-site intermittent streams will be installed. The new substation footprint will be approximately 204 feet by 730 feet (148,920 square feet or 3.4 acres) and will accommodate five 69kV line terminals for four existing LIPA lines from the East Hampton, Buell and Deerfield (2) Substations plus the new transmission line from the Southampton Substation.

C. Summary of Discretionary Approvals and Involved and Interested Agencies

Involved agencies

Development and operation of the Project requires discretionary actions from the following regulatory entities:

Long Island Power Authority:

- Selection of route and construction of transmission line and expansion of the Bridgehampton Substation.

New York State Department of Environmental Conservation (NYSDEC):

- Review of plans for conformance with existing general permit held by Keyspan for construction within freshwater wetlands and buffer areas.
- General Permit for stormwater discharge associated with construction activities.

Interested agencies

The following agencies have participated in the review process for the Project because of specific expertise or concerns related to it:

- New York State Public Service Commission

- New York State Department of State
- New York State Office of Parks, Recreation and Historical Preservation
- New York State Department of Transportation
- New York State Department of Agriculture & Markets
- Suffolk County
- Suffolk County Department of Health
- Suffolk County Department of Planning
- Town of Southampton
- Town of Southampton Planning Board
- Village of Southampton
- Long Island Rail Road

D. Project Schedule

It is expected that construction of the transmission line component of the proposed project will commence in March 2008 and the transmission line will be fully operational in June 2008. The new transmission line will be connected to the existing Bridgehampton distribution station while the transmission substation is under construction. The construction of the substation expansion will commence in June 2008, and the expanded substation will be fully operational in June 2009. Pending the completion of the substation expansion, the new line will be temporarily connected into the existing Bridgehampton substation, while an existing smaller transmission line connecting to the substation will be temporarily removed from service. This will provide a 33 percent upgrade in capacity compared to the existing situation. This increase will provide sufficient capacity until the expanded substation is in operation.

E. Procedural History

The following actions have been taken pursuant to all applicable laws, regulations, orders and guidelines relevant to the environmental review process:

- Establishment of a Lead Agency. The lead agency for the proposed project is LIPA. The Planning Board of the Town of Southampton contested this designation to the NYSDEC, which denied the Planning Board’s challenge, thus determining that LIPA is the appropriate entity to serve as Lead Agency.
- Determination of Significance. LIPA determined that the project might have a significant effect on the environment—requiring that an EIS be prepared—and issued a Positive Declaration on July 10, 2007.
- Scoping. Once LIPA issued a Positive Declaration, a “Scope of Work” was prepared for the EIS. A public scoping meeting was held on September 18, 2007 with public comments accepted until October 2, 2007. The scope was refined subsequent to the meeting to reflect comments

made, and to define methodological approaches to the technical analyses in more detail. The final Scope of Work was accepted by LIPA on October 25, 2007.

- DEIS. In accordance with the final Scope of Work, the DEIS was prepared. LIPA, the Lead Agency, reviewed the DEIS for adequacy and completeness in relation to the adopted scope for the purpose of public review and issued a Notice of Completion on December 5, 2007. LIPA then issued the DEIS for public review.
- Public Review. LIPA held two public hearings on the DEIS on December 18, 2007 and one hearing on January 7, 2008, and accepted written comments until January 17, 2008.
- FEIS. Based on comments on the DEIS, an FEIS was prepared. On determining that the FEIS was complete, LIPA issued a Notice of Completion on January 24, 2008 and circulated the FEIS.

The FEIS and its supporting documents are incorporated by reference into this Findings Statement. The DEIS and FEIS are on file at the LIPA offices at 333 Earle Ovington Blvd., Uniondale, New York, at the Hampton Library, 24778 Main Street, Bridgehampton, New York 11932, (631) 537-0045; Rogers Memorial Library, 91 Coopers Farm Road, Southampton, New York 11968, (631) 283-0774; and the John Jermain Memorial Library, 201 Main Street, Sag Harbor, New York 11963, (631) 725-0049. The FEIS is also available on the LIPA website at <http://www.lipower.org/company/powering/southampton.eis.html>.

LIPA has conducted an extensive public and agency outreach and participation process in association with the Project. The purpose of the public and agency outreach process was to encourage communication among all interested entities regarding the development of alternatives and configurations. In addition, LIPA utilized local and regional newspapers and direct mailings to notify interested entities of any public meetings.

II. ALTERNATIVES CONSIDERED

In addition to the Project, LIPA also considered a broad range of alternatives to the Project, including alternative routes, which were described, analyzed and assessed in the FEIS.

A. “No Action” Alternative

Under the No Action Alternative, no changes would occur along roadways, the Bridgehampton Substation would not be expanded, and the existing transmission system would remain in its current state and not have sufficient capacity to accommodate the current demand and future anticipated growth on the East End. With the No Action Alternative, the existing 80-year-old 69 kV double circuit transmission line would become overstressed under certain circumstances, carrying an electric load beyond its design capacity, and would not provide the South Fork with a back-up transmission supply should something disable the existing 69 kV double circuit line. As such, the reliability of the 80-year-old 69 kV transmission system would continue to be a major concern. By the summer of 2008 without the new transmission lines, LIPA would be forced to operate the South Fork transmission system at very high risk loads, which could cause thermal

overloads and voltage collapse throughout the East End towns of Southampton, East Hampton, Shelter Island, and Southold. Indeed, a catastrophic collapse could cascade back into other parts of LIPA's transmission system, potentially impacting the towns of Riverhead and Brookhaven, immediately west of the East End area to be served by the new transmission line. Therefore, the No Action Alternative would not meet the energy needs of the South Fork and the East End and would result in increasingly likely blackouts and brownouts. The No Action Alternative would not ensure transmission system reliability in this part of the LIPA system.

In addition, increased power outages have the potential to cause other adverse environmental impacts on the East End, including the potential increased operation of peak power-generating equipment located in East Hampton, Southampton, Greenport, Southold, and Montauk at higher capacity in order to accommodate the increased load. The operation of such generating equipment has the potential to cause noise and air quality impacts.

Like the Project, as described below, the No Action Alternative would not result in any significant adverse impacts. However, for the reasons set forth above, the No Action Alternative would not satisfy LIPA's purpose and need as described in section IA to meet current and future service demands and maintain the reliability of the South Fork transmission system. Also, the No Action alternative could result in adverse effects on community character, emergency services, traffic, public transportation, infrastructure, air quality and noise resulting from power outages and the need to use combustion turbines to generate sufficient electricity for the East End.

B. Energy Efficiency and Demand Side Efficiency Alternative

The analysis of the Energy Efficiency and Demand Side Management Alternative assumed that all of LIPA's existing energy conservation measures would remain in force and be augmented to the highest degree practicable. As part of LIPA's energy efficiency and demand side management program, LIPA has implemented the Clean Energy Initiative (CEI), LIPAE_{edge} and the Peak Reduction Program (PRP). In addition, this alternative assumed the implementation of a new energy efficiency program that is planned to take effect in January 2009. Whereas CEI focused mainly on new construction markets, the proposed program targets both new construction markets and the significant energy efficiency potential in existing homes and businesses. This program is projected to reduce LIPA's peak demand by a factor which will result in the deferral or elimination of at least two medium-size power plants from LIPA's capacity expansion plan and the avoidance of high cost on-peak energy production.

While the Energy Efficiency and Demand Side Management Alternative is comprehensive and provides for future savings in energy use, it will not reduce the expected demand for power on the East End of Long Island in 2008 to a sufficient degree to obviate the need for an additional transmission line. Even with the current and future measures, the demand for electricity on the East End from new development and other factors is rising faster than the ability of the region's current infrastructure to deliver it. None of the energy efficiency and demand side management programs provides for the transmission of electric power to locations where demand exceeds the local electric generation capacity, nor will they result in reductions in overall demand that would obviate the need for the addition of new transmission capacity on the South Fork. Thus, the

Energy Efficiency and Demand Side Management Alternative alone would not allow LIPA to meet the growing energy needs on the East End and permit LIPA to ensure reliable and efficient delivery of electricity to its customers.

Like the Project, as described below, the Energy Efficiency and Demand Side Alternative would not result in any significant adverse impacts. However, for the reasons set forth above, this alternative would not satisfy LIPA's purpose and need as described in section IA to meet current and future service demand and maintain the reliability of the South Fork transmission system.

C. Existing Line Alternative

The Existing Line Alternative considered a new transmission line (approximately 8.3 miles) along the same route as the existing transmission line route between the Southampton and Bridgehampton Substations. This route would exit the Southampton Substation and follow Prospect Street for a short distance, and then turn north and northeast, following the existing double circuit transmission line. The configuration for this alternative would be an all underground transmission line due to the constraints in the width of the easements and reliability rules. For safety purposes, good engineering practices require a certain physical separation between the transmission lines. These separations cannot be achieved within the existing overhead easements, and therefore limit the potential to construct the proposed project overhead along this route.

Like the Project, the Existing Line Alternative would not have any significant adverse impacts. However, all of the easements for the transmission line would have to be renegotiated because the existing easements are for overhead transmission lines only. The renegotiation process would likely prevent LIPA from constructing the line in a timeframe that would achieve the goal of having the new transmission line operational by July 2008. In addition, all three transmission lines would be in the same corridor, and one incident could disable all three lines. LIPA's policy for reliability disfavors this configuration because redundancy, which is an important component of the South Fork area needs, would not be provided. An all underground configuration along the selected route (the Direct Route Alternative) does not raise the timing and reliability concerns of this option because it does not coincide with other transmission lines, thus providing redundancy, and will not require the acquisition of additional easements. Thus, if LIPA were to pursue an all underground alternative it would still select the Project route, which is only 0.1 miles longer than the Existing Line Alternative, not located in the same corridor as the existing transmission lines, and does not require renegotiation of easements.

D. LIRR Route Alternative

This alternative would install the transmission line along the LIRR Montauk line right-of-way from the Southampton Substation to Bridgehampton Sag Harbor Turnpike and then north along this roadway to the Bridgehampton Substation. This alternative is about 8.2 miles in length. This alternative would replace the existing wood mono poles with 61 foot steel mono poles inside the Village. The remainder of any aboveground portion of the proposed line would likely utilize steel poles ranging from 61 to 75 feet (above grade), 30 to 34 inches in diameter with the exception of the poles to be installed along the Bridgehampton Sag Harbor Turnpike. Those

poles would be wooden and 48 feet above grade. The increased pole height along the LIRR right-of-way (greater than 61 feet) would be required to span existing overpasses where there are clearance issues (i.e., Head of Pond Road and Butter Lane). Outside of the Village of Southampton, there are no existing distribution poles along the LIRR right-of-way, and therefore, all of the poles along this right-of-way would be new. There is limited space along the LIRR right-of-way for installation of the new transmission line.

This alternative would construct the entire proposed line overhead along the LIRR right-of-way and overhead and/or underground along Bridgehampton Sag Harbor Turnpike. For an all underground configuration along Bridgehampton Sag Harbor Turnpike, which would have been the likely configuration under this Alternative, the existing wood distribution mono poles would be retained to accommodate existing distribution lines. For an overhead/underground configuration, the existing wood distribution mono poles would be replaced with the new wooden poles in the areas where the transmission lines would be overhead, and the existing wood distribution mono poles would be retained in the areas where the transmission line would run underground. This alternative could permit installation of underground lines within the Village of Southampton, similar to the Project.

Like the Project, the LIRR Route Alternative would not have any significant adverse impacts. However, LIPA finds that the LIRR Route Alternative would be less desirable than the Project for several reasons. Separate from the EIS, LIPA performed an analysis of the potential obstacles to using this route. This analysis concluded that it is uncertain whether or not LIPA could acquire the Metropolitan Transportation Authority's (MTA's) approval for the use of the LIRR right-of-way. Additionally, the annual cost of utilizing this right of way could be significant (considering property valuations in Southampton). No such additional costs would be associated with the Direct Route, as LIPA already possesses the necessary easements to install power lines either above or below ground along that route. LIRR recently instituted a new commuter service between Speonk & Montauk. It is uncertain whether or not MTA would allow the required track outage for the installation of LIPA's transmission line. Without the full support of the MTA, it is very doubtful that this line could be constructed prior to the summer of 2008. The additional costs of providing buses for LIRR passengers during necessary track outages during construction could also be significant. In addition, the majority of this route (areas outside the Village and the Bridgehampton-Sag Harbor Turnpike) could not be installed underground, and therefore it is likely that poles on this route would be visible from more visual resources than the Project's poles under the selected 55 percent underground/45 percent overhead configuration, and so would affect more receptors than the direct route alternative. The poles needed for the LIRR Route Alternative would also be taller than the Project's poles and constructed of steel. Unlike the Project, this alternative would require installation of poles where they do not currently exist. Therefore, while neither the Project nor this alternative would have significant adverse impacts on visual resources, the Project would have less of a visual effect. For all of these reasons, some of which would threaten the viability of the LIRR Route Alternative, LIPA finds the Project preferable to this alternative.

E. Montauk Highway Alternative

The Montauk Highway Alternative, the longest route considered (approximately 9.5 miles), would exit the Southampton Substation, follow the LIRR right-of-way to CR 39 to Montauk Highway to Bridgehampton Sag Harbor Turnpike and then turn north along the roadway to the Bridgehampton Substation. The typical pole along this route would be approximately 48 feet above grade with the exception of the poles along the LIRR right-of-way, which would be 61 feet above grade. Similar to the Project, taller poles (approximately 56 feet above grade) would be required at turns along the route and road crossings as well as for riser poles. There is one area along the Montauk Highway Alternative route within Water Mill, approximately 2,000 feet long, that does not currently have existing distribution poles, and therefore poles within this section would be new. The configuration of this line along the LIRR right-of-way and Montauk Highway would be all overhead. Along Bridgehampton Sag Harbor Turnpike, the transmission line would be a combination of overhead and underground. An all-underground line along this route was not considered because of the length of the route and resultant cost (comparative costs of underground and overhead installations are discussed below). If an all underground configuration were pursued, a shorter, less expensive route would be selected (i.e., the Project Route). As with the other alternatives, in areas where the transmission lines were underground, the existing wood distribution mono poles would be retained to accommodate existing distribution lines.

Like the Project, the Montauk Highway Alternative would not have any significant adverse impacts. However, this route would be longer than the Project route, and thus require a longer construction period and greater costs. It would also be constructed along a major roadway and could cause greater disruption of traffic during construction, though in any event such disruptions would be temporary and not significant. Moreover, given the longer route, based on the comparative visual resources analysis in the FEIS (See Table S-2), the Montauk Highway Alternative would not have any advantage with respect to visibility from visual resources, and would likely be visible from more resources than the Project. Therefore, LIPA finds the Project preferable to this alternative.

F. Village Underground Option

For both the LIRR Route Alternative and the Montauk Alternative, the DEIS and FEIS examined the Village underground option, which would place the proposed transmission line underground within the Village of Southampton from the Southampton Substation to North Sea Road to Wiltshire Street to the point where each alternative intersects the buried portion of the line, i.e., the line would follow Wiltshire Street to CR 39 to the LIRR tracks. For both of these alternatives, the Village underground option would stop at the intersection of CR 39 and the LIRR right-of-way. Incorporating this option, the alternative routes still would not have any significant adverse impacts; however, they would still be less desirable than the Project route for the same reasons set forth above.

G. Cost Considerations Relating To Placement Of Transmission Line

A wide differential exists between the overall costs associated with overhead lines and underground lines. According to KeySpan estimates provided for the Project, for the overhead transmission line, labor and material costs per mile include the cost to purchase and install 35 new poles, 3 miles of conductor and 105 insulators, plus miscellaneous hardware. For the underground transmission line, labor and material costs per mile include the cost of 3 miles of conductor, 1 mile of duct to hold the conductor, installation of manholes every 2,200 feet with splicing at each manhole, 52,800 square feet of excavation, backfill and pavement restoration, plus miscellaneous hardware. KeySpan estimates the capital cost per mile for installing the transmission line overhead at \$925,000, and the capital cost per mile for installing the transmission line underground at \$3,750,000. The chosen route for the Project is about 8.4 miles long. Based on the 55 percent underground and 45 percent overhead configuration that LIPA has selected, LIPA's cost is estimated at \$20,825,000. This 55 percent underground and 45 percent overhead configuration will cost about \$10,675,000 less to construct than an all underground route and about \$13,125,000 more to construct than an all overhead configuration.

Another factor that LIPA considers in evaluating capital costs is the life span of the lines. Generally overhead lines have a minimum life of about 40 years compared to the expected minimum life of about 25 years for an underground line. However, this experience is with older, oil cooled transmission cables. The newer, solid dielectric cables have a shorter working history, but based on the limited experience, the newer cables are expected to have a life span equal to overhead lines. LIPA therefore has assumed in analyzing the relative costs and benefits of different configurations that the life span of the underground lines would equal the life span of overhead lines, even though more experience with the newer underground lines is required to confirm this assumption.

Based on LIPA's experience, new underground cables are typically inspected once a year. The maintenance involves cleaning out the manhole and inspecting the cable connections. For the all underground option, about 20 manholes would be needed. At a cost of about \$1,800 per day for crew and equipment, the annual maintenance cost for an all underground configuration would be about \$18,000 per year. The yearly maintenance cost on a per mile basis is about \$2,100.

Overhead cables are inspected yearly from the air with infrared photographic equipment. Yearly, they are also physically inspected and any damaged pieces of equipment repaired or replaced. In addition, tree maintenance and vegetation clearing is required for overhead transmission lines. The vegetation is cleared yearly, and trees are trimmed every 3 to 7 years, depending on terrain and growth. It is estimated that on a yearly basis, these tasks for a transmission line such as the Southampton-Bridgehampton line would cost about \$25,000. On a per mile basis, the maintenance cost would be about \$3,000. Overall, overhead cables cost about 50 percent more or \$1,000 per mile per year more to maintain than new, solid dielectric underground cables.

The cost of repairs varies greatly depending on the cause of damage to the transmission line. Damage to an overhead line is usually easy to find because the line is exposed. Finding the damage in an underground line is usually much harder. The location between manholes has to be found first before the actual problem can be identified and repaired. The repair often requires

trenching in the street, which adds to the cost. Based on a simple break in a transmission line and using the costs for individual work tasks with outside contractors, KeySpan estimates that repair to an underground line is about 10 times more expensive than repair to an overhead line. Based on past experience, the failure rate of LIPA's overhead transmission lines is about 2.25 times greater (more often) than for underground lines. However, even accounting for the greater frequency in the need to repair overhead transmission lines, the overall cost to repair underground transmission lines is about 4 times greater per mile than for overhead lines.

In summary, an underground line is estimated by KeySpan to be about 4 times more expensive to install and about 4 times more expensive to repair on a per mile basis than overhead lines. That greater cost is partially offset by higher maintenance costs of overhead transmission lines. However, even if the potentially more expensive repair costs are not taken into account, and the increased maintenance costs for overhead installations are taken into account, the estimated cost of underground transmission lines is substantially higher on a per mile basis than for overhead lines. Based on a 40-year life of the transmission line, the underground line would be \$40,000 less to maintain in 2007 dollars than an overhead line. Assuming that no repairs are needed, it would take over 2,000 years for the underground line's lower maintenance cost to offset the underground line's higher capital cost. Any repairs would increase the amount of time needed to offset the underground line's higher capital cost. These increased costs are borne by all LIPA rate payers, not just those in the vicinity of the underground lines.

Based on these considerations and the comments its has received from the public advocating for the transmission line to be placed underground to the maximum extent possible, LIPA has chosen a configuration installing 55 percent of the line underground and 45 percent overhead. The FEIS concluded that neither the hybrid configuration, an all-overhead configuration, nor an all underground configuration would result in any significant adverse impacts. However, the 55 percent underground/45 percent overhead configuration will result in the Project being visible from 16 visual resources analyzed in the FEIS, in comparison to 32 resources if the line were installed completely overhead. At the same time, the hybrid configuration will save LIPA's ratepayers capital construction costs on the order of \$10 million, a substantial savings.

III. ENVIRONMENTAL IMPACTS OF THE PROJECT

LIPA has considered the potential environmental impacts resulting from the Project, as set forth in the FEIS. As discussed below, the Project will not result in any significant adverse environmental impacts.

A. Land Use and Community Character

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to land use or community character; therefore, no mitigation is required.

Generally, the predominant land uses featured along the route are agricultural and single-family residential. Other land uses found along the route include commercial, open space, a golf course, utility uses and vacant land. The abundance of agricultural and undeveloped land, as well as the presence of historic resources and single-family homes, create the Town of Southampton's

valuable scenic images—open vistas, ocean views, country roads, rolling landscapes, and active agriculture. This scenic presence is found along the transmission line route. The Village of Southampton, which the route would also traverse, is more densely developed with commercial uses.

Land use conditions would not substantially change as a result of the Project. The transmission line would be constructed along a preexisting distribution line route along the existing right-of-way, therefore avoiding the need for new disturbance or clearance in the region. This right-of-way has historically been, and is currently, used for utility purposes, and therefore installation of the new line would not conflict with the existing and future land use patterns in the area. Moreover, the transmission line installation would not involve disturbance of otherwise pristine land, as the existing distribution line has been on this route since the late 1920s. The distribution line has coexisted with the agricultural, residential, and other uses located along the route for more than 80 years. There is currently no evidence that these utility uses have an adverse impact on farming functions or residential uses. The uses along and surrounding the transmission line, whether the line is constructed overhead or underground in any given location, will continue to function in the same capacity without an adverse impact from the transmission line.

The expansion of the Bridgehampton Substation will be constructed on a vacant portion of a LIPA-owned parcel where the existing substation is located. The site is located in close proximity to open space. LIPA will maintain natural buffers around the perimeter of the site to prevent any adverse impact on the surrounding scenic vistas. The substation will also be gated for safety purposes. The substation will generally not be visible from the roadway. Moreover, the lot has historically been used as a substation and will therefore continue to be compatible with surrounding uses.

The Project will not cause significant adverse impacts on community character. Although purely economic impacts are not environmental impacts under SEQRA, in response to concerns expressed about the effects of the proposed transmission line on property values, the FEIS examined the possibility that the Project could cause a significant diminution of property values that could result in changes to the character of the community located near the proposed new transmission line. Specifically, LIPA commissioned a study by Standard Valuation Services, a well known and respected real estate appraisal firm, which researched and considered sales of houses along the Existing Route Alternative, where LIPA's existing overhead double circuit transmission line is located, and along the Project route. The Existing Route has large steel lattice towers supporting the existing transmission lines that are on easements through private property, and for the most part traverses areas with expensive houses on large lots. For the Existing Route, about 620 lots are affected by the existing transmission line, and 312 of the lots have single family homes. The other lots are vacant or have other uses. Between 2003 and 2007, 64 of the houses were sold. The appraiser compared trends in price between these houses and similar houses in the area that are not affected by the lattice towers and found no difference in the prices. The steel lattice towers along the Existing Route Alternative do not affect the value of single family homes, and are taller and arguably more visually intrusive than the new transmission line that will be installed as part of the Project. The appraiser did the same analysis along the Project route. Within the Village of Southampton, 18 single family homes along the

Project route were sold between 2003 and 2007, and outside of the Village of Southampton, 42 single family houses were sold. Comparing the trend in sale prices between houses affected by the existing utility poles and houses unaffected by the utility poles along the Project route, the appraiser found no difference in prices for single family houses based on proximity to utility poles and power lines. Thus, because the Project was found to have no significant impact on land values of homes located near utility lines, including transmission lines, the Project would not cause significant adverse impacts on community character.

B. Community Facilities and Open Space

1. Community Facilities

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to community facilities or emergency services; therefore, no mitigation is required. The Project could improve emergency responsiveness by ensuring a stronger transmission infrastructure, because service will be more reliable and the new poles will be able to withstand higher wind and ice loads than the existing poles. In addition, by utilizing an existing distribution route, LIPA will avoid disturbing existing community facilities and services. In addition, the expanded substation will be sited on the same lot as the existing Bridgehampton Substation and therefore will not significantly increase the demand on community facilities and emergency services. The Project will continue a pre-existing use that has coexisted with community facilities, as well as agricultural, residential, and commercial lands for more than 80 years. Moreover, the new transmission line and expanded substation will provide for future growth and increase reliability of electric service for area community facilities, residents and businesses.

2. Open Space

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts related to open space; therefore, no mitigation is required. The preservation of open space parcels will not be affected by the new transmission line or expanded substation whether the transmission line is overhead or underground in any particular location. The preservation of these properties has occurred in the past with the existing distribution lines along the transmission line route and with the existing substation, and is expected to occur in the future with the Project. The Project will not conflict with any State, County, or local open space policy goals and objectives and will not have a negative impact on any identified parcels for preservation that are identified in these policy documents.

C. Zoning and Public Policy

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts related to zoning or public policy; therefore, no mitigation is required.

1. Zoning

The Project will traverse two separate municipal jurisdictions, namely the Town of Southampton and the Village of Southampton. Under well-established case law doctrine and LIPA's enabling statute, LIPA is not obligated to seek local zoning approvals. Furthermore, the Town and Village have never required LIPA to seek zoning approvals in connection with other, similar projects, including the installation of a new transmission substation (Canal substation) in the Town in 2005, expansion of the Deerfield substation in 2006, and expansion of the Canal substation in 2007. However, if the Project were subject to local zoning regulations within the Town and Village, the transmission poles to be installed and new substation equipment may be considered structures as defined by the Town's and Village's zoning ordinance, and therefore would be subject to the Town's and Village's use and bulk restrictions.

There are seven Town zoning districts located along or on the border of the new transmission line route and on the Bridgehampton Substation site. These districts include Light Industrial (LI40), Highway Business (HB), Country Residence (CR60, CR80, CR120, and CR200), and Residence (R20). The Bridgehampton Substation lot is located within both the CR80 and CR200 zoning districts. All districts along the route permit the construction of utility structures by special exception. Within the Village, there are four districts along or bordering the proposed line, including Residence (R-20 and R-12.5), Office Business (OD), and Light Industrial (L1). There also overlay districts in the area, which function as floating zones intended to preserve natural resources, agricultural lands, and water quality in the area, or to allow for multifamily housing. The Project will not have an impact on the objectives of the overlay districts, as it will be primarily located along existing agricultural and residential uses, which have historically coexisted with the present distribution line, and its associated 30- to 35-foot wood poles that will be replaced by new wood poles for the Project.

Previous applications for substation approval have resulted in the New York State Office of General Services (NYSOGS), which has the responsibility of administration and enforcement of the New York State Uniform Fire Protection and Building Code, informing LIPA that substations do not fall within the agency's definition of a structure, and therefore do not require building permits. It can also be assumed that NYSOGS would not identify poles as structures since they are not a habitable facility. Thus, no permits are required from NYSOGS.

However, if LIPA were subject to local zoning, the Project would require site plan approval for both the poles and the substation expansion. The Southampton Town Code authorizes the Town Board to approve a site plan if such site plan meets a number of conditions, including the physical compatibility of the structure with the surrounding area, the protection of residential areas, parking, access, lighting, and water supply. The Project will be built on an existing distribution line easement and the substation expansion will occur on the same lot as the existing substation. Moreover, the expansion of the Bridgehampton Substation will be able to meet the site planning requirements set forth in the Southampton Town Code. Thus, the Project would conform to the requirements of the conditions for site plan approval, if such approval were required.

If LIPA were subject to local zoning, the Project would also require a special exception permit for the pole replacement. In addition, a height variance ranging from 8 to 29 feet would be required for all districts along the transmission line route. The maximum height permitted in the Town's zoning districts in which the route is located is 40 feet and the minimum height permitted is 32 feet. The additional height will not cause a detriment to the area or materially change the views along the route, as discussed further below under "Visual Resources".

Even in the absence of LIPA's status as a State public authority, the Project will be consistent with the existing uses along and nearby the existing distribution line right-of-way and the substation lot as presently zoned. Where the transmission line is located overhead, it will follow the path of the existing distribution line, and all substation work will be performed within the footprints of the existing substation lot. Therefore, the Project will be consistent with the character of existing and probable development in each district, and will not discourage appropriate land use. As discussed in detail under "Land Use and Community Character", *supra*, the Project is not expected to adversely affect property values. The Project will have no long term effect on traffic, and will have no air emissions. It will not interfere with recreational or community facilities, and will not pose a hazard to life, limb, or property. The physical characteristics of the land pose no obstacle to the Project, and the various lots are sufficient and adequate for the proposed use (and indeed already support such use).

The Project is intended to meet the expected future demand for electricity on the East End. As such, the Project would not "induce" new growth. Rather, the new infrastructure will serve to support those new uses that are expected to occur in the study area in the future with or without the Project. Moreover, the level of future development in the area will continue to be controlled by local municipal authorities under local land use laws.

2. Public Policy

The FEIS examines numerous public policy documents, including reports and plans from State, regional and local entities. The Project will meet the forecasted energy demands for the South Fork and therefore is consistent with Town and regional energy plans that promote the reliable transfer of energy. The Project will ensure that energy transmission is clean, equitable, and addresses the energy needs of the area in a manner that is environmentally sound.

The preservation and enhancement of visual resources and scenic vistas is a stated policy goal in reports published by State, regional, County, and local municipalities. Currently, the transmission line route contains existing distribution lines. Installation of the new transmission line above ground would not alter the location or presence of the existing distribution lines, or introduce a new use to the area. As discussed further below under "Visual Resources", the Project will not have a significant adverse effect on visual resources within the area. In addition, the expanded substation will be sited on the same lot as the existing Bridgehampton Substation, thus remaining consistent with existing uses on the lot. The Project will retain a vegetated buffer around the Bridgehampton Substation.

Protection of open space, natural resources, and agricultural lands are also important issues addressed in the relevant policy documents. The identification of open space parcels for

preservation will not be affected by the new transmission line or expanded substation. The preservation of these properties has occurred in the past and can continue to occur in the future with or without the transmission line. The new transmission line will be similar to the preexisting land use along the route (distribution lines), which have coexisted with agricultural uses and open space qualities of the area for the past 80 years.

In relation to the protection of trees along road corridors, the Town's 1999 Comprehensive Plan Update encourages the Town to work with local utility companies to bury lines underground, especially within Hamlet Business Districts. The Project will place approximately 55 percent of the new transmission line underground to reduce the overall impact on street trees as compared to an all-overhead configuration. In conformance with the Comprehensive Plan Update, all portions of the route within Hamlet Business Districts will be placed underground. LIPA will, where practicable, avoid the removal of street trees.

Relevant transportation policies include the development of streetscape, expansion of roadways, and development of pedestrian and bicycle facilities. The Project will be located along an existing road right-of-way and will not interfere with future development of new transportation projects. In the event of road widening projects, it is expected that the appropriate agency will coordinate with LIPA should the road right-of-way along the Project route be included in such a project. The 1999 Comprehensive Plan Update recommends expansion or widening of CR 39 to four or five lanes. The Project will intersect the proposed CR 39 road widening at North Sea Road. LIPA will coordinate with the Suffolk County Department of Public Works to avoid construction overlap.

The 1999 Comprehensive Plan Update also recommends the creation of a limited access rail/road joint-use corridor along the LIRR right-of-way extending from CR 39 eastward to East Hampton Road, to address and alleviate the high volume of traffic congestion east of the Shinnecock Canal for traffic solely passing through Water Mill and Bridgehampton hamlets to reach points east. Although there are no current proposals for the development of the recommended joint-use corridor or new highway along the LIRR right-of-way, there is a possibility that the Town may proceed with the construction of the proposed joint-use corridor or new highway along the LIRR right-of-way in the future. The Project will not, however, prevent the construction of the proposed joint-use corridor because most roadways within the Town maintain utility lines along the adjacent road right-of-way. Further, the Project will not be located along the LIRR right-of-way where the joint-use corridor is proposed.

D. Coastal Zone Management (CZM)

The CZM program encourages coordination among all levels of government to promote sound waterfront planning and requires consideration of the program's goals in making land use decisions. The New York State Department of State (NYS DOS) administers this program at the State level. State agency actions along the state's designated coastal zone are required to be consistent with the state's coastal policies.

Some portions of the Project will lie at the inland edges of the designated coastal zone; however the Project will be located inland away from the waterfront. Therefore most of the State's

coastal policies, which relate to waterfront uses, do not apply to the Project. To the extent the policies are applicable to the Project, it will be consistent with them, as described below.

Policy 5 is to “Encourage the location of development in areas where public services and facilities essential to such development are adequate.” The Project is an expansion and improvement of existing electric infrastructure to meet expected future demand. While the electric service is currently adequate, absent the Project, in the future the South Fork system could experience thermal overloads and potential collapse. The new transmission line and expansion of the Bridgehampton Substation will allow LIPA to meet future energy demands. The Project will achieve the objective of adequate public services and would be consistent with this policy.

Policy 6 is to “Expedite existing permit procedures to facilitate the siting of development activities at suitable locations.” It is expected that any work that is close to a wetland will be accomplished in accordance with the terms of the General Wetlands Permit that KeySpan, the expected construction manager, has with NYSDEC. The use of this General Permit will expedite the permitting procedures and is consistent with this policy.

Policy 11 states, “Buildings and other structures will be sited in the coastal area so as to minimize damage to property and the endangering of human lives caused by flooding and erosion.” Consistent with this policy, the Project will replace existing distribution poles in place. In addition, the new transmission substation will be sited on the same parcel as the existing substation. Further, only a small portion of the route, in the vicinity of the intersection of Lower Seven Pond Road and Head of Pond Road, is located within a flood zone. The poles will not be adversely affected by a flood, and the poles will not exacerbate flooding. The Project will not be located in an erosion hazard area, nor will it involve or affect any flood or erosion control structures.

Policy 18 states, “To safeguard the vital interests of the State of New York and of its citizens regarding resources of the State’s coastal area, all practicable steps shall be taken to ensure that such interests are accorded full consideration in the deliberations, decisions, and actions of State and Federal bodies with authority over those waters and resources.” As discussed below under ‘Natural Resources’ and ‘Groundwater and Surface Water Resources’, the Project will not have any significant adverse impacts related to natural resources or water related issues. The conditions in KeySpan’s General Wetlands Permit will be followed, ensuring that the interests of New York State are considered. If necessary, other applicable permits will be obtained from the appropriate governmental entities. Therefore, the Project is consistent with this policy.

Policy 23 is to “Protect, enhance, and restore structures, districts, areas, or sites that are of significance in the history, architecture, archaeology, or culture of the State, its communities, or the nation.” As discussed below under “Historic Resources,” the Project will not adversely affect any structures, sites, or districts of historical, architectural, archaeological, or cultural significance. Therefore, the Project is consistent with this policy.

Policy 25 is to “Protect, restore, and enhance natural and manmade resources that are not identified as being of Statewide significance, but which contribute to the overall scenic quality of

the coastal area.” As described below under “Visual Resources”, the Project will be visible or potentially visible at a limited number of visual resources and will not result in significant adverse impacts on visual character. Therefore, the Project is consistent with this policy.

Policy 26 is to “Conserve and protect agricultural lands in the State’s coastal area.” Because the new transmission line will be installed along the same route where an existing distribution line is present along existing roadways, the Project will not significantly impact agricultural lands within the vicinity of the transmission line. Further, the poles will be only about 22 inches in diameter at the base and will not conflict with farmland operations in their vicinity.

Policy 33 states, “Best management practices will be used to ensure the control of storm water runoff and combined sewer overflows draining into coastal waters.” The Project will not involve discharges to coastal waters. The Project will add only about 23,000 square feet of impervious area associated with the access road and equipment pads at the substation expansion, and will not significantly impede stormwater recharge. In addition, the Project will not contribute any additional pollutants to stormwater. The Project is therefore consistent with this policy.

Policy 38 states, “The quality and quantity of surface water and groundwater supplies will be conserved and protected, particularly where such waters constitute the primary or sole source of water supply.” The transmission line route is located over the Long Island aquifer system, a federally designated sole source aquifer. Further, a large portion of the route is located within the South Fork Special Groundwater Protection Area. However, the Project will not involve the use or degradation of surface water or groundwater, as described below under “Natural Resources” and “Groundwater and Surface Water Resources”. Therefore, the Project is consistent with this policy.

Policy 41 states, “Land use or development in the coastal area will not cause National or State air quality standards to be violated.” The Project is consistent with this policy. The new transmission line and substation expansion will have no air emissions and will not cause any violations of national or New York State ambient air quality standards.

Policy 44 is to “Preserve and protect tidal and freshwater wetlands and preserve the benefits derived from these areas.” The Project will not be located in any tidal or freshwater wetlands, but at certain points, will be located within 100 feet of a wetland. KeySpan has a General Wetlands Permit that regulates utility activities within areas adjacent to and within wetlands. Restrictions in the General Wetlands Permit are designed to prevent degradation of wetlands. This General Wetlands Permit will apply to any work that may occur within regulated areas.

E. Visual Resources

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to visual resources; therefore, no mitigation is required.

Views of the transmission line will vary throughout the area as a function of topography, vegetation, and other built structures, including existing utility poles. In areas where the transmission line is installed overhead, there will be an incremental increase in height between

the new wood transmission line poles and the existing wood distribution poles of about 13 feet, except for the 20 poles used at approximately 10 road crossings along the overhead segment of the selected route, where there will be an incremental increase in height of approximately 22.5 feet. No steel poles will be installed. The incremental height and the overall height of the replacement poles will not be significantly visible, especially taking into account the effects of atmospheric perspective and intervening vegetation or structures. The replacement of the existing poles with incrementally higher poles, along with the addition of a new single transmission line, will result in minimal changes to views because the existing utility lines are already visible from most locations that will have visibility of the transmission line.

Two riser poles will be used to transition from above to below ground. While the riser poles have an appearance that is more obtrusive than standard utility poles, locations have been selected that will minimize their prominence in the surrounding landscape. The riser poles would be located just east of the intersection of North Sea Mecox Road and Seven Ponds Road and 0.3 miles west of Mitchells Lane, respectively. Photosimulations of the riser poles included in the FEIS show that they will not adversely affect views from the closest visual resources, as discussed with specificity below.

The analysis of visual resources in the DEIS found that of the total 105 visual resources identified in a study area extending one mile on either side of the transmission line route, the replacement poles associated with the Project (assuming the entire route were to be overhead) would be visible or potentially visible from 32 of those 105 resources (the DEIS concluded that the Project would be visible from 33 out of 106 resources, but one of those resources, the Long Pond Greenbelt, was referenced twice because it is both a natural resource and has hiking trails). Under the 55 percent underground and 45 percent overhead configuration selected, the replacement poles will be visible or potentially visible from only 14 of those 105¹ resources, with the expanded substation visible or potentially visible from 2 additional resources. The 16 resources where the replacement poles and/or the expanded substation will be visible or potentially visible are listed, and the effects on views from them described, below:

Long Pond Greenbelt (including trails): The Long Pond Greenbelt consists of a north-south corridor of interconnected ponds, streams, wetlands, and woodlands stretching from Sag Harbor to Sagaponack to the Atlantic Ocean. A portion of the greenbelt is adjacent to the Bridgehampton Substation and Bridgehampton Sag Harbor Turnpike section of the transmission line route. The transmission line will be buried along Bridgehampton Sag Harbor Turnpike so no visibility of the transmission line will be possible. Portions of the Bridgehampton Substation along the Bridgehampton Sag Harbor Turnpike may be visible from portions of the Long Pond Greenbelt due to gaps in vegetation. The Bridgehampton Substation is currently visible through a narrow band of vegetation along the western side of Bridgehampton Sag Harbor Turnpike. Improvements at the Bridgehampton Substation will be made approximately 350 feet from Bridgehampton Sag Harbor Turnpike. This distance, combined with the vegetative screening, will limit visibility of new equipment constructed at the substation. Furthermore, LIPA will

¹ This is a correction from the FEIS, which stated that the replacement poles would be visible from 15 out of 106 resources because, as noted above, the Long Pond Greenbelt had been identified twice as a visual resource.

provide appropriate new evergreen and deciduous vegetation to further screen any new equipment in the event that it is visible from Bridgehampton Sag Harbor Turnpike.

Paumanok Path. Paumanok Path is a regional trail that will extend 125 miles from Rocky Point to Montauk Point. Portions of the trail are located 0.25 miles from the Project route. However, existing development, topography, and vegetation will obstruct most views of the Project from this trail. Any views of the Project that may be possible in areas of less dense vegetation would be limited and brief.

Morton-to-Kellis Pond Trail. Morton-to-Kellis Pond Trail is a linear north-south trail project that will connect Elizabeth A. Morton National Wildlife Refuge, Laurel Valley County Park, Camps Pond, Atlantic Golf Club's trail easement, Long Pond (Bridgehampton), and Kellis Pond. The Morton to Kellis Pond Trail will intersect the transmission line as it crosses Scuttle Hole Road from the Atlantic Golf Course to Long Pond and Kellis Pond. The transmission lines will be visible to trail users as they cross the street. The transmission lines will be similar to the existing utility lines that run along Scuttle Hole Road and will not detract from the enjoyment of the trail. One of the riser poles may also be visible from this location. That riser pole will not affect the quality or public enjoyment of the surrounding landscape since any views not screened by vegetation will be brief and insignificant.

Blank Lane. Blank Lane ends at Head of Pond Road, along which the transmission line will run. The portion of Blank Lane nearest the transmission line route is lined with single family residences. Other portions are characterized by large open fields. Vehicles heading south, toward the Project, will not have clear views of the transmission line due to roadway orientation. The transmission line will be visible from the intersection of Blank Lane and Head of Pond Road, but no significant impacts are expected since the Project will replace the existing 35-foot utility poles with 48-foot poles and add three new conductors where existing utility poles and utility lines already exist.

Bridgehampton Sag Harbor Turnpike. The proposed transmission line will be buried along Bridgehampton Sag Harbor Turnpike so no visibility of the transmission line will be possible. Portions of the Bridgehampton Substation along the Bridgehampton Sag Harbor Turnpike may be visible from portions of the Long Pond Greenbelt due to gaps in vegetation. The Bridgehampton Substation is currently visible through a narrow band of vegetation along the western side of Bridgehampton Sag Harbor Turnpike. Improvements at the Bridgehampton Substation will be made approximately 350 feet from Bridgehampton Sag Harbor Turnpike. This distance, combined with the vegetative screening, will limit visibility of new equipment constructed at the substation. Furthermore, LIPA will provide appropriate new evergreen and deciduous vegetation to further screen any new equipment in the event that it is visible from Bridgehampton Sag Harbor Turnpike.

Cooks Lane. Cooks Lane runs perpendicular to and intersects Scuttle Hole Road, along which the transmission line will run. Land through which Cooks Lane traverses is dominated by open fields. The transmission poles will be visible from this road, but the topography and distance from the line will limit any apparent views to locations nearest Scuttle Hole Road.

Deerfield Road. Deerfield Road runs roughly perpendicular to the transmission line route, which it intersects at the junction of Head of Pond Road. For a short distance the transmission line route runs along Deerfield Road, where the transmission poles will be visible. North of Head of Pond Road, southbound travelers on Deerfield Road will have clear views of the transmission lines across expansive open fields. Since the Project will replace the existing approximately 35-foot wooden poles with 48-foot wooden poles and add three new conductors, proposed visual conditions will remain similar to existing conditions. Therefore the Project will not significantly change the character of the area. South of Head of Pond Road, Deerfield Road is generally lined by vegetation which will screen views of the transmission line.

Hayground Road between Windmill Lane and Scuttle Hole Road. Hayground Road runs north and south between Windmill Lane and Scuttle Hole Road. Southern portions of this corridor run along open fields that will allow visibility of the transmission line approximately 0.5 miles away. Because Hayground Road runs parallel to the transmission line route in this section, the transmission line will only be visible by north and southbound travelers looking directly west. The bearing of the roadway will be different than the bearing of prevalent views. The distance of the transmission line from the roadway will minimize its visibility. Closer to its intersection with Scuttle Hole Road, visibility of the transmission line will be possible. However, the transmission line and new poles will not significantly alter the character of the surround or views from this roadway.

Head of Pond Road between Water Mill-Towd and Scuttle Hole Roads. The transmission line route will follow Head of Pond Road between Water Mill-Towd and Scuttle Hole Roads. The proposed transmission line will run along a portion of Head of Pond Road and will therefore be visible along this roadway. The Project will replace existing 35-foot wooden transmission poles with similar-looking 48-foot wooden poles with 3 new conductors. Several existing utilities are already attached to existing utility poles that line the roadway. While visible, the new transmission line and taller utility poles will not result in a significant departure from existing conditions.

Mitchells Lane from north of Snake Hollow Road to Scuttle Hole Road. Mitchells Lane runs perpendicular to Scuttle Hole Road where the new transmission line will run. The transmission line will therefore be most visible to vehicles approaching Scuttle Hole Road from Mitchells Lane. Existing 35-foot wooden utility poles will be replaced by 48-foot wooden poles, and three new conductors will be added to the new utility poles. The Project will not significantly alter the existing views from Mitchells Lane.

Narrow Lane. Narrow Lane is a northwest-southeast oriented road between Head of Pond Road and Scuttle Hole Road. The transmission line route runs along Head of Pond Road and will be visible across large open fields to travelers heading northwest. However, because the utility poles will replace existing poles with incrementally higher poles that are otherwise similar in appearance to existing distribution poles, the scenic views from Narrow Lane will not be greatly altered.

Narrow Lane South. Narrow Lane South runs northwesterly-southeasterly with its northwestern terminus at Head of Pond Road, along which the transmission line route will run. An expansive open field on the northeastern side of the road will allow visibility of the proposed transmission line to the northeast for vehicles heading northwesterly. Some sight-line distances will be up to 0.5 miles. Existing vegetation on the southwestern side of the road will screen views to the northwest. The new utility poles will be approximately 13 feet taller than, but similar in appearance to, existing poles.

Noyac Path. Noyac Path is a north-south road stretching from Millstone Road to Head of Pond Road. Although the transmission line route runs along Head of Pond Road, existing vegetation along Noyac Path will screen visibility of the Project. Portions of Noyac Path do run through areas of flat, open fields. However, these areas are one mile or farther from the route, thus preventing any significant adverse visual impacts to this scenic corridor. The only visibility of the transmission line from Noyac Path will be right near its intersection with Scuttle Hole Road. The new utility poles will be approximately 13 feet taller than, but similar in appearance to, existing poles.

Old Mill Road from south of Mill Pond to Montauk Highway/NYS Route 27. Old Mill Road is located approximately one quarter to one half mile from the transmission line route. The roadway is lined by existing buildings and vegetation. The buildings and vegetation will generally limit views of the transmission line. If views are possible from certain locations, they will be brief and heavily screened.

Scuttle Hole Road. Scuttle Hole Road runs north and south between Montauk Highway (Route 27) and Narrow Lane. Existing vegetation screens views of the project area for most of its extent, although a small portion of the western side of the road is bounded by a large open field, across which the transmission lines will be visible from northbound vehicles. However, the transmission lines will be approximately 0.75 miles away and not in travelers' direct line of sight. This distance, combined with the similar appearance of the transmission poles compared to existing poles, will prevent significant adverse visual impacts. Between Head of Pond Road and Meadows Lane, the transmission line route will run along Scuttle Hole Road, and the transmission line will be visible along most segments of this roadway between Head of Pond Road and a point approximately 0.25 miles west of Mitchells Lane. The transmission line will be visible, but the incremental difference in height (approximately 13 feet) and three new conductors will not result in a significant impact to visual character along this roadway due to the fact that the proposed poles will replace existing poles that already carry several utilities. A riser pole near Shorts Pond will also be visible along Scuttle Hole Road. While this riser pole will be taller than a typical pole along the route (up to 56 feet), and will have conduits and additional crossbars, it will be sensitively placed in a location surrounded by vegetation. Furthermore, since the riser pole will be placed near a bend in the road, it will only be visible briefly to those traveling on Scuttle Hole Road. Therefore, neither the riser pole nor the transmission line will detract from the area.

Water Mill-Towd Road. The southeastern terminus of Water Mill-Towd Road is at the intersection of Head of Pond Road, along which runs the transmission line route. It is likely that the transmission line will only be visible at the approach of this intersection since the entire

stretch of Water Mill-Towd Road is heavily forested or otherwise characterized by low-density residential uses surrounded by forests. While visible, the Project will result in insignificant changes compared to the existing condition, as approximately 13 feet in height and three new conductors will be added to existing utility poles.

Visibility of the proposed transmission line will not have a significant adverse impact at the above referenced locations because, where substantial views of the Project will occur, the Project will replace an existing above ground distribution line and somewhat shorter poles at the same locations and thus will not significantly alter views from these locations or the public's enjoyment of those resources. Views of the expanded substation from the Long Pond Greenbelt and the Bridgehampton Sag Harbor Turnpike will be distant and screened by vegetation. Thus, the Project will not significantly impair the visual landscape as experienced from any inventoried scenic, historic, open space or agricultural resource or interfere with or reduce the public's, or area residents', enjoyment and/or appreciation of the appearance of any of these resources.

Nor will the Project have any significant adverse impacts on the visual character of the area in general. Although the new utility poles will be taller than the previous poles, the height difference of 13 to 18 feet from a visual standpoint, and especially when viewed from a distance of 100 or more feet, is negligible. The new transmission line, where visible, will not be substantially different from the existing distribution lines along the route, nor will it be in sharp contrast with existing land uses. Therefore, residents and visitors to the area will not experience a significant change in the visual character of the area.

G. Archeological Resources

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to archeological resources; therefore, no mitigation is required.

The files of the New York State Museum (NYSM), the New York State Office of Parks, Recreation, and Historic Preservation (OPRHP), and the Suffolk County Archaeological Association (SCAA), as well as site information maintained by The Institute for Long Island Archaeology (ILIA), document 16 prehistoric sites, one site with prehistoric and historic (Native American and European) components, one historic Native American site, and three historic period archaeological sites within a one-mile radius of the Project area. Prehistoric sites in the Project vicinity range from very small temporary occupations to large camps or villages.

A Stage 1 Archaeological Survey for the Bridgehampton Substation (Bernstein and Manfra 2007a) concluded that no further archaeological investigations are necessary for the Bridgehampton Substation expansion location. In a letter dated January 18, 2007, OPRHP concurred with the findings of this Stage 1 report. Therefore, no additional archaeological studies or protective measures are necessary for this component of the Project.

In accordance with the recommendations of the Stage 1A Archaeological Survey for the Proposed LIPA Southampton to Bridgehampton Transmission Line Upgrade (Bernstein and Manfra 2007b), a Phase 1B Archaeological Survey has been completed by ILIA to determine if archaeological resources are present in remaining portions of the Project area. The testing, which

considered locations along the entire 8.4 mile route, even though only 55 percent of that route is to be placed underground, resulted in the identification of three archaeological sites with research potential: the Mill Pond prehistoric site, the Halsey shell deposit (historic period), and the A. Edwards historic site. The Stage 1B report recommended that unless the three sites could be avoided by the Project, Stage 2 archaeological testing should be conducted to evaluate their eligibility for the State/National Register of Historic Places. The report was submitted to OPRHP for review and comment on January 8, 2008.

Any adverse effects that the Project might potentially have on these sites, which generally can occur through activities such as excavation, construction, or the storage of heavy machinery or supplies on archeological sites, will be avoided either through avoiding Project activities on these sites or completion of a data recovery program designed in consultation with the OPRHP prior to disturbance of the sites.

H. Historic Resources

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to historic resources; therefore, no mitigation is required.

Numerous designated, locally significant, and potential historic resources have been identified in the study area. The transmission line will run directly through the North Main Street Historic District, which is listed on the State and National Registers of Historic Places and is designated by the Village of Southampton, along the railroad right-of-way. In addition, multiple individual historic resources, another historic district, and a thematic nomination, are located within a quarter mile of the Project route. In addition to the North Main Street Historic District and the Southampton Village Historic District, which is also designated by the Village and listed on the State and National Registers, this study area contains 33 individual potential historic resources, and one potential thematic grouping of potato barns, which OPRHP has determined are eligible for listing on the State and National Registers.

Installation of the new transmission line will not result in the demolition, physical destruction, or alteration of any historic resources. To ensure that construction activities associated with the installation of the transmission line will not cause inadvertent physical impacts to adjacent historic resources, LIPA will prepare and implement a construction protection plan (CPP) in consultation with OPRHP for any architectural resources within 90 feet of construction activities. The CPP will set forth the specific measures to be used, and specifications that will be applied, to protect architectural resources during the construction period for both overhead and underground construction. The construction of the Bridgehampton Substation Expansion will not have the potential to directly impact historic resources, as all historic resources are far removed from this location.

The transmission line will be installed underground within both designated historic districts, and therefore will have no effect on their appearance or setting. In the area of the transmission line route where overhead installation will occur, the Project will result in changes to the height, size, and appearance of the poles along the transmission line route. However, these changes will not result in significant adverse impacts related to changes in the appearance of a historic resource or

in its setting. The new poles will replace existing poles and will be spaced at the same intervals as the existing poles. The new poles will be only 13-18 feet taller and 6 inches thicker in diameter at the base than the existing poles along roadways. These new poles will be constructed of the same material (wood) as the existing poles and will exist within the context of an area where overhead distribution lines presently exist. As noted, the Project includes only two 56 foot riser poles. The riser poles will be located at the transition from underground to overhead and overhead to underground just east of the intersection of North Sea Mecox Road and Seven Ponds Road and 0.3 miles west of Mitchells Lane, respectively. These locations were chosen specifically to avoid impacts on historic resources related to their visual appearance or setting. The expansion of the Bridgehampton Substation will not indirectly impact historic resources. No historic resources are located within sight of this proposed feature, and therefore, their settings and visibility will not be affected.

I. Natural Resources

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to natural resources; therefore, no mitigation is required.

1. Terrestrial Resources

For overhead transmission line construction, poles will be set within 10 feet of the existing roadway. Only minor clearing of vegetation will be required for construction of the transmission line. Newly installed poles will be set close to existing poles to ease the transferring of distribution lines. Maintenance for overhead lines will consist of tree trimming every 3 to 7 years. In wetland areas, overhead lines will be situated to span the line over the wetlands, and no poles will be set within wetlands. Construction of the Project may require removal of mature trees and/or branches bordering the corridor and overhanging existing lines, if trees would pose a danger to the existing distribution lines and/or the new transmission line. The street trees along the overhead portion of the route will be inspected by a licensed arborist or trained horticulturalist to assess which trees will require trimming or other special protection provisions. These provisions for special construction techniques will be integrated into the Contract Bid documents. Any special conditions will be closely observed and best management practices will be integrated into the project design. Conservation strategies such as designs that will maximize connectivity between forested uplands and wetlands will be implemented during project installation.

A diverse network of important ecological communities fragmented by human uses of the landscape exists along the transmission line route. As the new line will be placed predominantly in previously disturbed areas (i.e., along open-landscaped habitats and roadways), it is unlikely that the Project will increase effects on the connectivity of adjacent ecological communities. It is unlikely that construction of the overhead transmission line will have a deleterious effect on the landscape, as the route exists along a highly developed, human-influenced roadside corridor. Construction activities (i.e., clearing, grading, excavating soils, removing vegetation) will be limited to existing disturbed areas within the right-of-way, whenever possible, to ensure that any suitable habitat will not be disturbed.

For underground portions of the transmission, trenches will be constructed within existing roadways; as these sites are already paved, no natural resources impacts will be expected. The contract documents will direct the contractor to directional drill under any identified wetlands, rather than use open trenches. Any underground installation in regulated wetland areas will be in accordance with the conditions of the General Wetlands Permit issued to KeySpan, as directional drilling under a wetland is an authorized activity. No maintenance within the wetlands will be expected for underground lines.

The expansion of the Bridgehampton Substation will involve clearing approximately 3.5 acres, and constructing a 14-foot wide access road from the Bridgehampton Sag Harbor Turnpike. The expanded substation will be constructed in upland habitat without wetland hydrology. The area surrounding the Bridgehampton Substation is characterized by the relative prevalence of oak-hickory forests and associated ericaceous understory, which are common in this area. Therefore, this limited clearing will not be expected to have a significant adverse impact on terrestrial resources.

2. Floodplains and Wetlands

Army Corps of Engineers (ACOE) and NYSDEC regulate freshwater wetlands existing in the vicinity of the Project route. In accordance with conditions of the NYSDEC General Permit issued to KeySpan, LIPA will coordinate with NYSDEC on wetland and rare species-related issues. Precautions during the removal of the existing poles and replacement of poles near wetland areas will avoid any impacts to sensitive ecological habitats and associated species. No new poles will be installed within wetlands, and the new poles will be no closer to wetland areas than the existing poles. Sub-surface trenching will be conducted beneath the existing roadway and will retain all groundwater or culvert flows. Therefore, any existing wetlands adjacent to the transmission line will not be negatively affected.

The 14-foot wide access road required as part of the substation expansion will cover three ephemeral streams that currently convey surface water runoff eastwards towards the Bridgehampton Sag Harbor Turnpike, but not as far as the Long Pond Greenbelt. These areas do not exhibit wetland soil and therefore do not meet the definition of a federal wetland in accordance with the 1987 ACOE Wetland Delineation manual. These features convey surface water flows only during precipitation events and for a period of time afterwards. Culverts will be placed in these areas to maintain the hydrological connection. The applicability of local and federal wetland regulations to these drainage ways is unlikely.

3. Stormwater

Site disturbance of more than 1 acre requires the development of a Stormwater Pollution Prevention Plan (SWPPP) and submission of a Notice of Intent (NOI) to NYSDEC. The installation of the underground portions of the transmission line will expose and involve less than 1 acre at any given time. Therefore, post-construction stormwater management measures are not required under State regulations. Nevertheless, KeySpan's Wetland Construction Guidelines will be used for erosion control and stormwater management to protect critical wetlands, drainage channels, and private property during construction.

The Project will increase impervious coverage by about 23,000 square feet at the site of the substation expansion, a relatively small area. Recharge from the new substation will be provided through a layer of permeable gravel. Most of the stormwater runoff from the expanded substation will percolate through the gravel layer and into the soil. During very heavy, intense rainfalls, some stormwater may runoff into the surrounding area. Runoff and pollutant loading from the expanded substation will be limited and will not carry any significant or unusual pollutant loads that would pose a threat to surface water or groundwater.

All erosion and sediment control measures and Best Management Practices (including specifications for temporary and permanent seeding) used during construction of the Project will comply with the specifications contained in the New York State Stormwater Management Design Manual dated August 2003. In addition, KeySpan's Wetland Construction Guidelines will be used for erosion control and stormwater management. These guidelines meet or exceed the New York State Best Management Practices. The guidelines will be strictly enforced during the construction period to prevent any impacts on nearby wetlands, drainage courses, and properties. Erosion and sediment control measures and Best Management Practices will be installed prior to beginning land disturbances and will not be removed until the disturbed land areas are stabilized. Such practices include seeding or mulching for surface stabilization, silt fences, haybale dikes, and water quality swales. Maintenance will be performed as necessary to ensure continued stabilization. A SWPPP will be prepared and implemented for the construction of the expanded substation. The SWPPP will ensure that emergency spill control equipment will be provided during construction activities when dielectric fluids are handled, an inspection program will be developed and implemented, proper periodic training of personnel to prevent the discharge of oil or hazardous substances will occur and, in the event of a spill, proper spill cleanup and reporting will be undertaken.

4. Significant Habitats and Ecological Resources

Several sites in the vicinity of the transmission line route provide suitable habitat for New York State Natural Heritage Program (NYNHP)-listed plant and wildlife species, particularly the Long Pond Greenbelt wetland and pond shore communities east of the Bridgehampton Sag Harbor Turnpike. Since the transmission line will not be placed through these areas, and there will be no construction or maintenance within these areas, the Project will not have a direct impact on these ecologically sensitive areas as a result of transmission line construction.

Wetlands within the vicinity of the expanded substation area are not mapped by the National Wetlands Inventory (NWI) or NYSDEC, but could represent potential habitat for several threatened and endangered species known to occur in the vicinity of the Project route (e.g., knotted and long-tuberclcd spikerush and creeping St. John's-wort). These plants have been noted in the past within Great Swamp (west of the substation) and the Long Pond Greenbelt Critical Environmental Area (east of the substation). The wetlands within the vicinity of the substation area represent an important ecological and hydrological connection between the Great Swamp and Long Pond wetland systems, and are important to the long term well-being of these habitats. Therefore, as described above, the drainage ways within the substation area will be maintained with the expanded Bridgehampton Substation, and no construction will take place

within the nearby wetlands. These steps will preclude any significant adverse impacts to the Great Swamp and Long Pond wetland systems.

5. Wildlife

The Project will not have a substantial effect on commonly occurring birds, mammals, reptiles and amphibians, or insects. Species with expanding populations (i.e., wild turkey, ring-necked pheasant, white-tailed deer) will also not likely be affected by the Project. Habitats available along the transmission line route are either highly landscaped, used for agricultural purposes, or contain remnant elements of natural ecological communities. The relatively small disturbance zone (approximately 25 feet or less on either side of existing overhead and underground line placement) will not likely result in an overall degradation of critical habitat for commonly occurring species.

Prior to the commencement of work, more detailed wildlife surveys will be performed within areas of potential impact to species of concern, and appropriate measures will be followed to minimize disturbance of wildlife populations during construction and maintenance of the transmission line. To reduce the chance of wildlife dispersal or migration through areas subject to construction activity, temporary fencing (i.e., type B silt fence) will be placed in the vicinity of the disturbed area, and will extend beyond the area of construction to allow for the movement of wildlife around the construction area. An experienced terrestrial ecologist will direct placement of any temporary fencing to prohibit wildlife movement through areas of construction activity.

6. Endangered, Threatened, Special Concern, and Rare Species

In a response regarding the draft scope of work for the Project, the NYNHP identified 23 plants listed as threatened or endangered species, 2 listed amphibians, 2 listed damselfly species, and 2 rare ecological communities known to occur within the vicinity of one or more of the four alternative transmission line routes originally being considered, based on past records of occurrence. However, no threatened or endangered plant or wildlife species listed by the NYNHP were found along the Project route during August 2007 field surveys. Once the precise location and arrangement of all transmission line equipment has been verified, more detailed wildlife surveys will be performed within areas of potential impact to listed flora and fauna, and appropriate measures will be followed to minimize disturbance to these populations during construction and maintenance of the selected transmission line route. These measures are described above with respect to protection of wildlife in general.

Several ecologically sensitive areas exist either directly on (i.e., Mill Pond, Short's Pond) or within the vicinity of (i.e., coastal plain pond shoreline in the Long Pond Greenbelt) the Project route. Many of the listed species indicated by the NYNHP prefer habitat conditions that vary from year to year (i.e. fluctuating water levels, ephemeral wetlands), often having dormant seed banks. Direct disturbance of wetland habitats will be avoided, thereby minimizing the potential for affecting wetland-dependent listed plant or animal species. As all construction and maintenance activities for the transmission line will occur within or adjacent to highly-traveled roadways, no impacts are expected to occur to important dispersal pathways that have not already occurred.

No threatened and endangered plant or wildlife species listed by the NYNHP were found along the proposed substation expansion area during the August 2007 field surveys. One major conservation concern in the vicinity of the proposed substation expansion is the potential for significant impacts to connectivity between forested upland areas and wetland areas, specifically Great Swamp and the Long Pond Greenbelt. Several threatened and endangered plant species and one state-endangered amphibian species, the Eastern tiger salamander, have occurred in wetland areas present within the vicinity of the Project. These species disperse to and from wetland areas and adjacent upland areas during their life cycle.

The Eastern tiger salamander, which is listed as endangered by the State, has been identified over the past 20 years in at least one area adjacent to the Project route (i.e., wetlands in the Shorts Pond area) and in at least one area adjacent to the substation expansion site (i.e., wetlands in the Long Pond Greenbelt). This species has specific ecological requirements only supported by the presence of dispersal corridors between breeding areas (i.e., small wetlands unable to support substantial predatory fish populations and underground burrows in forested uplands, where adults of this species spend the majority of the year). It is possible that the wetland-forest mosaic at and in the vicinity of the substation expansion could support breeding populations of Eastern tiger salamanders. In order to minimize disturbance to potential habitats of the Eastern tiger salamander, the NYSDEC has suggested that more information collected during a biologically relevant time of year is required to determine the presence of this species along the Project Route. NYSDEC recommends a survey be conducted during February and March for the presence of vernal pools that may provide adequate habitat. NYSDEC further recommended that if any potential Eastern tiger salamander breeding ponds are identified within 1000 feet of the underground line pathway, that the line should be rerouted beyond 1000 feet of such pools, or in the alternative, any underground installation within 1000 feet of a potential breeding pool should be undertaken with horizontal directional drilling avoiding disturbance to the upper 2 feet of the soil horizon.

To avoid any significant adverse impacts to endangered, threatened, special concern or rare species, once the precise location and arrangement of all equipment has been verified, more detailed surveys for threatened and endangered flora and fauna, including the survey recommended by NYSDEC for the Eastern Tiger Salamander requested by NYSDEC, will be performed within the areas of potential impact. Accepted survey protocols will be used to search for target species, and NYSDEC will be consulted for more specific information on threatened and endangered flora and fauna within the area of the proposed substation footprint. Arrangements have been made with NYSDEC for their participation in the survey, and the survey will be done during the appropriate time of year. After conducting the survey, LIPA will make appropriate adjustments in the plans to prevent loss of Eastern tiger salamander habitat or disturbance of other species of concern and/or their habitat. These adjustments will include rerouting of the line or the use of directional drilling as recommended by NYSDEC.

J. Hazardous Materials

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts related to hazardous materials; therefore, no mitigation is required.

The area along the transmission line route comprises a combination of agricultural land, residential dwellings, the Sag Harbor Landfill at the eastern end of the route, and commercial facilities including dry cleaners, automotive repair facilities, and gasoline filling stations. In addition, LIPA substations are present at both ends of the route. The woodland area north-adjacent to the Bridgehampton Substation is designated as part of an active shooting range (an area where shells and casings have been observed on the ground). Historic maps and aerial photographs show that historic uses in the area have been primarily agricultural and residential, with an increasing number of smaller commercial operations over time. Given the history of this area, extensive contamination of the soil or the groundwater is unlikely. Nevertheless, localized pockets of contamination could exist within the transmission line route. Excavation and construction activities could disturb these hazardous materials and increase pathways for human exposure. In the areas where power lines will be installed underground, the need for soil disturbance will be greater. The potential for adverse impacts due to the presence of subsurface contamination will be avoided by ensuring that construction activities are performed in accordance with the following protocols:

- To minimize the potential for impacts to the community and construction workers, all excavation and construction work involving soil disturbance will be performed under a Health and Safety Plan (HASP). KeySpan, the entity that will be responsible for overseeing the construction, will require contractors to have a HASP.
- To address the remediation of known environmental conditions that may be encountered during proposed construction and development activities, a Remedial Action Plan (RAP) will be prepared, if necessary and appropriate. The RAP will present measures for managing contaminated on-site soil and groundwater and removing any potential unknown underground petroleum storage tanks in accordance with applicable federal and State regulations.
- If dewatering is required for construction in those areas in which contaminated soil and/or groundwater is suspected, testing will be performed to ensure compliance with proper regulatory discharge requirements. If necessary, pre-treatment will be conducted prior to the water discharge, as required by regulatory permit/approval requirements.
- Unless there are labeling or test data indicating that electrical equipment does not contain mercury or PCBs, removal and disposal of that equipment, if required, will be performed in accordance with applicable federal and State regulations and guidelines.
- Prior to any construction activities that may disturb potential asbestos-containing materials, a comprehensive asbestos survey of such structures will be conducted that includes the sampling of all suspect materials to confirm the presence or absence of asbestos. Such structures could include underground utility vaults. Based on the findings of the survey, the identified ACMs will be removed and disposed of in accordance with all federal and State regulations.
- Any demolition activities with the potential to disturb lead-based paint will be performed in accordance with the applicable Occupational Safety and Health Administration regulations (OSHA 29 CFR 1926.62 - Lead Exposure in Construction).

- All material that needs to be disposed of (e.g., miscellaneous debris, tires, contaminated soil and excess fill) will be disposed of off-site in accordance with applicable federal and State requirements.

With the implementation of such protocols, no significant adverse impacts related to hazardous materials will result from demolition and/or construction activities related to the Project. Following construction, there will be no further potential for significant adverse impacts, as the Project area will not be further disturbed, and the Project itself will not discharge any hazardous materials to the area.

K. Infrastructure

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to infrastructure; therefore, no mitigation is required.

The expansion of the Bridgehampton Substation and installation of a new transmission line will not create an additional demand on the existing water supply system or the individual cesspools which are used for sanitary sewage management in the area. The Project will generate minimal solid waste, which would be handled by commercial carters and therefore will not have affect municipal solid waste management within the Town.

The Project will provide 69 kV of electric power to the Town of Southampton and other East End communities. By providing additional reliable electric supplies, the Project will meet the projected energy demand forecasted for 2008 and beyond. The Project will not have an adverse effect on the distribution, generation, and maintenance of existing energy facilities, nor will it create a demand for additional electric energy. The addition of the proposed transmission line will add redundancy to the South Fork system to avoid electric interruptions when the existing double circuit line is out of service.

The new poles will withstand 130 mph winds (a Category 3 hurricane). The existing poles were designed to withstand between 74 and 95 mph wind speeds (a Category 1 hurricane), and therefore the Project will result in the installation of more storm-hardened poles than what currently exists in areas where the poles are replaced. In the event of a heavy storm, portions of two critical evacuation corridors east of Shinnecock Canal could be flooded. Although the roadways along the Project route are not designated critical corridors, the roadways along the route could be utilized as an evacuation corridor, since most of them are not affected by storm surge, with the exception of a small portion located in the vicinity of Mill Pond. The Project will not have an adverse effect on existing emergency management; since the new poles will be more stable than existing poles and will be installed in the same locations where poles currently exist, the new poles will be advantageous in a storm event. Should poles and/or lines come down during a storm event, LIPA's Restoration Team is a designated specialty trained team that is able to respond to storm emergencies to restore service. Overall, LIPA gives the highest repair priorities to vital public services such as hospitals, police, emergency respondents, and sewage pumping stations.

K. Groundwater and Surface Water Resources

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts to groundwater or surface water resources; therefore, no mitigation is required.

The installation of the transmission line will not alter the grade of the affected land surface, while the expansion of the Bridgehampton Substation site will require regrading. On-site soils will be used to regrade the area for the expanded substation. Only topsoil and unsuitable material, which cannot be used for site grading, will be removed from the site. It is expected that about 12,000 cubic yards of material will be removed. Typical regrading will occur in the upper 2 feet of soil and thus will not substantially change the characteristics or functions of the upper Glacial Aquifer, which is the shallowest of Long Island's three sedimentary geologic formations. The overall topography at the substation will remain similar to existing conditions. Therefore, the Project will not significantly impact the local geology. During and after construction, erosion and sediment control measures will be implemented to stabilize exposed soil and to provide a final cover of vegetation on post-construction slopes.

It is not expected that soil suitability limitations will influence the siting of the new transmission line and substation expansion because there are already existing distribution lines along this route and an existing substation on the same lot where the substation expansion is proposed. Most of the dominant soil classes along the Project route have slight limitations for the construction of pipelines, paths and trails, streets and parking lots and home sites. However, some areas along the route have moderate limitations for the construction of a pipeline due to stability of the soils when trenching down to 6 feet. Limitations are less restrictive for shallower ditches. The trench for the underground portions of the Project will be between 4 and 5 feet deep, and so should not implicate these limitations. Moderate soil limitations, if encountered, do not in themselves create significant adverse environmental impacts but may require additional site preparation and engineering and cause a need for increased maintenance requirements. It is expected that good engineering practices, Best Management Practices, and erosion control measures instituted as part of the installation of the underground portions of the line will overcome any soil suitability limitation.

The new poles to be installed will be drilled about 8 to 10 feet deep. This depth has been found to be stable along the route, even if some of the underground portion of the pole is in the water table. In most instances, the new poles will not reach the water table. If groundwater is encountered during construction, dewatering will be implemented and testing will be performed in those areas in which contaminated soil and/or groundwater is suspected, to ensure compliance with proper regulatory discharge requirements. If necessary, the water will be pre-treated prior to discharge, as required by regulatory permits and approvals. The installation of the transmission poles will not cause the degradation of groundwater because the poles will not contain hazardous materials that could pose a threat to the aquifer.

The Project will increase impervious coverage by about 23,000 square feet at the site of the substation expansion, a relatively small area. Recharge from the new substation will be provided through a layer of permeable gravel. Most of the stormwater runoff from the expanded substation will percolate through the gravel layer and into the soil. During very heavy, intense rainfalls,

some stormwater may runoff into the surrounding area. Runoff and pollutant loading from the expanded substation will be limited and will not carry any significant or unusual pollutant loads that would pose a threat to surface water or groundwater. To minimize disturbance to surface waters, directional drilling will be utilized in areas where the underground portions of the transmission line cross a wetland, stream, or culvert.

All erosion and sediment control measures and Best Management Practices (including specifications for temporary and permanent seeding) used during construction of the Project will comply with the specifications contained in the New York State Stormwater Management Design Manual dated August 2003. In addition, KeySpan's Wetland Construction Guidelines will be used for erosion control and stormwater management. These guidelines meet or exceed the New York State Best Management Practices. The guidelines will be strictly enforced during the construction period to prevent any impacts on nearby wetlands, drainage courses, and properties. Erosion and sediment control measures and Best Management Practices will be installed prior to beginning land disturbances and will not be removed until the disturbed land areas are stabilized. Such practices include seeding or mulching for surface stabilization, silt fences, haybale dikes, and water quality swales. Maintenance will be performed as necessary to ensure continued stabilization. A SWPPP will be prepared and implemented for the construction of the expanded substation. The SWPPP will ensure that (1) emergency spill control equipment will be provided during construction activities when dielectric fluids are handled, (2) an inspection program will be developed and implemented, (3) proper periodic training of personnel to prevent the discharge of oil or hazardous substances will occur and (4) in the event of a spill, proper spill cleanup and reporting will be undertaken.

The operation of the existing substation involves the use of certain products and chemicals, many of which are common household items; the expanded substation will also use these chemicals. LIPA, together with KeySpan, has an extensive program of chemical approval, communication of hazards, and training of employees in the use and hazards of chemicals. All chemicals and products used must go through a variety of reviews, including a health and safety review and an environmental review. The chemical or product can only be used after it is approved for system use.

Lead is used in the existing substation and will be used at the expanded substation in sealed batteries for emergency power. These batteries are, and will be, housed in specially designed control rooms that have either concrete floors or a metal floor joined to the sides of the buildings. Batteries are recycled when replacement is required. The only mercury used at the existing substation is low mercury lamps, which will also be used at the expanded substation. These lamps, when no longer functioning, will be disposed of in accordance with applicable regulations. Sulfur hexafluoride (SF₆) gas is used in circuit breakers to suppress electric arcing during the switch operation. SF₆ is a non-toxic gas, which has been identified as a greenhouse gas. The amount of SF₆ currently present at the substation is about 25 gallons per circuit breaker. There are currently two 69 kilovolt gas circuit breakers at the existing substation. As part of the expanded substation, 12 new gas circuit breakers will be added and 1 existing circuit breaker removed. SF₆ will be contained in a sealed vessel. Transformers contain dielectric fluid, which is a refined petroleum distillate that removes heat and acts as an electrical insulator within the transformer. Each transformer contains approximately 4,745 gallons of insulating dielectric fluid.

Currently there are two transformers at the existing substation. No new transformers will be installed at the expanded substation. Sulfuric acid is present at the existing substation and will be present at the expanded substation in sealed batteries that are used to provide backup emergency power. Up to a total of approximately 60 gallons of sulfuric acid could be used at the substation. The batteries located at the expanded substation will be stored on specially designed racks in the control rooms. The racks will either stand on concrete floors or on a metal floor joined to the sides of the building to prevent leaking acid from being released into the environment. At the existing and expanded substation, other products may be used from time to time for various cleaning, maintenance, and repair functions. Many of the products used are similar to those sold in grocery or hardware stores. These items, except hand soap, are not currently stored at the substation and will not be stored at the expanded substation.

Programs are in place to reduce the use and storage of hazardous chemicals and to deal with spills and other emergencies that may arise. During routine operations, the substation will produce no hazardous wastes. During maintenance activities, small quantities of hazardous wastes may be generated and will be properly disposed of. Therefore, the use of chemical products at the expanded substation will have no effects on groundwater or surface waters.

L. Traffic

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts related to traffic; therefore, no mitigation is required.

The Project will not affect traffic circulation. After the transmission line is constructed, the only new vehicle trips will be for periodic maintenance along the route. This small number of vehicle trips will not result in any significant adverse impacts. In the overhead segment of the route, the Project will replace existing poles, generally spaced at the same intervals as the existing poles. These poles will, on average, only be about 6 inches thicker in diameter at the base than the existing poles. Two riser poles will be installed at Scuttlehole Road. Where taller (56-foot above grade) poles are required (i.e., at road crossings, at turns along the route, and for riser poles), the increased diameter will still only be about 6 inches over the existing condition, and constructed of wood. The Project therefore will not be expected to result in a substantial change in the proportion of traffic accidents involving utility poles. Further, between 2004 and 2007, only a minor proportion (fewer than 3 percent) of accidents at major intersections and links in the vicinity of the Project route involved light supports/utility poles. Since the Project will largely replace existing poles, it is anticipated that it will not materially increase the proportion of accidents where utility poles are involved.

M. Electric and Magnetic Fields (EMF)

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts related to EMF; therefore, no mitigation is required.

Potential EMF effects of the Project would generally be due to magnetic fields created by the transmission line, because normal construction materials provide virtually total shielding from electric fields and will prevent exposure levels above existing guidelines. New York State

regulations limit electric fields to 1.6 kilovolts per meter [kV/m] at the edge of the right-of-way [ROW], and 11.8 kV/m on the ROW, with further limitations of 11 kV/m and 7 kV/M as maximum levels for private road crossings, and highway crossings, respectively. Typically a 69 kV transmission line would have less than 0.8 kV/m electric field on the ROW, significantly below these standards.

Although there are no federal standards in the United States specifically to limit exposure to magnetic fields, the International Commission on Non-Ionizing Radiation Protection (ICNIRP) has developed exposure guidelines for the general public of 833 milligauss (mG). New York State has adopted a guideline for maximum magnetic field exposure of 200 milligauss (mG) at the edge of the ROW. For a 69 kV transmission line operating at 167 amps, at the transmission line center the strength of the magnetic field is typically approximately 23-27 milligauss (mG). At a distance of 40 feet from the transmission line centerline, the strength of the magnetic field typically drops to approximately 4 to 7 mG, and at a distance of 100 feet from the transmission line centerline, the strength of the magnetic field typically drops to less than 2 mG. Field strength decays with distance, and consequently at distances beyond 100 feet, the magnetic field would be expected to be 0-1 mG. Regardless of whether the line is above or below grade, magnetic fields of the magnitudes cited above are expected. Magnetic field levels in nearby buildings will vary depending upon the contribution from other indoor sources, e.g., appliances and wiring. However, at all locations adjacent to the transmission line route, regardless of whether the transmission line is on poles or underground, the strength of the magnetic field will be significantly below the guideline exposure value established for the general population by the ICNIRP. Maximum magnetic fields at locations immediately adjacent to the site of the expanded Bridgehampton Substation are expected to be in the range of 1 to 25 mG, and maximum fields are expected to be within 0 to 2 mG at distances of 100 feet or more from the substation. At all locations near the site of the expanded substation, off LIPA property, the maximum strength of any magnetic field would be significantly below the guideline exposure value established for the general population by ICNIRP. The Project will also result in magnetic fields significantly below the New York State 200 mG level at the edge of the right-of-way.

N. Construction

Based on the analysis in the FEIS, LIPA finds that the Project will not result in any significant adverse impacts related to construction activities; therefore, no mitigation is required.

The installation of the transmission line is expected to take about 3 to 4 months to complete. Work will commence in March 2008 and be completed by June 2008. During this time, about 5 to 10 construction workers and engineers are expected to be employed at any one location at any given time. The expansion of the Bridgehampton Substation is expected to take about 12 months. Work will commence in June 2008 and be completed by June 2009. The number of construction workers will vary depending on the particular type of construction underway at the time. The number of workers on-site could range from 5 to 50 at any one time. The expansion of the substation will require clearing and grading, as well as construction of an access road to the site along with culverts for the 2 streams on the property. On-site soils will be used to regrade the area for the expanded substation, and some soils will be removed. Heavy equipment will be used for grading, excavation, concrete pouring, erection of structural steel, and installation of wiring.

1. Land Use and Community Character

Throughout the construction period, access to residences and businesses will be maintained. During this time, measures will also be implemented to control noise, vibration, and dust. The construction of the substation expansion will occur on a site that is largely buffered from other uses by vegetation. Because construction of the transmission line will not be continuous in any one location and will last less than a week in any one particular area, no significant adverse impacts on land use patterns or neighborhood character would occur.

2. Cultural Resources

As described above under “Archeological Resources”, the area of the transmission line route is moderately to highly sensitive for archaeological resources. If potential archaeological resources are identified along portions of the route where the transmission line will be underground, detailed resource recovery work by qualified archaeologists will be completed prior to the start of construction. Detailed archaeological Phase 1B testing on the substation site has been completed, and no archaeological resources were found. A Construction Protection Plan will be developed in consultation with OPRHP, which will specify measures to be taken to prevent vibrations from the construction affecting historic structures. LIPA will employ and enforce the CPP to prevent any significant adverse impacts on architectural resources. The Bridgehampton Substation is not located near any architectural resources.

2. Traffic

Construction of the transmission line will occur over about a 12 to 16 week period and will include both truck and construction worker traffic. Construction is planned for March through June to avoid taking place during the peak summer traffic season. Installation of the overhead portion of the transmission line is expected to have little impact on traffic. One lane of traffic will be temporarily closed at active construction locations. Traffic flow will be managed by use of flagmen. Some truck delivery of construction materials will likely occur during the construction period. Heavy equipment and construction material delivery will average less than 10 trucks per day over the construction period.

The installation of the underground portions will typically be performed during normal construction hours, between 7:00 AM and 4:00 PM. The workday, on occasion, could extend to the times of natural daylight, up to 12 hours per day. However, based on scheduling, some activities, such as splicing, may take place outside of this timeframe (weekends and after 6:00 PM). Generally, utilities will be installed along the edge of the roadway, but interference with existing utilities, such as water lines, will, in some locations, dictate the exact location of the new underground cable. In any case, the contractor will use standard construction traffic control methods, including flaggers, barriers, and signage. Generally 500 to 1,000 feet of trench will be open at any one time, but longer lengths of fabricated conduit may be laid parallel to the trench on the roadside. The trench will be closed at night either with steel plate or by backfilling the trench and cold patching the road surface.

During the construction period for the transmission line, the total number of workers will vary from about 20 to 25 personnel at any one time. It is likely that two or more crews will be working at the same time. These crews will not be working in the same location, and the worker traffic will be dispersed throughout various roads. The addition of the worker vehicular traffic during construction will add from 15 to 25 additional vehicles daily. This increased worker traffic volume will not be a significant impact.

Construction of the substation expansion will include both truck and construction work traffic. Expansion of the substation will not require any lane closures. All construction will take place distant from the road network. The only effects on traffic will be workers arriving in the morning and departing in the afternoon, and trucks making deliveries during the day. During the construction period for the substation expansion, the number of workers will vary from about 5 to 50 personnel at any one time. The addition to the worker vehicular traffic during construction will add up to 50 additional vehicles daily at hours outside of peak traffic. Typical peak truck traffic will be approximately 10 to 20 trucks per day. However, during the 2 month period when soil removal will take place, a maximum of approximately 30 to 40 truck trips per day may occur. This minor increase in worker and truck traffic volume will not have a significant adverse traffic impact.

3. Air Quality

Possible impacts on local air quality during construction of the Project include fugitive dust (particulate) emissions from earth movement; mobile source emissions, including hydrocarbons, nitrogen oxide, and carbon monoxide emissions from construction workers and delivery vehicles and construction equipment operation. Generally, no site clearing will be needed for the overhead portion of the transmission line. The only exposed earth will be the small volume of soil excavated for each monopole. For the underground portions, only short distances, about 500 to 1,000 feet, will be exposed at any given time. Appropriate fugitive dust control measures, including watering of exposed areas and dust covers for trucks, will be employed to minimize any impacts.

For the substation expansion, fugitive dust emissions are possible from earth movement, wind erosion and traffic over unpaved areas. Appropriate fugitive dust control measures, including watering of exposed areas and dust covers for trucks, will be employed to minimize any impacts.

During construction, mobile source emissions may result from trucks delivering materials or removing debris, workers' private vehicles, and construction equipment operation. Because the route is either along or near roadways, truck deliveries and workers' private vehicles will not need to travel excessive distances, and are subsequently not expected to have a significant impact on mobile source emissions.

4. Noise

Noise effects during construction of the Project will include noise from construction equipment operation and noise from vehicles traveling to and from work sites. In general, construction of the Project will result in some increased noise levels for limited periods of time. Noise from

construction equipment is regulated by EPA noise emission standards. These federal requirements mandate that certain classifications of construction equipment and motor vehicles meet specified noise emission standards, and that construction materials be handled and transported in such a manner as not to create unnecessary noise. These EPA regulations will be carefully followed. To the extent possible, the Town and Village noise codes will also be observed. If late or Sunday work is needed, it will be limited to quiet tasks, such as splicing cables. In addition, where practical, near noise-sensitive locations, including residences, low-noise emission level equipment, and quiet operational procedures will be utilized. Compliance with noise control measures will be ensured by including them in the contract documents as material specifications, and by directives to the construction contractor.

Noise levels caused by construction activities will vary, depending on the phase of construction and specific tasks being performed. Increases in noise levels caused by the small number of delivery trucks, workers traveling to and from the site, and other construction vehicles will not be significant, and will be limited to public roadways. Increased noise levels caused by construction activities can be expected to be most significant during the stages of construction that require the use of impact equipment. This type of equipment will be used only during the daytime, and impact equipment for both overhead and underground installation of the transmission line will be used only for short periods of time at any single location.

In general, noise from construction activities could be intrusive at nearby residences. However, these impacts will be short-term in duration and would not be considered a significant adverse impact.

5. Hazardous Materials Management

Installation of the transmission line and expansion of the substation may generate limited amounts of some waste solvents and cleaning materials. A licensed contractor will remove these materials for appropriate off-site disposal. Solid waste and debris that cannot be recycled, reused, or salvaged will be stored in dumpsters or similar containers for disposal. Potentially hazardous wastes will be separated from normal waste, including segregation of storage and proper labeling of containers. Licensed contractors will remove all waste from the project site in accordance with applicable regulatory requirements. LIPA will require the construction contractor to develop and implement a Health and Safety Plan to ensure that the potential for exposure of construction workers, workers on nearby sites, and others in the area is minimized. The Health and Safety Plan will define worker safety training, monitoring procedures, and personal protective measures. The construction phase will require use of various petroleum and chemical products, including medium-weight oil, waste oil, aerosol lubricant, thinners, solvents, paint, gasoline, and diesel. None of these products will exceed 500 gallons, with aerosol lubricant and thinners and solvents at less than 50 gallons.

6. Stormwater and Erosion Control

KeySpan will follow its Wetland Construction Guidelines during the installation of the transmission lines. Those guidelines provide for procedures that prevent disturbance of wetlands and minimize sediments being deposited into the wetlands. Adherence to these guidelines will

provide for erosion control and stormwater management during construction activities. KeySpan has a General Wetlands Permit from NYSDEC that regulates utility activities within wetlands and regulated adjacent areas. The conditions of the permit will be strictly enforced during the construction period in order to prevent any impacts on nearby wetlands, drainage courses, and properties.

Expansion of the Bridgehampton Substation will require site disturbance of more than 1 acre, requiring the development of a SWPPP and submission of a NOI to NYSDEC. The SWPPP will be prepared and the NOI will be submitted prior to the start of any construction for the expansion of the substation. The requirements of the General Wetlands Permit will also be employed during the expansion of the Bridgehampton Substation. During construction of the substation expansion, erosion and sediment control measures will be installed prior to land disturbance and will not be removed until the disturbed land areas are stabilized. Such practices include seeding or mulching for surface stabilization, silt fences, haybale dikes, and water quality swales. Maintenance will be performed as necessary to ensure continued stabilization. Measures that may be used during construction include protection of trees and mature vegetation; stabilization of construction entrances; vegetated swales; haybale barriers; temporary seeding; and geotextiles. All erosion and sediment control measures and best management practices used during construction of the substation expansion will comply with the specifications contained in the New York State Stormwater Management Design Manual dated August 2003. In addition, KeySpan's Wetland Construction Guidelines will be used for erosion control and stormwater management. These guidelines meet or exceed the New York State Best Management Practices. The guidelines will be strictly enforced during the construction period to prevent any impacts on nearby wetlands, drainage courses, and properties.

6. Natural Resources

Installation of the transmission line, whether overhead or underground, will be limited to a narrow corridor along already developed land and roads. Thus, the area of disturbance will be small. The areas along the roads do not contain sensitive habitats or valuable natural resources. If wetlands are encountered, the transmission line poles will not be placed in the wetlands for overhead portions of the line, and the underground portions of the transmission line will be horizontally directionally drilled under the wetlands. Therefore, no significant adverse impacts from installation of the transmission line are expected.

The expansion of the Bridgehampton Substation will involve the clearing of about 3.5 acres for the substation and about 1/3 of an acre for a 14-foot wide access road from the Bridgehampton Sag Harbor Turnpike. The existing substation covers just less than 1 acre. Of the total 10 acre parcel, slightly more than half will remain wooded with the remainder as road or housing the substation equipment. During the construction period for the substation expansion, a large amount of activity will occur on-site and will displace animals from the site and nearby areas. Animals are mobile and are able to leave an area that is being disturbed. When the construction activity ceases permanently, the animals, including reptiles and amphibians, will return to nest, reproduce and forage, except on the newly cleared portions of the parcel. Fencing and specific strategies, such as turtle exclusion devices, will be employed to prevent animals from entering the construction area. Moreover, as discussed above under "Natural Resources", a survey will be

conducted to determine the presence of any endangered, threatened, special concern or rare species, and appropriate protective measures taken should any such populations be found. Therefore, no significant adverse impacts on the animal populations are expected. The permanent loss of vegetation within the small acreage of the expanded substation is not expected to have a significant adverse impact. The construction site, including staging and laydown areas, will have construction fencing to prevent workers and equipment from entering the surrounding areas that are not part of the construction. This will serve to protect the plants in the surrounding areas and no significant adverse impacts on plants and habitat in the surrounding areas are expected.

Portions of the transmission line route are located within a New York State agricultural district. According to the US Department of Agriculture and Cornell Cooperative Extension, nuisance pest species, such as the golden nematode, Colorado potato beetle and others, could be found in the farm fields. In addition, invasive species are found along the route. To minimize the potential for spreading these agricultural pests, construction equipment will be decontaminated prior to moving from one field to another, which will prevent any significant adverse impacts from agricultural pests and the spread of invasive species during construction.

O. Cumulative Impacts

Based on the findings in the FEIS, LIPA finds that the Project will not result in any significant adverse cumulative impacts in the context of other actions currently taking place or planned within the project area and surrounding region at the same time as construction of the Proposed Action. Projects occurring east of Shinnecock Canal and west of the Town of East Hampton boundary in 2008 include the widening of County Road (CR) 39 from Sunrise Highway's eastern terminus to North Sea Road, west of the project area, as well as a residential subdivision (Two Trees Subdivision) and an inn (Orchard at Bull's Head Inn). The long-term impacts of these projects relevant to cumulative impacts analysis were accounted for in the FEIS analyses on which the findings above, that the Project will not have any significant adverse impacts, are based. The projects with the highest likelihood of overlapping temporary cumulative effects are the CR 39 Improvement Project and the Two Trees Farms subdivision. Construction of the transmission line and the CR 39 Improvement Project could physically overlap. This overlap would affect a small, localized area in the vicinity of the intersection of North Sea Road with CR 39. By careful coordination between the two projects, the overlap of construction activity and any cumulative construction impacts could be avoided. The subdivision project does not have a specific date for construction, and the Orchard at Bull's Head Inn project is not in close enough physical proximity to the Project route to expect overlapping cumulative construction impacts.

P. Environmental Justice

Based on the analysis in the FEIS, LIPA finds that the Project does not present any concerns related to environmental justice. The area comprising the census tracts substantially within one mile of the Project is not considered a potential environmental justice area. Approximately 85 and 94 percent of the study area is made up of non-minority and non-low-income populations, respectively. While the area includes one minority community—Census Tract 1907.04, Block Group 3 in the northeastern portion of the study area—this community will not be unduly or disproportionately affected by construction or operation of the proposed transmission line. As

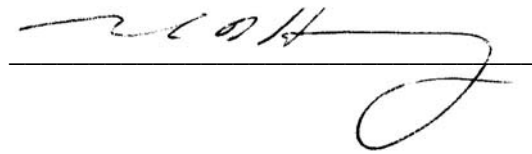
explained herein, the Project will not result in significant adverse impacts on the surrounding communities during construction or operation. This conclusion considers the potential for cumulative impacts from the proposed transmission line in conjunction with other similar facilities located in the area. Therefore, the Project will not result in any disproportionate significant adverse impacts on minority or low-income populations.

IV. CERTIFICATION OF FINDINGS TO APPROVE

LIPA has considered the relevant environmental impacts, facts and conclusions disclosed in the EIS and has weighed and balanced relevant environmental impacts with social, economic and other considerations.

Having considered the DEIS and FEIS and the above written facts and conclusions relied upon to meet the requirements of 6 NYCRR § 617.11, LIPA certifies that (1) the requirements of 6 NYCRR Part 617 have been met; and (2) the Project is consistent with the applicable policies set forth in 19 NYCRR 600.5; and (3) consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable.

The above Findings Statement was approved and adopted by the LIPA Board of Trustees on February 26, 2008.

A handwritten signature in black ink, appearing to read "M. H.", is written over a horizontal line.

March 3, 2008 _____
Date