STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Case 04-T-1687 - Application of Long Island Power Authority for a Certificate of Environmental Compatibility and Public Need for the Construction of a 13 mile, 345 kV Electric Transmission Facility, the Newbridge Road Connector, in the Towns of Hempstead, Oyster Bay, and Huntington.

JOINT PROPOSAL

By: Long Island Power Authority
Staff of the New York State Department of Public Service
New York State Department of Transportation

Dated: October 21, 2005
Albany, New York

TABLE OF CONTENTS

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Case 04-T-1687 - Application of Long Island Power Authority for a Certificate of Environmental Compatibility and Public Need for the Construction of a 13 mile, 345 kV Electric Transmission Facility, the Newbridge Road Connector, in the Towns of Hempstead, Oyster Bay, and Huntington.

THIS JOINT PROPOSAL is made on the 21st day of October, 2005 by and among the Long Island Power Authority ("LIPA"), Staff of the New York State Department of Public Service ("Staff") and the New York State Department of Transportation ("NYSDOT") (collectively referred to as the "Signatory Parties").

INTRODUCTION

On December 22, 2004, LIPA filed an application with the New York State Public Service Commission ("Commission") seeking a certificate of environmental compatibility and public need, pursuant to Article VII of the Public Service Law, for the construction, operation and maintenance of a new 345 kilovolt ("kV") underground transmission facility consisting of approximately thirteen (13) total circuit miles (the "Facility") enabling full receipt and delivery of capacity from the Neptune Regional Transmission System ("Neptune RTS") project recently approved by the Commission. The Facility will be comprised of one (1) circuit that will extend west approximately four (4) miles from the LIPA Newbridge Road Substation ("Newbridge") to the LIPA East Garden City Substation ("EGC") (the "Western Connector") and one (1) circuit that will extend east approximately nine (9) miles from Newbridge to the LIPA Ruland Road Substation ("Ruland") (the "Eastern Connector").

Public statement hearings and a preliminary conference of the active parties were held respectively before Administrative Law Judge William Bouteiller in Levittown, New York, on March 10, 2005 and at the Commission's offices in New York City on March 11, 2005. Prior to the public statement hearing sessions, Staff hosted informal informational sessions for the public.

After exploratory discussions among the parties, a Notice of Impending Negotiations was filed with the Commission on May 24, 2005. Settlement conferences commenced with a conference call among interested parties held on June 1, 2005.

After thorough discussion of the issues, the Signatory Parties recognize that the parties' various positions can be addressed through settlement and agree that settlement is now feasible. The Signatory Parties further believe that this Joint Proposal gives fair and reasonable

consideration to the interests of all parties and that its approval by the Commission is in the public interest.

TERMS OF JOINT PROPOSAL

I. GENERAL PROVISIONS

A. It is understood that each provision of this Joint Proposal is in consideration and support of all of the other provisions of this Joint Proposal and is expressly conditioned upon approval of the terms of this Joint Proposal in full by the Commission. If the Commission fails to adopt the terms of this Joint Proposal, the parties to the Joint Proposal shall be free to pursue their respective positions in this proceeding without prejudice.

B. The terms and provisions of this Joint Proposal apply solely to, and are binding only in, the context of the purposes and results of this Joint Proposal. None of the terms or provisions of this Joint Proposal and none of the positions taken herein by any party may be referred to, cited or relied upon in any fashion as precedent or otherwise in any other proceeding before the Commission or any other regulatory agency or before any court of law for any purpose, except in furtherance of ensuring the effectuation of the purposes and results of this Joint Proposal.

C. The Signatory Parties agree to submit this Joint Proposal to the Commission along with a request that the Commission expeditiously adopt the terms and provisions of this Joint Proposal as set forth herein.

D. The Signatory Parties recognize that certain provisions of this Joint Proposal contemplate actions to be taken in the future to effectuate fully this Joint Proposal. Accordingly, the Signatory Parties agree to cooperate with each other in good faith in taking such actions.

E. In the event of any disagreement over the interpretation of this Joint Proposal or implementation of any of the provisions of this Joint Proposal, which cannot be resolved informally among the Signatory Parties, such disagreement shall be resolved in the following manner:

1. the Signatory Parties shall promptly convene a conference and in good faith attempt to resolve any such disagreement; and
2. if any such disagreement cannot be resolved by the Signatory Parties, any Signatory Party may petition the Commission for resolution of the disputed matter.

F. This Joint Proposal shall not constitute a waiver by LIPA of any rights it may otherwise have to apply for additional or modified permits, approvals or certificates from the Commission or any other agency in accordance with relevant provisions of law.

G. This Joint Proposal is being executed in counterpart originals, and shall be binding on each Signatory Party when the counterparts have been executed.

H. The Signatory Parties agree to provide the necessary testimony and affidavits that will permit the testimony and exhibits agreed upon by the Signatory Parties as set forth in Appendix A attached to this Joint Proposal to be admitted as record evidence in this proceeding.

II. DESCRIPTION OF FACILITY LOCATION

The Signatory Parties agree that the Description of Facility Location set forth in Appendix B attached hereto accurately describes the location and configuration of the proposed Facility as reconfigured herein. The reconfiguration involves moving the route to avoid crossing a private property near Station 177. Actual construction of the proposed Facility at the location described is contingent upon obtaining all necessary real property rights to locate the proposed Facility as described.

III. ENVIRONMENTAL COMPATIBILITY AND PUBLIC NEED

The Commission must consider the totality of all of the relevant factors in making its determination of environmental compatibility and public need. The relevant factors include, without limitation, the electric system, cost, environmental impact, the availability and impact of alternatives, undergrounding considerations, conformance to long-range plans, state laws and local laws, and the public interest, convenience and necessity.

A. <u>The Electric System</u>

1. LIPA is the sole electric delivery company and the only entity authorized to provide local transmission and distribution of electricity on Long Island east of New York City. For those functions, LIPA holds a monopoly that is sanctioned by State law and policy. KeySpan Electric Services LLC operates LIPA's local electric transmission and distribution system as a contractor of LIPA.

2. The Neptune RTS was approved by the Commission to address an increasing need for additional electric capacity on Long Island. The Commission determined that, "[t]he [Neptune RTS]… is needed to provide additional electric supplies for the energy market on Long

Island and to increase its transmission ties and interconnection with other regions."[1] The Signatory Parties agree that the Neptune RTS is a crucial part of the solution to Long Island's energy problems and will further LIPA's mission to provide safe, reliable, low cost electricity to its customers.

3. The Neptune RTS represents a significant step in solving Long Island's energy concerns by providing an additional 660 MW of electricity. As stated in LIPA's Energy Plan, "interconnections enhance reliability by making resources available from outside the area during system disturbances or periods of high demand."[2] The new capacity provided by the Neptune RTS will result in a more diversified and reliable system that is better able to accommodate various uncertainties with respect to load, generation, transmission, and emergencies caused by extreme weather and off-island contingencies.

4. It is critical that once the power carried by the Neptune RTS gets to Long Island it can be delivered to the system without being "bottle-necked" or requiring LIPA to reduce or back down other needed resources. Deliverability is essential to good utility planning as only power that can be delivered can satisfy locational and statewide installed capacity requirements. If the addition of power into the system at Newbridge requires that other resources on Long Island be backed off, the benefit of the Neptune RTS would be greatly reduced because it would not qualify as capacity. As a result, the energy and capacity savings from accessing more competitively-priced power in the PJM Interconnection, L.L.C. ("PJM") would be reduced due to restrictions on imports.

5. Analyses conducted as part of the Neptune RTS System Reliability Impact Study ("SRIS") and the *LIPA Transmission System Analysis with Neptune RTS Interconnection* ("Transmission System Analysis"), conducted by KeySpan Engineering and Survey, Inc., identified the need for the Facility.

6. The Transmission System Analysis tested the existing facilities' ability to deliver power eastward from Newbridge and other Nassau County facilities without any system

---

[1]Case 02-T-0036: Application of Neptune Regional Transmission System LLC for a Certificate of Environmental Compatibility and Public Need for the Construction of Two 600-Megawatt (+/- 500 kV) High Voltage Direct Current Submarine/ Underground Electric Transmission Cables to Connect Load Centers in New York with Transmission and Generation Resources in New Jersey, *Opinion and Order Adopting Joint Proposal and Granting Certificate of Environmental Compatibility and Public Need For a Transmission Facility From New Jersey to Long Island* (Issued January 23, 2004), p. 16.

[2]LIPA Energy Plan, Vol. 1, p. 2-1.

reinforcements. The Transmission System Analysis found that the two (2) existing Newbridge to Ruland 138 kV circuits will overload as high as twenty two percent (22%) above the circuit's Long Term Emergency ("LTE") dynamic rating for various system contingencies. The addition of the Eastern Connector, with a series reactor, will eliminate these overloads.

7. The Transmission System Analysis also tested the impact of moving additional levels of power into Nassau County. According to the Transmission System Analysis, as additional power was delivered into Nassau, the existing EGC to Newbridge 138 kV circuits overloaded twenty percent (20%) under normal conditions, thereby restricting the deliverability of the power. The analysis also showed overloads as high as twenty percent (20%) above the circuit's LTE dynamic ratings for various system contingencies. Addition of the Western Connector eliminated these overloads.

8. The Facility will also provide additional support to the balance of the NYISO system as well as to the ISO-New England by expanding the transmission capacity and further integrating the region. To the extent a coordinated northeast regional market develops, the potential economic benefits are expected to increase.

9. The Facility will also help support delivery of power from other resources to Western Nassau County and to the load center in Suffolk County. The Facility will provide additional reliability by supporting the existing infrastructure even when no imports are occurring by reinforcing and increasing the capability of the existing transmission capacity.

10. The approved Neptune RTS, together with the Facility, contribute to achieving a goal of increasing the amount of interconnection capacity, minimizing power flow constraints, improving system reliability and increasing power transfer capability[3] by allowing an additional 660 MW of electricity to be imported into Long Island. The Facility will contribute significantly by minimizing power flow constraints, improving system reliability and increasing power transfer by, as noted above, supporting delivery of power from other resources to Western Nassau County and to the load center in Suffolk County. The Facility will also enhance reliability by supporting the existing infrastructure, even in the absence of imports, by reinforcing and increasing the capability of the existing transmission capacity.

B. Cost

The Facility is projected to cost $115 million. The cost estimates for the alternate routes, estimated by LIPA, are provided below and are understated because they are based on

[3]LIPA Energy Plan, Vol. 1, p. 2-1.

generalized benchmarks. They also do not include external costs, which are expected to be higher for the alternate routes than for the proposed route, such as the economic effect of modified traffic patterns, impeded access to properties, and loss of business in the Melville business district. The following simplified cost comparison is provided for the alternative routes considered by the Signatory Parties:

Configuration	**Cost**
Western & Eastern Connector Route*	$115 million
Alternate Route 1	$124-127 million
Alternate Route 2	$114-116 million
Alternate Route 3	$117-120 million
Alternate Route 4	$123-126 million
Alternate Route 5	$116 million

* Denotes Joint Proposal Recommendation

C. Environmental Impacts

The application, testimony and exhibits to be supplied for the record describe the nature of the probable environmental impacts of the Facility and are briefly summarized below. The environmental impacts are expected to be minimal, limited to temporary construction disturbance and the introduction of additional structures and equipment into existing LIPA substations. The Signatory Parties agree that the Facility as located and configured for this Joint Proposal represents the minimum adverse environmental impact considering the state of available technology and the nature and economics of the various alternatives and other pertinent considerations. The selected route and configuration is preferred because it re-uses existing and previously disturbed rights-of-way, re-uses existing electrical interconnection equipment, avoids

or minimizes the disturbance of natural habitat, is reasonable in terms of cost, and avoids disturbance of residential and commercial properties and activities in a densely populated area.

Land Use

1. The Facility has been sited and designed to avoid long-term or permanent impacts to all land uses within and adjacent to the proposed right-of-way. Long-term impacts to land uses as a result of operation of the transmission cables have been avoided by placement of the cables underground, utilization of existing utility and public right-of-ways, and by keeping the cable routes away from existing developed areas to the extent possible. Temporary land use disturbances will occur during installation of the cables; however, these temporary disturbances will not have significant impact on existing and known future planned land uses. The installation of new equipment and equipment upgrades at the existing substations will not result in any significant land use impacts.

2. Nearly the entire Eastern Connector route is located within existing road, railroad and other utility corridor right-of-ways in order to minimize impacts. These locations have been previously disturbed, thereby minimizing the potential impacts due to the installation of the transmission cable. Within the Levittown neighborhood, the LIRR right-of-way is adjacent to a number of residences. The residences and other land uses will experience temporary disturbances associated with construction activities. Direct disturbance to properties will be avoided to the extent possible by accessing the right-of-way from existing roadways. Residents will be notified of the planned construction activities and schedule prior to the start of construction. Use of the right-of-way of the Seaford-Oyster Bay Expressway (NY135) avoids residences and minimizes local road closures and traffic re-routing during construction without impeding traffic flow on the Expressway.

3. The transmission cable will traverse two segments of Bethpage State Park. In the first segment, the route follows an existing LIPA overhead transmission line, a bike path and state park road through the park until it exits at the northern boundary. Placing the cable transmission line along the previously disturbed transmission line, roadways and bike paths minimizes the removal of trees that could have an adverse impact on park aesthetics. Due to the cable's underground design, there are no long-term impacts to the state park concerning its use or accessibility. Temporary impacts will be localized to one area of the park around the bike paths in order to minimize the overall impacts. The temporary impacts will be further reduced and avoided by seasonal construction when the bike paths are not in use. Lastly, mitigation efforts

such as grading and re-vegetation will be used to restore the area to its previous aesthetic. In the second segment, the transmission cable will be installed with horizontal directional drilling (HDD) to minimize impacts to natural forestland and maintained golf course facilities.

4. The SUNY Farmingdale campus is located adjacent to Bethpage State Park. The proposed route stays entirely along the property boundary where it will have the least cumulative impacts. The cable will be located underground where it will have no long-term impacts. The short-term impacts to the Farmingdale campus are anticipated to be entirely from construction activities. However, construction impacts have been minimized by routing of the cable through an injection well field and along an overhead transmission line corridor where vegetation is currently maintained in an herbaceous condition. The disturbed areas from construction will be restored according to a re-vegetation plan.

5. The majority of the Western Connector will be within the limits of a LIRR right-of-way, one section of which traverse an area between two golf courses within the Nassau County-owned Eisenhower Park. The proposed route is located between actively used areas of two golf courses. The route was selected to reduce impacts to existing vegetation by minimizing the amount of clearing necessary. Directional drilling methods may also be utilized in areas around the maintenance building to reduce any impact to the existing building and daily operations of the golf course personnel. The proposed construction will also be scheduled in the off-season to further reduce any impact to the operations of the golf course and the public enjoyment of the property. Similar to the measures proposed for Bethpage State Park, the construction will be localized to one area, will progress quickly and will include measures to restore the park aesthetic and minimize impacts on recreational use.

6. Construction shall be scheduled to minimize adverse effects on the use of residential and recreational areas adjoining the Facility, in particular, neighborhood park areas, golf courses at Eisenhower Park and golf courses and recreation trails at Bethpage State Park, considering, among other things, cost, environmental, and engineering factors, and to minimize impacts on transportation facilities and the traveling public as provided herein.

Visual Impact

7. The Facility has been sited and designed to minimize impacts to visual and aesthetic resources. There will be no permanent visual or aesthetic impacts caused by the cable and substation upgrades because cables will be located entirely underground and there will only be incremental upgrades to the existing substations in keeping with their current visual character.

Temporary visual impacts to pedestrians, motorists, and residents will occur during installation of the cable due to the presence of construction equipment, and as a result of vegetation and selective tree clearing in existing right-of-ways. Due to the linear nature of the project, no one location will be impacted for more than a few days and disturbed areas will be restored. A conduit to accommodate the future upgrade of the Facility to 345 kV operation shall be installed as part of the Facility so as to eliminate the need for further disturbance of the landscaping around the northern perimeter of the Newbridge Road Substation.

8. Upon completion of the Neptune and LIPA transmission facilities at the Newbridge Road Substation (including the new spare 345 kV conduit), LIPA will prepare for DPS Staff review a visual assessment and landscaping/mitigation plan for the area around the Substation which shall include measures regarding removal of oversize trees or undesirable vegetation, landscaping, drainage, grading, measures to contain pedestrians and control litter including restoring or replacing fences and sidewalks and the possible installation of a bus shelter, and such other mitigation measures as are appropriate. Provision for the consultation with other interested stakeholders, if appropriate, will be included. Upon approval by DPS Staff, the landscaping/mitigation plan will be implemented.

9. Existing plantings removed during construction that provide screening, including screening of the existing overhead facilities, shall be replaced with landscaped screening as appropriate to maintain adequate screening of residential facilities from non-residential facilities.

Cultural Resources

10. Approximately 4.2 miles, or 32%, of the cable route has the potential to contain cultural resources. A Phase I cultural resource investigation will be completed prior to construction, and route modifications or other mitigation will be made as necessary to avoid any sensitive areas identified. The New York State Office of Parks, Recreation and Historic Preservation was consulted regarding the potential effect of the Facility on historic and archaeological resources and according to correspondence dated February 28, 2005, has determined that the Phase I cultural resource investigation is necessary in previously undisturbed areas to ensure that the Facility will have no effect on historic and archaeological resources in New York State.

Water Resources

11. No surface waters will be impacted by the Facility. The rate of storm water runoff will temporarily increase from exposed construction areas. Storm water runoff will be

controlled through implementation of standard erosion and sedimentation control procedures, such as the installation of silt fences or hay bales around work areas. No groundwater resources will be directly impacted by the Facility and implementing best management practices and monitoring during construction will minimize the potential for indirect impacts.

Vegetation and Terrestrial Resources

12. Impacts on vegetation and wildlife have been minimized by placement of the cable within existing cleared right-of-ways and disturbed areas, and by implementing directional drill construction techniques at various locations. An estimated 5.4 acres of forested vegetation will be permanently cleared to establish a permanent ROW for the Facility. The 5.4 acre area to be disturbed includes two crossings of successional northern hardwood (totaling 900 linear feet) on the east and west margins of the Meadowbrook State Parkway, approximately 1,800 linear feet of successional northern hardwood on the east side of the Seaford-Oyster Bay Expressway (NY135) where forested vegetation extends to the edge of the roadway pavement, approximately 1,600 linear feet of successional northern hardwood in Bethpage State Park near South Barry Lane (of which approximately 1,100 linear feet would be directionally drilled); approximately 5,300 linear feet of chestnut oak forest in Bethpage State Park along the east side of Winding Road, and approximately 700 linear feet of white pine plantation along the east side of Winding Road. None of the forested areas to be cleared are considered significant or unique habitats and the 5.4-acre area affected is considered insignificant on both a local and regional level. All other vegetated areas temporarily disturbed by the Facility will be restored according to a project-specific re-vegetation plan. No wetlands or protected species and habitats will be impacted by construction and operation of the Facility.

13. LIPA will prepare a ROW and vegetation management plan for the entire ROW of the Facility including measures for periodic maintenance and the prevention of encroachments. NYSDOT will maintain the ROW within the right-of-way of the Seaford-Oyster Bay Expressway (NY135), including the management of encroachments.

14. LIPA will prepare a plan for converting the ROW vegetation within Bethpage State Park between station 86+00 and station 101+00 from tall-growing forest species to native grass and shrub meadow. Implementation will be subject to approval by Bethpage State Park officials and if necessary LIPA will convene a meeting with DPS Staff and such officials to seek approval or to work out an alternate plan.

15. LIPA will prepare a plan for screen planting at Bethpage State Park at station 86+00 using shrub and small tree species appropriate for placement beneath the existing overhead transmission line to be installed as part of Facility restoration. Implementation will be subject to approval by Bethpage State Park officials and if necessary LIPA will convene a meeting with DPS Staff and such officials to seek approval or to work out an alternate plan.

Geology, Soils & Erosion

16. No permanent or significant impacts regarding geology, soils or erosion are anticipated. Soils along the cable route will be temporarily disturbed during construction activities. Erosion-control structures, temporary seeding and re-vegetation, and erosion-control fabrics will be used to minimize temporary impacts to soils. Clearing, grading, subsequent maintenance, and restoration shall be confine to the certified right of way and new off-right-of-way access roads. Existing work areas along the cable route shall be restored to original conditions, except where restoration would be contrary to sound right-of-way management practices, or to any approved long-range right-of-way management plan applicable to the Facility; or a property owner (other than LIPA) on whose land restoration is required declines such effort.

Transportation

17. Impacts to traffic flow on primary roadways and at bridge crossings will be avoided by implementing directional drill construction techniques at all primary road and bridge crossings. Construction access to the right-of-way of limited access highways shall be provided from off-highway locations. Temporary lane closures may be required along secondary roadways during construction. Traffic control personnel and safety signage will be employed to ensure safe and successful traffic flow when secondary roadway lanes are temporarily shut down. The Facility will not have any significant impacts on railroads, aviation, or navigable waters. It is not anticipated that any lane closures or other traffic disturbances on the Seaford-Oyster Bay Expressway (NY135) would be necessary during construction as the trench proposed for the Facility at this location would be accessed from off-highway locations and would be located away from the roadway. Prior to submitting its construction plans for the Seaford-Oyster Bay Expressway (NY135) segment, LIPA will provide to NYSDOT a preliminary design marked to avoid conflicts with the following potential future transportation projects that NYSDOT may seek to undertake in the future: an extension of the Bethpage Parkway, noise walls, an additional travel lane, and foundations for overhead sign structures, guide rail and

highway lighting installations, and shall offer to consult with NYSDOT concerning any comments it may offer and will use reasonable efforts to accommodate any NYSDOT concerns.

Noise

18. The increase in noise during construction of the Facility will be temporary and minor based on the time of day and duration of construction. Modeling was performed to evaluate the noise impact associated with the upgrade of the Newbridge Road Substation. It was determined that the upgrades will result in essentially no increase in the existing noise levels; therefore, there would be no noise impacts. LIPA will conduct a pre-operational 345 kV upgrade noise study and post-operational noise study. Although the 345 kV upgrade is not expected to cause a noticeable increase in ambient noise levels that exist before operation of the 345 kV upgrade, LIPA will study the impact of the upgrade on ambient noise levels. If the incremental impact of the 345 kV upgrade does not create a noticeable increase in ambient noise levels at sensitive noise receptors, no further studies on mitigation will be necessary. If there is such a noticeable incremental impact, LIPA will take appropriate measures to mitigate that impact. If the aforementioned mitigation measures are not successful in mitigating any incremental, noticeable noise impact from the 345 kV upgrade at sensitive noise receptors, then LIPA will perform a cost benefit analysis concerning possible available noise reducing measures, such as noise control features, noise cancellation technology, and other measures for other equipment in the Newbridge Road Substation and provide said analysis to Staff. LIPA shall consult with Staff concerning what further action could be warranted or appropriate. Construction will be performed only during the hours of 7:00 A.M. – 6:00 P.M., Monday through Friday. Nothing herein shall preclude LIPA from making the necessary arrangements for the extension of work hours with appropriate local agencies in compliance with local ordinances. DPS Staff shall be notified at least 48 hours in advance if planned weekend, evening or holiday construction becomes necessary.

19. The EM&CP will specify appropriate controls and protocols for night-time work as necessary to accommodate the construction schedule and to preserve public convenience, if otherwise allowed.

Communications

20. At voltages of 345 kV and above, there is a potential for electric transmission lines to cause radio and telecommunication noise and television interference near the transmission line. However, the Facility is not expected to produce any such interference

because of the use of a shielded, underground cable that virtually eliminates the emanation of an electric field beyond the cable.

Electric and Magnetic Fields

21. Based on the shielded, underground line configuration of the proposed cable, the emanation of an electric field beyond the cable is virtually eliminated.

22. Magnetic fields will emanate from the transmission line and substation improvements that constitute the proposed Facility. Computer simulations were used to calculate the expected magnetic field levels at the edge of the right-of-way of the transmission line, at the occupied structures nearest to the transmission line, and in the vicinity of the affected substations.

23. Magnetic field calculations show that the proposed underground transmission line, in combination with the multiple transmission circuits existing in the same corridor, meets the Commission's maximum 200 mG magnetic field interim standard at the edges of the defined right-of-way throughout the proposed route.

The maximum calculated magnetic field levels under Winter Normal conductor loading are as follows:

Study Location		Northerly ROW Edge	Southerly ROW Edge
1	Distance from C/L:	15 ft	45 ft
	mG:	44.4	15.5
2	Distance from C/L:	15 ft	45 ft
	mG:	44.4	15.5
3*	Distance from C/L:	15 ft	40 ft
	mG:	32.3	5.8
4	Distance from C/L:	48 ft	12 ft
	mG:	85.1	129.4
5	Distance from C/L:	48 ft	12 ft
	mG:	85.1	129.3
6	Distance from C/L:	190 ft	50 ft
	mG:	<1	3.1
7	Distance from C/L:	NA	NA
	mG:	NA	NA
8	Distance from C/L:	48 ft	2 ft
	mG:	3.1	128.6
9	Distance from C/L:	NA	NA
	mG:	NA	NA
10	Distance from C/L:	40 ft	60 ft
	mG:	75.3	111.0
11	Distance from C/L:	40 ft	45 ft
	mG:	29.5	6.7

* Figures given are for vicinity where the Facility is in an existing right-of-way. The Facility actually deviates out of the right-of-way to avoid a building in the right-of-way at Location 3.

24. For the East Garden City Substation, the Newbridge Road Substation, and the Ruland Road Substation, the magnetic field levels in the areas surrounding the respective property lines of the substations, and the edges of the rights-of-way for transmission lines (overhead and underground) entering the particular substation after installation and operation of the proposed Facility, which includes expansion of the substations, are expected to generally remain around current levels and to be lower than the 200 mG winter normal conductor rating standard established by the Commission in 1990 as an interim standard. LIPA will provide calculations of the magnetic field levels projected for these areas and consult with Staff about the need for, if any, together with the feasibility and cost-effectiveness of mitigation measures to reduce such levels, as part of the detailed construction design process.

25. The Commission's interim policy on magnetic fields uses a worst-case peak calculation of magnetic fields based on the winter normal conductor rating of a transmission line. It was adopted in the absence of a consensus in the scientific community or direct causal

evidence as to whether prolonged exposure to low levels of magnetic fields from power lines causes biological effects in humans. Because of the lack of definitive information, however, it is generally considered rational to follow a policy of "prudent avoidance" of magnetic fields where economical. Most studies of the biological effects of magnetic fields from power lines are based on typical actual exposures -- generally the annual average exposure -- rather than peak exposures. In order to model the magnetic fields on an average exposure basis, load flows for the average cases were developed. Using an average load methodology for the transmission line, in combination with the multiple transmission circuits existing in the same corridor, maximum average magnetic field levels calculated at the nearest occupied structures are as follows:

Study Location		Northerly Nearest Occupied Structure	Southerly Nearest Occupied Structure
1	Distance from C/L:	NA	80 ft
	mG:	NA	1.9
2	Distance from C/L:	60 ft	80 ft
	mG:	9.1	1.9
3	Distance from C/L:	20 ft	105 ft
	mG:	14.3	<1
4	Distance from C/L:	140 ft	25 ft
	mG:	5.8	30.5
5	Distance from C/L:	55 ft	35 ft
	mG:	27.9	25.5
6	Distance from C/L:	240 ft	150 ft
	mG:	<1	<1
7	Distance from C/L:	NA	NA
	mG:	NA	NA
8	Distance from C/L:	75 ft	NA
	mG:	<1	NA
9	Distance from C/L:	NA	NA
	mG:	NA	NA
10	Distance from C/L:	78 ft	NA
	mG:	11.6	NA
11	Distance from C/L:	40 ft	45 ft
	mG:	17.0	3.4

26. The proposed certificate conditions attached hereto include some measures to possibly further mitigate the magnetic field levels near the EMF study locations 2, 4 and 5, at the southeast corner of the intersection of Newbridge Road and Carnation Road, and at the three substations.

Mitigation & Offsets

27. LIPA agrees to undertake the following offsets:

(a) Coordinate with the United States Postal Service to study the feasibility of installing and if feasible, install, an electric truck idling station at the regional postal facility adjacent to the Ruland Road Substation

(b) Explore the feasibility of installing, and if feasible, install solar chargers or conduct a gas to electric conversion program at Eisenhower Park and Bethpage State Park golf courses for golf carts

(c) Consult with the Metropolitan Transportation Authority and municipal officials concerning the feasibility and desirability of installing a bus shelter near Newbridge Road Substation, and install one if found to be feasible and desirable by said entities.

(d) Coordinate with NYSDOT for studying feasibility of using LIPA property adjoining the Ruland Road Substation for a Long Island Rapid Commute Vehicle (RCV) Station (see NYSDOT & others, Long Island Transportation Plan 2000)

(e) Install two 4" conduits and pullboxes in a trench along the Seaford-Oyster Bay Expressway (NY135) for future Intelligent Transportation System (ITS) use by NYSDOT as per NYSDOT detailed design drawings showing joint occupancy of 4" conduits and 345 kV cable.

D. The Availability and Impact of Alternatives

The "No Build" Alternative

1. The Signatory Parties agree that the "No-Build" alternative is not a viable option in this proceeding as the decision to approve the Neptune RTS is beyond the scope of this proceeding and, assuming the Neptune RTS will be constructed, additional transmission facilities on Long Island, such as the Facility, to transmit the electricity delivered to Long Island *via* the Neptune RTS, are necessary. Similarly, consideration of demand side management and generation alternatives is beyond the scope of this proceeding given the nature of the Application. The LIPA Energy Plan provides that "[s]ound energy practices call for an appropriate balance between additional fossil and renewable generation resources, transmission upgrades and enhancements, and energy efficiency and conservation."[4] The Energy Plan recognizes that, even "[a]fter taking into account the reduction [in growth] for [demand-side management], cogeneration, and NYPA and the Long Island Choice Program, LIPA Supply Requirements are projected to grow from 20,567 GWh in 2004 to 23,029 GWh in 2013 while

[4]LIPA Energy Plan, Vol. 1, p. 2-1.

peaks grow from 4,792 MW in 2004 to 5,414 MW in 2013."[5] LIPA's Energy Plan presents a multi-pronged plan to meet this demand.[6] Energy conservation, or Demand-Side Management ("DSM") tools, such as the Clean Energy Initiative ("CEI"), Residential Lighting & Appliance Program, Residential Cool Homes ("HVAC") Program, LIPA*edge* and the Peak Reduction Program have been implemented. These programs, while conserving very little energy, reduce the peak demand for energy, thereby deferring some of the need to build new power plants or transmission interconnections. Even with energy savings from these DSM programs, load is still projected to grow between 80 and 90 MW. While the Energy Efficiency and Demand-Side Management provide for future savings in energy, such programs fall short of the required MW necessary to comply with the NYISO requirements for the year 2008.[7] Energy Efficiency and DSM alone will not allow LIPA to meet the growing energy needs on Long Island, will not permit LIPA to ensure lower costs and reliable and efficient electricity to LIPA customers, and will not allow LIPA to meet NYISO regulatory requirements.[8] Therefore, in planning to meet this need, LIPA decided to pursue other needed short and long-term resource goals including the Neptune RTS and the Facility.

Alternate Routes

2. The Signatory Parties agree that the preferred routes for the Eastern Connector and the Western Connector described above are the superior routes as they make efficient use of existing right-of-way corridors and involve the least amount of community disturbance. Five alternate routes were also considered. One alternative was for a portion of the Western Connector. Four alternatives were for portions of the Eastern Connector. Proposed Exhibit 35 contains a comprehensive analysis of alternatives to the proposed route in the vicinity of the Seaford-Oyster Bay Expressway (NY135). The alternative routes are shown on Figure 3-1 of LIPA's Application.

3. Alternate Route 1 deviates from the proposed route at the Nassau County Eisenhower Park entrance. At that point in Eisenhower Park, the route turns north and to Salisbury Park Drive. The route runs east along Salisbury Park Drive until it merges

[5]LIPA Energy Plan, Vol. 3, p. 4-3.

[6]LIPA Energy Plan, Vol. 1, p. 3-2 to 3-3.

[7]LIPA Energy Plan, Vol. 1, p. 3-2; Vol. 3, pp. 3-21 to 3-23.

[8]LIPA Energy Plan, Vol. 1, p. 3-2; Vol. 3, pp. 3-21 to 3-23.

back into the LIRR right-of-way west of the Wantagh State Parkway. This route along Salisbury Park Drive passes through a residential neighborhood directly across the street from numerous single-family homes and multiple-dwelling units along Salisbury Park Drive. The purpose of this alternative is to avoid going through Eisenhower Park. In the grassy area on the south side of Salisbury Park Drive in the location for the Western Connector, there exists a 20-inch diameter, 350-pound per square inch gauge (psig) gas transmission main. In order to maintain safe clearance to the gas main during construction and operation of the Western Connector, the new cable would need to be installed under the paved roadway closer to the homes. In addition, other underground facilities exist under the roadway of Salisbury Park Drive making construction efforts more complicated and time consuming along this portion of the route. This alternate route is not recommended because construction would necessitate lane closures, directly impede traffic and hinder access to area homes and apartments for an extended period of time.

4. Alternate Route 2 deviates from the preferred route north of Bethpage State Park and follows LIPA's existing 138 kV overhead transmission tower line. Starting at Bethpage State Park and Barry Lane South, the alternate route continues northeast along LIPA's tower line within numerous overhead restricted easements through areas of both single-family and multi-family housing, commercial, industrial, and recreational properties. Sections of the tower line traverse a county public campground east of Round Swamp Road, and a narrow, steep bluff east of Winding Road. Residential properties that would be affected by this alternative route have swimming pools, landscaping, sheds and playground equipment installed throughout the route. In conclusion, this route is not recommended due to disruption of residential areas and very limited access space along the route's bluff area, which will preclude safe operation of excavating equipment as well as adequate route space for the Eastern Connector. In addition, the need to renegotiate numerous easements with multiple property owners is viewed as less viable in relation to the preferred route.

5. Alternate Route 3 deviates from the proposed route at the east side of the Seaford-Oyster Bay Expressway (NY135) at Central Avenue. The route traverses east on Central Avenue to Quaker Meeting House Road, passing residential homes, and northward on narrow, winding portions of Round Swamp Road until it merges into Winding Road. Full or partial road closures, traffic rerouting and interruptions to access residential homes and the main entrance to

the Bethpage State Park golf courses can be expected throughout the construction period. Numerous existing underground facilities along this alternate route are also expected to complicate construction and increase construction time as compared to the proposed route. Consequently, this alternative route is not recommended.

6. Alternate Route 4 deviates from the proposed route at the east side of the Seaford-Oyster Bay Expressway (NY135) at the LIRR right-of-way and road crossing. The route continues east parallel to an overhead LIPA 138 kV transmission facility on the LIRR right-of-way; proceeds east to Melville Road, and then northeast on Melville Road to Broadhollow Road (State Route 110), and north on Broad Hollow Road to LIPA-owned property west of the Ruland Road Substation. Melville Road is lined with residential homes on both sides and Farmingdale University on the west near State Route 110. Underground facilities (e.g., natural gas, telecommunications, water, drainage, and associated manholes) occupy most of Melville Road for its entire length (LIRR right-of-way to State Route 110) making the installation of a major underground transmission circuit very difficult at best. Melville Road was recently improved and repaved and additional construction would be a major disruption to the surrounding established community. Facility construction along State Route 110, which is within a heavily-traveled retail and commercial business area, is expected to adversely affect traffic flow and business opportunities in the area. Based upon those conditions, road or lane closures and traffic reroutes can be expected for the duration of the construction period through this overly burdened thoroughfare. This alternative route would traverse the Village of Farmingdale, which has not previously been served notice of this proceeding. This alternative is not considered reasonable and is not recommended.

7. Alternative 5 deviates from the Prime Route west of the Seaford-Oyster Bay Expressway (NY135) at the existing LIPA right-of-way. It follows the LIPA right-of-way north and then east until it crosses the Seaford-Oyster Bay Expressway (NY135) and rejoins the Prime Route near the westerly boundary of Bethpage State Park. The Prime Route has lower cumulative impacts. Alternative 5 provides less separation of the route from residential and commercial properties thereby potentially increasing temporary noise and land use impacts. The Prime Route minimizes noise and land use disturbance impacts because of the natural treed buffer (typically 50 feet to 100 feet) between the roadway and the residential homes to the east, which are approximately 160 feet away from the cable route. Transportation and construction impacts including access to homes and businesses and the potential for temporary loss of utility

services are minimized by locating the cable entirely within a mowed right-of-way along the east side of the Seaford – Oyster Bay expressway and by minimizing the number of intersections which are traversed. Within Alternate 5 the cable traverses 19 lots owned by others in which easements to install and maintain the 345kV cable must be secured, at a minimum. Land purchase or eminent domain issues are likely with respect to some of these lots. In addition, there may be some economic impacts to currently undeveloped residential lots along the northern portion of Alternative 5 because the required cable easements may limit the future use and economic development of portions of the properties. Construction time for this alternative is expected to take 2 weeks more than the Prime Route. In addition to the impacts noted above, the economic impact to the five businesses along Alternative 5 will be greater than in the Prime Route because the businesses along the Prime Route would be accessed from behind and there would be no interference with access as there would be for Alternative 5. Finally, the directional drill under Central Avenue and the LIRR Commuter Rail is expected to be deeper than the designed 15 to 20 feet below grade depth in order to pass below the LIRR track facility which is 10 to 12 feet below nearby road grade at this location. The added depth of burial is expected to adversely impact the 345 kV cable thermal rating and possibly restrict planned power flow along this portion of the circuit.

8. In summary, some of the consequences related to the alternatives discussed above are traffic delays, extended construction time due to the numerous underground obstructions throughout the alternative routes, increased construction times and labor costs, construction noise and traffic impacts at residential sites, potential adverse financial impacts on local businesses due to nearby construction, as well as potential access limitations to residences, businesses and institutions due to excavation and other construction activities. These consequences would significantly outweigh the benefit of a shorter circuit length resulting in lower material costs. As such, use of these route alternatives are not recommended because of the consequences, risks, and significantly greater local community impacts.

Alternative Technologies

9. Constructing overhead electric transmission lines is one of the traditional methods of expanding transmission capacity within utility service areas. Overhead transmission facilities typically require greater right-of-way width than underground facilities at a similar voltage rating. Because of the lack of adequate right-of-way space within the corridor between the substations, the proximity of residences to the right-of-way that would make adequate screening

of new tower structures impossible, and the potential very high costs for the acquisition of additional right-of-way for this project, underground construction of the Facility is warranted.

10. With respect to design technology, the use of high voltage direct current ("HVDC") technology was considered. Use of HVDC technology is typically appropriate for connecting utility systems over long distances. The Neptune RTS termination at the Newbridge Road Substation will already have been converted from DC to AC, and will be compatible with the LIPA electrical transmission system. Consequently, HVDC technology would not be warranted for this application.

11. The alternative to the proposed use of a solid dielectric cable would be a dielectric fluid filled cable or a pipe-type technology. Fluid filled and pipe-type technologies use a dielectric fluid to insulate and cool the transmission cables and require buildings to house the mechanical pumps and cooling equipment necessary to circulate insulating fluid. The use of dielectric fluid to fill the pipe and both insulate and cool the cable increases engineering complexity and potential environmental risks associated with a cable leak. The use of solid dielectric type cables is the appropriate technology for the Facility.

12. In order to satisfy the delivery requirements and considering the existing LIPA electrical system characteristics and right-of-way limitations, 138 kV was selected for the initial operational phase. LIPA's long-range transmission plans call for the eventual installation of 345 kV circuits on the right-of-ways between the East Garden City and Ruland Road Substations. Given the limited space available in these right-of-ways, and the long-range plans for these right-of-ways, the Signatory Parties agree that cables designed to operate at 345 kV at a future time are the appropriate design for this Facility. Subject to approvals by the NYISO, the operating levels of the Facility can be upgraded from 138 kV to 345 kV, thus increasing transfer capabilities between the substations with the future addition of new 345 kV terminals and minor substation reconfiguration.

E. Undergrounding Considerations

Except for the proposed substation modifications, the Facility should only be sited as an underground facility.

F. Conformance to Long-Range Plans for Expanding the Electric Power Grid

The Facility does not violate any long-range plans, is consistent with the most recent State Energy Plan, is consistent with the LIPA Energy Plan and will not adversely impact the electrical system of the State and interconnected systems. The contributions of the Facility will

help achieve the goals and objectives that LIPA's Energy Plan seeks for the transmission system on Long Island. In its Energy Plan, LIPA developed five (5) strategic objectives that are intended to guide the initiatives and actions LIPA undertakes over the next decade. The objectives are: (i) enhance the reliability of the bulk power system, (ii) enhance the reliability of the distribution system, (iii) minimize customer rates and increase customer satisfaction, (iv) promote a healthy environment, and (v) position LIPA to respond rapidly to change.[9] The design of and benefits provided by the Facility are consistent with these objectives.

G. System Reliability Impact Studies

1. Studies performed by LIPA to evaluate the impact of the Facility on system reliability and security and to determine what reinforcements are necessary for the New York State transmission system, and a System Reliability Impact Study (SRIS), were submitted with the Application as Attachments E-4-1 and E-4-2.

2. The SRIS for the New York State transmission system was conducted under the direction and review of LIPA. The NYISO was consulted on the scope of the study and the system representations modeled in the SRIS. The scope for the SRIS was reviewed and approved by the NYISO's Operating Committee ("OC") on June 20, 2001. The scope and the OC resolution approving it are included with the Application as Attachment E-4-3 and E-4-4, respectively.

3. The SRIS was submitted on May 1, 2003 and reviewed by the NYISO staff. The NYISO staff concluded that the Neptune RTS and the Facility do not adversely impact the reliability of the LIPA system or the New York Bulk Power System. Subject to the need for continued assessment of fault duty impacts and replacing breakers overstressed due to the Neptune RTS and the Facility, if any, on the Con Edison and LIPA systems prior to energizing the Neptune RTS and the Facility, NYISO staff concluded that all applicable reliability issues have been addressed in the SRIS, and recommended its OC approval (Attachment E-4-5 of the Application).

4. The OC approved the SRIS on June 11, 2003 (Attachment E-4-6 of the Application). The SRIS evaluated 138 kV operation of the Facility. In the future, LIPA plans to upgrade the operation of the Facility from 138 kV to 345 kV, through minor substation improvements. Such upgrade will not occur until all NYISO review and planning procedures have been completed and an SRIS for 345 kV operation has been approved.

[9]LIPA Energy Plan, Vol. 1, p. vii.

H. State and Local Laws

New York State Uniform Fire Prevention and Building Code

1. LIPA agrees to undergo building plan review and obtain building permits, inspections, and certificates of occupancy, as appropriate, upon the inspection and completion of construction, from the New York State Office of General Services (NYSOGS) to the degree that the subject matter of the New York State Uniform Fire Prevention and Building Code applies to the Facility. The Signatory Parties agree that if LIPA follows such a course of action, not as an impermissible delegation or transfer of authority from the Commission under 19 NYCRR, § 1204.13, but as the exercise of NYSOGS under its independent authority that it would normally exercise but for Section 172(1) of the Public Service Law, the record in this proceeding supports a finding under 168(2)(d) that the Facility is designed to operate in compliance with applicable state laws, and regulations issued thereunder, concerning the New York State Uniform Fire Prevention and Building Code.

New York State Department of Transportation Permits

2. LIPA agrees to undergo highway work permit and use and occupancy permit review and obtain a highway work permit and use and occupancy permit from NYSDOT pursuant to 17 NYCRR, Part 131 for the construction and operation of the Facility in the right-of-way of the Seaford-Oyster Bay Expressway (NY135), subject to the Commission's ongoing jurisdiction.

Town of Hempstead Local Laws and Ordinances

3. The Signatory Parties have reviewed all of the local laws and ordinances of the Town of Hempstead applicable to the location and design of the Facility, and agree that the Facility can be constructed by LIPA in a manner that conforms to all the substantive requirements of such local laws and ordinances, except to the degree that the operation of machinery noise prohibitions of Chapter 144 of the Code of the Town of Hempstead would prohibit LIPA from conducting manhole splicing operations on a 24 hour basis. A generator and air conditioning unit are required to run continuously during the manhole splicing operation and produce moderate levels of noise as described in proposed Exhibit 33. The technology of splicing is such that the activity, once commenced, must continue on a 24 hour basis until completed. The Signatory Parties agree that the Commission should refuse to apply Chapter 144 of the Code of the Town of Hempstead to the degree that it would prohibit LIPA from running a generator and air conditioning unit continuously while conducting manhole splicing operations

on a 24 hour basis, for reasons of the limitations of existing technology. LIPA has not asked the Commission to refuse to apply any of the other local laws and ordinances of the Town of Hempstead applicable to the Facility. LIPA shall provide a copy of this paragraph of this Joint Proposal and a copy of proposed Exhibit 33 in hand to the chief executive officer of the Town of Hempstead within three business days of the execution of this Joint Proposal, along with a explanation of the Article VII process and the current status of the proceeding, the case number of this proceeding, contact information for the presiding administrative law judge, and a request that the said chief executive officer review the proposed refusal to apply the local law and notify the Commission within seven days of service of said notice of the municipality's support, opposition or indifference to the proposed refusal. A copy of the correspondence shall be provided to the Secretary, the presiding administrative law judge, and all active parties.

Town of Oyster Bay Local Laws and Ordinances

4. The Signatory Parties have reviewed all of the local laws and ordinances of the Town of Oyster Bay applicable to the location and design of the Facility, and agree that the Facility can be constructed by LIPA in a manner that conforms to all the substantive requirements of such local laws and ordinances.

Town of Huntington Local Laws and Ordinances

5. The Signatory Parties have reviewed all of the local laws and ordinances of the Town of Huntington applicable to the location and design of the Facility, and agree that the Facility can be constructed by LIPA in a manner that conforms to all the substantive requirements of such local laws and ordinances, except to the degree that the construction activity prohibitions of Chapter 141 of the Code of the Town of Huntington would prohibit LIPA from conducting manhole splicing operations on a 24 hour basis. A generator and air conditioning unit are required to run continuously during the manhole splicing operation and produce moderate levels of noise as described in proposed Exhibit 33. The technology of splicing is such that the activity, once commenced, must continue on a 24 hour basis until completed. The Signatory Parties agree that the Commission should refuse to apply Chapter 141 of the Code of the Town of Huntington to the degree that it would prohibit LIPA from running a generator and air conditioning unit continuously while conducting manhole splicing operations on a 24 hour basis, for reasons of the limitations of existing technology. LIPA has not asked the Commission to refuse to apply any of the other local laws and ordinances of the Town of Huntington applicable to the Facility. LIPA shall provide a copy of this paragraph of this Joint

Proposal and a copy of proposed Exhibit 33 in hand to the chief executive officer of the Town of Huntington within three business days of the execution of this Joint Proposal, along with a explanation of the Article VII process and the current status of the proceeding, the case number of this proceeding, contact information for the presiding administrative law judge, and a request that the said chief executive officer review the proposed refusal to apply the local law and notify the Commission within seven days of service of said notice of the municipality's support, opposition or indifference to the proposed refusal. A copy of the correspondence shall be provided to the Secretary, the presiding administrative law judge, and all active parties.

Nassau County Local Laws and Ordinances

6. The Signatory Parties have reviewed all of the local laws and ordinances of Nassau County applicable to the location and design of the Facility and agree that the Facility can be constructed by LIPA in a manner that conforms to all the substantive requirements of such local laws and ordinances. LIPA has not asked the Commission to refuse to apply any of the local laws and ordinances of Nassau County applicable to the Facility.

Suffolk County Local Laws and Ordinances

7. The Signatory Parties have reviewed all of the local laws and ordinances of Suffolk County applicable to the location and design of the Facility, and agree that the Facility can be constructed by LIPA in a manner that conforms to all the substantive requirements of such local laws and ordinances. LIPA has not asked the Commission to refuse to apply any of the local laws and ordinances of Suffolk County applicable to the Facility.

I. Public Interest, Convenience and Necessity

LIPA conducted a significant public outreach program regarding the Application including contacts with elected officials, meetings with the major institutional property owners affected by the route, the distribution of informational brochures, regular mail notification to affected property owners and area residents, maintenance of an interactive and informative website, and the conduct of an informational open house. In addition, LIPA participated with Staff in the informational forums held prior to the public statement hearings. As is demonstrated by the transcript of the public statement hearings, no significant adverse issues have been raised by the public regarding the Facility, due primarily to its avoidance of residential properties.

J. Real Property Considerations

1. There has been no demonstration in this proceeding for the need to acquire additional real property or real property rights of any kind, except as set forth below in this section of this Joint Proposal.

RIGHT-OF-WAY - WESTERN CONNECTOR

a. Long Island Railroad (LIRR) Right-of-Way
   - Crossing south of East Garden City Substation near Station 258
   - From approximately Station 288 to Station 370
   - From approximately Station 370 to Station 460
b. Private Property between LIRR and Commercial Avenue near Station 259
c. Eisenhower Park Building Bypass near Station 370 (Nassau County)

RIGHT-OF-WAY - EASTERN CONNECTOR

a. Long Island Railroad Right-of-Way from approximately Station 465 to Station 645
b. Seaford–Oyster Bay Expressway (NY135) from approximately Station 0 to Station 55
c. Bethpage State Park
   - From approximately Station 55 to Station 105
   - From approximately Station 115 to Station 123
   - From approximately Station 167 to Station 178
d. State University at Farmingdale
   - From approximately Station 179 to Station 203
   - From approximately Station 210 to Station 243
e. Private Property (Tax Lot 55.3) near Stations 251 & 252

OFF-RIGHT-OF-WAY ACCESS

a. New off-ROW access to Seaford–Oyster Bay Expressway (NY135) from the east at a staging area south of Central Avenue near Station 15

[Note: Station numbers refer to design drawings in Exhibits 5, 30, 31 & 32.]

The specific location and acreage of all needed real property or real property rights will be determined in the Environmental Management & Construction Plan (EM&CP) phase of this proceeding.

2. LIPA has obtained or will obtain deeds, easements, consents, licenses, permits, or other approvals, as the case may be, from the owners of the real property where the Facility right-of-way and off-right-of-way access noted above is finally and specifically located and determined in the Environmental Management & Construction Plan phase of this proceeding. The deeds, easements, consents, licenses, permits, or other approvals will be obtained prior to the

commencement of any construction work on the specific segment of the Facility for which said deeds, easements, consents, licenses, permits, or other approvals are needed, the details of which will be included in the EM&CP, as appropriate.

3. LIPA is informed by NYSDOT that the longitudinal placement of the Facility along the east side of the Seaford-Oyster Bay Expressway (NY135) will require an exception to NYSDOT's policy for accommodation of utilities within State highway right-of-way, said exception required to be approved by the Federal Highway Administration. On January 21, 2005, DPS Staff asked LIPA for its routing rationale for the Seaford-Oyster Bay Expressway (NY135) segment. Based upon LIPA's response and DPS Staff discussions with NYSDOT, DPS Staff requested LIPA to prepare an additional alternate route analysis. In response to the request from the DPS Staff dated September 30, 2005, LIPA has prepared proposed Exhibit 35 to satisfy the requirements for an alternatives analysis prior to authorization to place a portion of the proposed Facility along the Seaford-Oyster Bay Expressway (NY135) as proposed by LIPA in the Article VII application. LIPA is relying upon NYSDOT to facilitate the approval of said exception so that the Facility may commence testing with the Neptune line according to LIPA's target date of January 2007.

IV. PROPOSED FINDINGS

The Signatory Parties agree that the record in this proceeding supports the proposed findings set forth in Appendix C attached hereto.

V. PROPOSED CERTIFICATE CONDITIONS

The Signatory Parties agree that the proposed certificate conditions set forth in Appendix D attached hereto are acceptable and appropriate for inclusion in a Certificate of Environmental Compatibility and Public Need authorizing construction and operation of the proposed Facility as reconfigured herein.

VI. EM&CP GUIDELINES

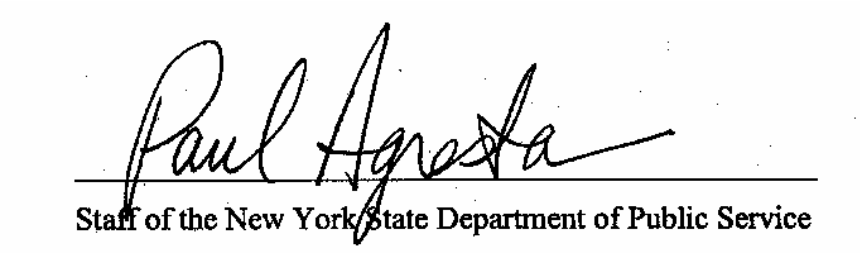
The Signatory Parties agree that the General Guidelines for Environmental Management and Construction Plan(s) set forth in Appendix E attached hereto are acceptable and appropriate for application to the proposed Facility as reconfigured herein.

IN WITNESS WHEREOF, the Parties hereto have this day signed and executed this Joint Proposal.

Long Island Power Authority

By:
Read and Laniado, LLP
Sam Laniado, Esq.

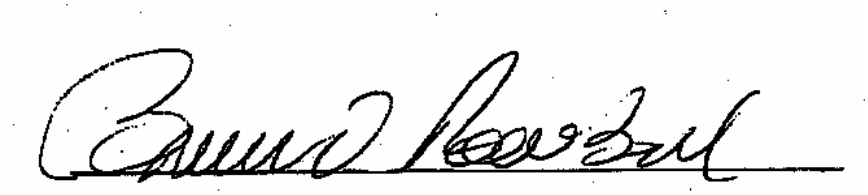
IN WITNESS WHEREOF, the Parties hereto have this day signed and executed this Joint Proposal.



Staff of the New York State Department of Public Service

By:
Paul Agresta
Assistant Counsel

IN WITNESS WHEREOF, the Parties hereto have this day signed and executed this Joint Proposal.



New York State Department of Transportation

By:
Brian O. Rowback
Chief Operating Officer