

Anger erupts over continuing power outages two weeks after Hurricane Sandy

By Philip Guelpa
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Nearly two weeks following Hurricane Sandy's landfall on the northeastern coast of the United States hundreds of thousands are still suffering from the failure of the response to the storm's effects. A major element in this failure has been the inability of regional utilities to provide timely restoration of electric power. Anger is boiling over in many communities in New York City, Long Island, and coastal New Jersey, the core of the most densely populated area in the country.

On Saturday, demonstrators protested against LIPA (Long Island Power Authority), Long Island's electric utility, at three different locations on the island. Four hundred people demonstrated at LIPA's headquarters in Hicksville, demanding accountability and the resignation of senior administrators.

Protesters were angered by the utility's long delay in restoring service and failure to give realistic projections of when power would be reestablished. One demonstrator was quoted by the Long Island daily *Newsday* as saying, "Maybe you need to stop lining your pockets and put them back into your antiquated system." Another protester told the Associated Press, "We are sitting in a cold house. No one comes by. There should be criminal charges against the CEO and the executive board of LIPA for failure to do their jobs." The general sentiment of the demonstrators was that they had been abandoned.

As of Sunday, just short of two weeks after the storm hit, approximately 110,000 electricity customers in the New York City borough of Queens and adjacent Long Island, most serviced by LIPA, were still without power. Full restoration is not expected until at least Tuesday.

In New Jersey, 17,000 customers were still without power. And in New York City and Westchester County, 4,000 locations serviced by Con Ed were yet to

have power restored. These figures do not include the tens of thousands of locations that were so badly damaged as to be uninhabitable.

The impact of the loss of electricity has been widespread and devastating throughout the region. Aside from the large numbers of structures that were destroyed by the storm, the absence of electricity has meant not only a lack of lighting, but also of heat and in many cases water for the residences and commercial establishments that remain.

In New York City's public housing developments, as of Sunday night, 6,847 residents in 33 buildings in the Coney Island and Red Hook neighborhoods of Brooklyn and the Far Rockaway section of Queens did not have power. Another 18,140 residents in 96 buildings located in Brooklyn, Manhattan and Queens have been without heat and hot water for nearly weeks.

The lack of electricity has also resulted in major limitations in the availability of gasoline for vehicles and emergency electricity generators. Many service stations, even those that may have fuel in their tanks, are unable to function since they have no electricity to power the pumps. This, along with delivery disruptions, has led to long lines of people desperate to get fuel so they can go to work and carry out the necessary activities of daily life. As of Friday, only one quarter of New York City gas stations were open. Mayor Bloomberg and the governors of New York and New Jersey have imposed gasoline rationing in New York City, Long Island, and New Jersey. While this has reduced the lines, it has done nothing to alleviate the lack of availability.

This past week, the governor of New York State, Democrat Andrew Cuomo, made a demagogic attack on the state's electric utility companies suggesting that they could lose their operating licenses due to a failure

to adequately prepare and respond to the loss of power by millions caused by Hurricane Sandy. This is an empty threat.

Utility deregulation has been in progress for several decades. Major private utilities are darlings of Wall Street. Regulatory oversight is lax, and there are close ties between the corporate and government establishments. The New York State Public Service Commission (PSC), for example, did nothing to protect millions of customers last summer when Consolidated Edison (ConEd) locked out 8,000 employees in the middle of a heat wave. One of the governor's major supporters and advisors, Michael Del Giudice, an investment banker, sits on the board of ConEd.

Major utilities such as ConEd, which serves New York City and Westchester County immediately to the north, and LIPA, which serves Nassau and Suffolk counties on Long Island, were warned years ago that their systems were antiquated and unprepared for major storm events. Nothing was done. Profitability was prioritized above providing safe and reliable service to millions of people.

A report released last June by the PSC, which oversees the state's public utilities, revealed that LIPA had underspent by \$37.5 million an allocation for activities, such as tree trimming, that protect the system against storm damage. The effects of this cost-cutting are clear. A report to the LIPA board in October, prior to Sandy, indicated that the length of power outages for customers had increased by 4.8 percent over the previous year.

A former LIPA executive, Matthew Cordaro, has been quoted as saying that the utility's infrastructure has changed little since Hurricane Gloria in 1985, the last major storm to hit Long Island prior to tropical storm Irene, just over a year ago. A report prepared in 2006 by a consultant hired by LIPA made numerous recommendations regarding needed upgrades to prepare for storm damage. This year's PSC report indicated that the 2006 recommendations remained largely unaddressed.

LIPA is almost \$7 billion in debt and has been consistently cutting back on necessary expenditures in order to meet its debt obligations.

This pattern of cost cutting and under-investment in infrastructure is ubiquitous in the power industry.

Earlier this year, ConEd locked out its 8,000 workers,

placing New Yorkers in danger of potentially extensive power blackouts during a heat wave in order to push through a contract with major concessions and boost profitability. The company had planned for the lockout a year in advance. And yet, it failed to take action to address warnings, made years ago, that substantial investments were required to avoid the kind of catastrophe wrought by Sandy. ConEd has rejected the idea of burying substantial portions of its above-ground distribution network, as has been done in a number of countries in Europe, as cost prohibitive.

The warnings about the lack of preparation were made manifest last year with the effects of Hurricane Irene, which caused major flooding and left millions without power, some for weeks. On Long Island, the failure of LIPA's power management system, which relied on a 25-year-old mainframe computer, provided one of many examples of the criminal lack of investment in critical infrastructure. A replacement system has not yet been put into operation.

As with the Hurricane Katrina disaster on the Gulf Coast in 2005, the inevitable consequences of the predicted increase in storm severity, due to human-induced climate change, has been ignored. The investments, both in infrastructure and relief services, which could be made to protect millions of people from injury, death, and catastrophic economic loss, have been sacrificed in the interest of austerity and higher profits for the corporate and financial elite.

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