

Thank you Supervisor Walter and members of the Board for once again allowing the people of Riverhead to speak out against this special permit request. And thanks to everyone who has signed our petition, written letters, donated money, and turned out tonight to support our efforts to stop this unnecessary expansion.

I would like to start out by dispelling the notion that this proposed expansion is an altruistic one...and that it is somehow all about emergency gasoline. In a letter to the Board dated August 21<sup>st</sup>, 2014, Scott Kamm, the general manager of United Riverhead Terminal wrote, "The project was initiated after the response we received from government officials during Super Storm Sandy who were looking to resolve the gas shortage problem we had on Long Island." Mr. Kamm repeated this claim to the press. In an article on the Riverhead Local website he said, "The terminal had received several requests from government and emergency response officials during and after the storm asking us to supply them with gasoline." In that same article, Supervisor Walter said, "This is a direct result of Hurricane Sandy."

Last October at the Public Hearing, Mr. Kamm testified "Although we haven't stored or distributed gasoline for several years we were prompted by government officials and emergency services following the aftermath of Hurricane Sandy in 2012..." And he brought it up again later, just to quote: "get that on the record."

Unfortunately, Mr. Kamm did not get the entire story on the record. I don't doubt that government officials talked to officials at the terminal about emergency gas storage. But the fact of the matter is that our State Government reached out to NUMEROUS facilities, all across New York, as part of its \$10 million strategic gasoline reserve. This was a competitive solicitation and naturally United wanted to land the government contract. Ironically however, the contract was awarded to the original owners of the terminal, Northville Industries located in Holtsville.

Northville Industries is expected to hold 3 million gallons of fuel for motorists and first responders on Long Island. In addition, the federal government's Department of Energy is storing 500,000 barrels of emergency gasoline in New York Harbor. In other words, should there possibly be another storm like Sandy, Long Island will have gasoline.

The determination that Holtsville would be selected as the location for emergency gas storage was made in October 2013, almost an entire year before United applied for their special permit and told the press, the town, and this board that they were applying on the behest of the government. They HAD to have known that Northville Industries was awarded the government contract but still they persisted on repeating and repeating the idea that they were expanding because their government needed them to. They said this again tonight.

Why would they do this? The answer is easy to guess: They knew their facility was in the middle of a residential zone, offered zero benefit to the Town of Riverhead, and they expected there would be opposition to greatly expanding their industrial operations purely for business reasons. But that's what this is: It's a business decision...part of a very large plan...and one that would have a huge, negative impact on the North Fork if it is allowed.

United Riverhead Terminal is owned by billionaire John Catsimatidis, who splits his time between his apartment in New York City, and his oceanfront home in East Quogue. Mr. Catsimatidis also owns a house next to the terminal right here in Riverhead but for some reason he does not appear to live there.

30 years ago, Mr. Catsimatidis purchased a Pennsylvania oil company with a personal check for \$6 million. It was a smart investment: by 2012, net sales for United Refining came in at \$2.7 BILLION dollars for the first three quarters alone. And that's when Mr. Catsimatidis began expanding his empire. First he bought the terminal in Northville. A year later, he purchased Metro Fuel Oil Corporation, a deal that included a large terminal complex in Brooklyn and a smaller one right here in Calverton, renaming the company United Metro Energy Corporation.

Mr. Catsimatidis was not finished however. He bought a near complete Biofuel processing plant in Brooklyn that will eventually be the largest in the Northeast. In April 2014, he purchased from the Hess Corporation, Direct Energy Business' entire heating-oil holdings in New York City, giving him contracts to supply an additional 8,000 locations.

The acquisition of Direct Energy officially positioned United Metro Energy Corp. as Quote: "the largest heating oil and motor fuels distributor in the New York City metropolitan area" (this is according to Yahoo finance). But what did the acquisition of the terminal in Riverhead mean? Alarmingly, according to Forbes, Mr. Catsimatidis reportedly said "We're not making public what we intend to do with terminal."

However, it's not too difficult to connect the dots and figure out United's intention, especially when you follow the giant green Metro trucks that have been coming in and out of the terminal in increasing numbers all winter long. Mr. Walter, I believe you said you followed a truck from Sound Avenue to EPCAL. I've seen them go there as well, and so have a number of my neighbors. I've also seen these trucks headed west on the Long Island Expressway.

Connecting even more dots is Paul Miller, the creative director of the advertising firm who works with United Metro. Mr. Miller said, "They are, without question, the largest full-service energy company on Long Island, from Manhattan to Montauk." Describing Metro's EPCAL storage facility, Mr. Miller said, "It's right at the end of a commercial rail spur that goes from the heart of New York City all the way up the spine of Long Island and terminates on their property...It's an ideal location for expanding into Long Island, and that was a pretty amazing move." Mr. Miller summed it up by saying, "It's really like a three-cornered hat between Riverhead, the Pennsylvania refinery and then Calverton and Brooklyn...They're in a unique position, and they have the financial support and wherewithal to make it happen."

I have nothing against Mr. Catsimatidis personally. In fact, I admire his rags to riches story...from owning a couple of groceries stores to amassing a net worth of \$3.1 billion dollars is very impressive. But if Mr. Catsimatidis were to actually spend time on the North Fork instead of the South Fork, I think he would see that this particular corner of his three-cornered hat is quite different from his facilities in Pennsylvania, and Brooklyn...those two corners are both in heavily industrialized areas, not smack in the middle of a residential and rural community.

So what will be the impact on the North Fork should this expansion get approved? I will let more qualified people speak to the environmental and safety hazards this expansion poses but I CAN talk about the impact on our rural roads. Just as United repeatedly told everyone that the expansion was all about Super Storm Sandy, representatives also repeatedly said that the impact would be minimal because they were only EXPECTING about an additional twelve trucks per day. They also claimed at the hearing in October, that the addition of the expected 12 gasoline tankers would be offset by a decrease in oil trucks. But as I've already mentioned, we've been witnessing an increase in truck activity from previous years, not a decrease and these large oil tankers are in addition to the small, Mom & Pop home heating oil trucks we're used to seeing around here.

Taking two weeks off for holidays, the expected 12 new trucks add up to, at the very least, well over 4,000 additional trucks a year. To give you an idea of what kind of impact that would have on our roads, the United States General Accounting Office conducted a study that determined that one, fully loaded 18-wheeler is equivalent to the impact of nine thousand and six hundred cars.\*\* So 4,000 new trucks would have the equivalent impact of nearly 38 million, 400 thousand cars on roads that already are badly in need of repair. And, I'm told the town barely has enough money to properly repair our roads as is.

We've been told by the DEC in Albany that the air permit has not yet been granted, contrary to what Mr. Prusinowski told the press back in September and what Mr. Kamm said tonight, but if it were approved, it would allow for the delivery of 504,000 gallons of gasoline per day. That would mean United could potentially run not 12, but 42 trucks per day or about 14,700 additional trucks per year.

Let's compare URT's 4 to 14,000 extra trucks per year to the scheme we just learned about last week that would send 3,000 trucks off of I-95 in Connecticut, across the ferry, and onto Main Road in Orient. That proposal was met with universal horror by residents and State, County, and Local officials.

Gio Woodson, Riverhead's Highway Superintendent was quoted in Riverhead Local as saying, "Our local roads just aren't built to handle that weight." Woodson also said he and Councilwoman Giglio have been discussing the idea of imposing an eight-ton weight limit on Sound Avenue in light of the expansion plans of the Terminal in Northville.

New York City and the surrounding boroughs have size and weight restrictions. In fact certain sized gas trucks are not even allowed at all because they have a tendency to tip over. If they're no good and unsafe for New York, they certainly are no good for the North Fork.

Mr. Walter, you were also quoted as saying the I-95 to Orient plan was "dead on arrival" and continued, "The town of Riverhead actually has the power to stop this and we will use that power accordingly...We could and we would put weight limits on Sound Avenue."

I have a very simple question: If 3,000 additional trucks are dead on arrival, why are we even considering 4,000 to 14,000 additional trucks?

The town is under no obligation to grant a special permit for a non-conforming use. In fact, over a decade ago, Riverhead spent a great deal of time, money, and effort to draw up a comprehensive master plan. This plan led to our current zoning laws and the location of the terminal was re-zoned as residential. If anything, the comprehensive plan urges the town to gradually phase out non-conforming uses.

Under the town's code for granting special permits, the expansion must quote, "be in harmony with the appropriate and orderly development of the district in which it is located." End Quote.

This expansion will NOT be in harmony with the North Fork, nor will it benefit anyone in Riverhead. It will not save us from a hypothetical gasoline shortage. It will not ease the tax burden on Riverhead homeowners. But it WILL expand the amount of traffic on our already congested local roads. It WILL expand the potential for a horrible accident. It WILL expand the amount of air, water, and noise pollution in our area. And, at the expense of taxpayers and our growing agri-tourism industry, it WILL expand one individual's personal bank account: A man who doesn't even live in Riverhead and who has more than enough money to get by.

We urge the board to vote no and reject this permit. Thank you.

\*Source: <http://www.governor.ny.gov/news/governor-cuomo-launches-first-ever-strategic-gasoline-reserve-prevent-supply-gaps-during>

\*\*Source: <http://archive.gao.gov/f0302/109884.pdf>