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# FEDERAL ENERGY REGULATORY COMMISSION

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WASHINGTON, D.C. 20426

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## NEWS RELEASE

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### FOR IMMEDIATE RELEASE

June 24, 2004  
Docket Nos. TX04-1 and TX04-3

### STATEMENT OF FERC CHAIRMAN PAT WOOD, III ON LONG ISLAND SOUND ELECTRIC CABLES SETTLEMENT

Federal Energy Regulatory Commission Chairman Pat Wood, III today congratulated government and utility officials in New York and Connecticut for reaching an agreement in principle regarding two electrical interconnections linking Long Island and Connecticut. The agreement provides for the Cross Sound Cable to be re-energized, and for another link, the 1385 Cables, to be replaced. Upon reaching that agreement late this afternoon, three utilities who had filed Federal Power Act complaints at the FERC submitted notices of their intentions to withdraw those requests, effectively heading off Commission action in the cases.

In February 2004, Northeast Utilities Service Company (NUSCO), on behalf of Connecticut Light and Power (CL&P) asked the Commission to order the Long Island Power Authority (LIPA) to replace the existing, but deteriorating, 12-mile underwater cables, known as the 1385 Cables (TX04-1). Although the parties have attempted to negotiate a plan for replacing the jointly owned cables since 1996, agreement on the replacement and apportionment of costs have been unsuccessful.

In May 2004, LIPA, the Long Island Lighting Company and the Cross Sound Cable Company asked the Commission to reactivate the high voltage, 330-megawatt power line (TX04-3). Constructed in 2002, Cross Sound Cable is the first merchant transmission facility in the nation and has operated only sporadically because of concerns about the placement of the underwater cable.

“Today’s agreement will ensure more reliable electric service between New York and New England,” Chairman Wood said. “I am pleased that the parties were able to come to an acceptable resolution of these interstate issues without requiring a federal ruling. Those responsible for reaching the settlement are to be congratulated for sparing electricity customers continued legal uncertainty and the prospect of diminished electric system reliability.”