



## **Public Policy Forum**

### **An Integrated Agenda For A Healthy, Sustainable New York**

**Presented by  
Pete Grannis**

*October 17, 2007*

*Thomas Gais:*

Welcome to the Rockefeller Institute and another one of our Public Policy Forums. These days, it's interesting that action on environmental issues seems to come out of so many different places, almost everywhere, at least everywhere outside Washington, D.C., from Hollywood to Stockholm, to Sacramento, Montpelier, and certainly Albany. Our speaker is at the center of state efforts to assert environmental leadership in this country. Pete Grannis has been commissioner with the New York State Department of Environmental Conservation for a little over six months now and he's here to describe his vision for an integrated agenda for a healthy and sustainable New York.

Commissioner Grannis brings to this discussion over three decades of experience in shaping environmental and health policies in New York State. Much of this work was done while he served as state assemblyman out of Manhattan at the Upper East Side of Roosevelt Island for 30 years, beginning in 1975. Over those years, he played key roles in helping to enact laws addressing acid rain, clean water, clean air, fluorocarbons, and recycling, including his original Bottle Bill. He's also sponsored many pieces of legislation that were eventually signed into law, including one requiring trustees by state agencies and contractors to use ultra-low-sulfur fuel and emissions control technologies; a worker's rights to know about hazardous materials in the workplace; as well as regulations governing the transport, storage, and disposal of toxic waste.

He's also been a leader on efforts to reduce hazards posed by smoking. He's authored and helped enact New York State's Clean Indoor Air Act, the Adolescent Tobacco Use Prevention Act, and a law requiring tobacco companies to produce fire-safe cigarettes, which was actually the first of its kind.

In addition, his work on health care issues has extended to other areas. As chair of the Assembly's Insurance Committee, he led the passage of New York's Community Rating/Open Enrollment Law and a Managed Care Consumer Protection Act.

For all this work, Commission Grannis has collected many awards over the years, including being a three-time winner of the Legislator of the Year award; the award by the Environmental Planning Lobby; and other awards from environmental groups like the Audubon Society, Environmental Advocates, and groups thankful for his work combating tobacco, including the American Cancer Society and the American Heart Association. He was also the first state legislator to have won the Philip Hart Public Service Award from the Consumer Federation of America.

Pete Grannis is a lawyer by training. He graduated from the University of Virginia Law School, and before he was elected to the Assembly, he practiced law in New York City and served as counsel to the Department of Environmental Conservation in the early 1970s. So, this is a bit of a homecoming for him. Please welcome Commissioner Pete Grannis.

*Pete Grannis:*

Tom, thank you for that very nice introduction. The most fascinating part of my job right now is the timing. Left out of Tom's introduction is that I was one of the people who helped put on Earth Day in New York in 1970. It was a time much like now, where the entire national focus was on environmental issues, with citizens leading the fight to push government to do more.

In 1970 when Earth Day started, Gaylord Nelson, a great United States senator from Wisconsin, was leading the citizen charge. People were very angry that government hadn't paid attention to the environment. And from that effort came this very department that I now head and a lot of the great environmental laws (water and clean air act, the solid waste act). A lot of other things came out of that period.

But now we're back in the same sort of energy mode where everybody is talking about the environment. And we'll talk about that in just a second, but it's a citizen-led movement, where government is picking up the pace, picking up the message, moving ahead now, responding to citizen concerns about inaction over the past few years. So, I'm particularly pleased to be here.

I was telling Tom earlier that I've been here many times before, but always where you, the audience, are. So, it's a very great pleasure for me to be here in this new job to thank the Institute for its work over the years. I know these policy forums have been interesting and I'll try and hold up my end of that bargain today.

Back in 1970, I was compliance counsel at DEC. I'll you a story, because it's the Rockefeller Institute and this is my first introduction to Governor Rockefeller. Henry Diamond, my first boss, was the first commissioner of the department. I was sitting in my office as a young attorney and we had just put on Earth Day. We were focused on enforcing the laws, and paying attention to what was going on. I got a phone call about a wild party that had been going on at Lake George. People had been out on boats and throwing champagne bottles, corks, and cups over the edge. It was just a mess. And this citizen had called on the phone, and said, "This is something we need to do something about."

I found out who ran the boat operation. I called him up and read him the riot act. I told him I was going to send our conservation officers up to issue a summons, and he'd better damn well get his act together. I hung up the phone and about a half an hour later Henry Diamond, my commissioner, called me up and said, "What in the hell are you doing?" So I went down to his office and said I was sorry. I felt like I was kid, my feet swinging out of a chair, and I was lectured. It turned out it was fund-raising party for Governor Rockefeller, who was on board at the time, and needless to say I kept the summons in my pocket. They tell me it was a very wise choice at that moment. So, not only did I manage to avoid incurring the wrath of the governor, but I also survived my first tenure at DEC. As Tom said, I spent more than 30 years in the legislature several years later.

One of the things I remembered most about my tenure at DEC is the quality, commitment, and the dedication of the professional staff. And that's something I have found since I've been back. That's not diminished. They were sort of in a sleep mode for the last decade. Over the last six months, we've had a real awakening, both for the executive staff we brought on board and the professional staff who have been there day in and day out and have

been doing this job, sometimes under great stress. We've lost a quarter of the personnel at the department over the last decade. That put a tremendous amount of strain on the professional staff whose work was not truly appreciated. And that has changed.

In the last six months, I have reassured the department that their work is critically important and touches the lives of 18.5 million New Yorkers every single day, in ways that many of the people don't even appreciate or know, but it's critically important. And that job has been ongoing and we're doing everything we can to reinvigorate the staff, remind them that their roles are important and appreciated, and that they are continuing to make the difference.

It's been an exciting time for me to go back to the department where I first started government service. I thought I was leaving the tunnel of executive-elected office when I got this job offer in January. I was wrong. I've been commissioner for six months and I can only give you one word to describe it: Wow. The job is never ending. It's always exciting. We cover the range of issues.

I remember one in the early days of my tenure. We were shutting down a power plant in Hudson Valley, a very sensitive issue. It was a highly polluting coal-firing power plant, one of the worst in the state. That afternoon, after we shut down the power plant, I came back to my office and got a phone call from a congressman in New York City. Not in one of the big boroughs, but the smallest borough. He told me there was a flock of wild turkeys on Staten Island intimidating his constituents. He wanted to us to do something about it.

When I was in the Assembly I had a great many ways I could have answered that call, because it would be reflected on me. But now somebody else was higher than me, so I had to bite my tongue. But he was deadly serious. This wild flock of turkeys was out there. People were complaining. I said, "What would you like us to do about it?" And he said, "I want you to get rid of them. Take them away or relocate them."

So, I called our wildlife people and they said, "The problem is these turkeys are all domesticated because the good souls of Staten Island have been feeding them." So, I said, "Couldn't we just move this flock from one place to another?" I told the congressman the only other place was in the freezer. He asked what was wrong with that. I replied that all the kids out there have named these birds. You want to have them all go to the freezer, just give me the word.

When I became commissioner, the first thing I did was go back to the department's original mission statement, which I was very aware of in 1970. I'll read it to you because it sets up what I'm going to talk about today. The Commission Statement for 1970 was:

*To conserve, improve, and protect New York's natural resources and environment, and control water, air, and land pollution in order to enhance the health, safety, and welfare of the people of the State, and their overall economic and social well-being.*

Those words are as relevant today as they were in 1970. While the mission or the "why" of the department hasn't changed, the "how" or the "what" has changed. And they are as vastly different today as they were in 1970. Back then, problems like global warming and endangered species did not exist. And so, while my new executive team and I embrace the original mission, obviously we're taking new approaches to achieve it.

Several weeks ago, in response to lots of requests about what my priorities were, we put out a list of the five priorities that I see as my defining parameters: combating climate change, fostering green and healthy communities, connecting New Yorkers to nature, building a toxic free future, and safeguarding New York's unique natural assets.

I like to think of this as our "greenprint" for New York's future. Each priority shares a very simple goal: to create a healthier, safer environment and a stronger New York. Targeting these key priority areas will not only improve the environmental quality and public health for all New Yorkers, but it will build new economic opportunities and get our people to participate in environmental decisions that affect their lives. I would like to take a little time today to talk about each of these and to tell you what we're doing in each of these five areas.

The very first priority is to command global climate change, a top priority for the governor and, obviously, for a great many other people as well. But the governor has been leading the charge.

For decades, too many in government, industry, and the general public ignored the obvious warning signs that our environment was in trouble. Instead of taking bold steps, we were asked to go on as though we shouldn't or couldn't change course. As we sat on the sidelines, as we all know, things got worse. Weather patterns began to change, ice caps



started melting, migration patterns shifted, violent storms became stronger and more frequent, and the list goes on and on.

Thankfully last year, 2,000 of the world's leading scientists spoke with one voice, recognizing that these changes were directly related to man's activities. A measure of their success in getting the word out is that the world fi-

nally stood up and paid attention. Even President Bush, the nation's doubter-in-chief.

At DEC we're taking our leadership role nationally and globally on climate change. We're attacking it in three ways: reducing emissions from power plants, cars, and homes; encouraging the development of clean and renewable sources of energy, like wind and solar, and clean, natural gas plants; and ramping up our energy efficiency and conservation efforts.

Earlier this year, the governor unveiled his energy conservation plan. It proposes to reduce New York's electricity use by 15 percent for forecasted levels by the year 2015, a very ambitious agenda. It doesn't sound like a lot, but achieving this is going to take a lot of work. This would reduce our annual carbon dioxide emissions by the equivalent of 2.5 million cars on the road through the energy efficiency programs in industry and in government. It's the most aggressive plan in the country, and obviously it's going to take a while to work.

At the same time we're implementing the 15 by 15 plan, we're integrating policies to reduce greenhouse gas emissions across all of our and our sister agencies' activities. Ahead of our agenda is our Regional Greenhouse Gas Initiative (RGGI). The California version is Western Greenhouse Gas Initiative (WGGI). Ours gets a little more attention than theirs. Obviously, it's a very ambitious plan. As many of you know, RGGI was formed in the absence of federal leadership on climate change. It's a multi-state, market-based plan to reduce greenhouse gases from power plants. I chair the RGGI Board, and I'm happy to report that we're moving forward in a number of critical areas.

One of the components we're committed to, and probably at the heart of our RGGI plan, is the auction of 100 percent of the pollution allowances to power plants. The current practice allows industry to use our shared environment for free. Under RGGI, we're going to require power companies to pay to use our air, which is our precious public resource. The return of the value is to the public through energy efficiency improvements.

Obviously, the RGGI states can't solve the problem alone, but as leaders of technology and finance, we can serve as the catalyst for the nation, and even the world. Whether it's RGGI, or 15 by 15, or development of clean technologies, we'll be seen to be a leader in the fight to combat global climate change.

Our second priority is fostering green and healthy communities, which is critically important. It's really our Smart Growth Plan. Smart Growth is about creating livable and sustainable neighborhoods across New York, and fighting one of the great environmental problems through sound environmental policy, urban sprawl. To do this, we're focusing our attention on cleaning up contaminated land, especially in urban settings, reducing waste, and maximizing recycling. We're also promoting community green and urban forestry.

One of the keys to this agenda is our shared brownfield program. (Editor's note: brownfields are abandoned or underused industrial or commercial properties where redevelopment is complicated by actual or perceived environmental contamination.) While the exact number of brownfields in the state is unknown, we know that they number in the thousands, well beyond our current capacity to cope with them. In many communities, brownfields are permanent fixtures in the landscape, near where people work, go to school, and walk their dogs. We're boarding up gas stations, we're containing factories inside communities they scar economically and environmentally. We're reclaiming or redeveloping the sites. Not only can we protect the public's health, we can provide the catalyst for community revitalization, new jobs, and new tax revenues.

The problem right now is only a small fraction of the valuable tax credits that are granted with the brownfield program are related to remediation or cleanup costs, which is our prime responsibility. That's because the current program makes no distinction between cleanup and development costs when providing these valuable tax credits. We need to target the money where it is most needed, and that is why the governor's brownfield bill is particularly important. We've been working in the legislature to try to get them to understand

the importance of the governor's new approach and we'll be working with them further this year and next.

The bill would amend the program to focus tax credits on cleanup, rather than development. Under the legislation, we would provide 100-percent tax credits for innocent parties and 25-percent tax credits for those contributing to pollution for cleaning up their sites. That is a very generous program where 100 percent of the cleanup costs will be picked up by the state. Our goal here is simple: We want our brownfield program to be the measuring stick for every program in the nation.

Another key to the green communities is to reduce waste by recycling if we all followed the governor's efforts on the bigger, better bottle bill, which is one of our key focuses of this greening effort. There's no question that the original bottle bill has created a cleaner, healthier state. This is the 25th anniversary of the trial bill's passage. I actually went around the state with a lot of other agency heads and the governor talking about the success of the bottle bill over the last 25 years. Ninety billion bottles were returned in the last 20 years, a staggering number. The recycling effort obviously reduced the garbage load and reduced the need to manufacture virgin plastic, including glass bottles. We saved the equivalent of 52.4 million barrels of oil, roughly the volume of 26 supertankers.

The markets have changed dramatically in the last 25 years, as we all know. Today, 25 percent of the market is for noncarbonated soft drinks, whether they are energy drinks or water bottles. The bigger, better bottle bill would result in additional 3 billion noncarbonated beverage containers being returned each year by our estimation, which will reduce waste in our communities, take pressure off of our landfills, and save the equivalent of over 280,000 metric tons of carbon a year. Although it didn't pass, it's going to be our priority in the upcoming legislative session.

Our third priority is connecting New Yorkers to nature. A very important part of our mission is to get people off their couches, away from the television sets, and out into the environment. We're all suffering from nature deficit disorder (NDD), and it's growing and it's a big problem. Back when we were kids, there were only a couple of TV stations. Maybe some of the people don't realize that, but we only had a few TV stations to distract us. Now, we have video games, XBoxes, Gameboys, and a thousand-channel digital cable. It's hard to get kids and their parents off the couch, but we can't stop trying.

We need to have natural experiences to understand the beauty and the color of the outdoors. When New Yorkers appreciate nature, we know that they are more likely to conserve it. To foster New Yorkers' connection to nature, we're focusing on strengthening environmental education and outdoor experiences for all age groups. We're increasing interest in hiking, camping, canoeing, fishing, and hunting, and providing state-of-the-art facilities and high-quality outdoor experiences, and approving access to available green, open space.

One of the keys to this agenda is improving our visitor centers, our education centers, and our camps across the state. We're also looking at what we believe are many opportunities for acquiring more land, particularly more land closer to where people live and work, so they can actually get to these sites, and use them and enjoy them. Our big sites in the Adirondacks are critically important in the long range, but day-to-day activities, I think, are important and will be the heart of our focus as we look at land acquisition.

Our fourth priority is building a toxic-free future. The goal here is also very simple: reducing the use of toxins across the state. To achieve that goal, we're promoting green alternatives and technologies, supporting alternatives to toxic pesticides, promoting product storage and shipment, and improving public information on toxins.

Part of that agenda is our outreach to schools. I was with the first lady and the governor out on Long Island on Monday, and I was reminded again of the 48 pesticides most commonly used in schools (the US EPA classifies 22), nearly half of these as possible or probable carcinogens. I found that truly alarming. Schools should be the last place a child is exposed to an unhealthy environment. At the governor's request, my office is developing pesticide outreach materials for schools, daycare centers, and parents. We'll soon start the separate process of disseminating this information through our website, which has started getting thousands and thousands of hits a day; links to other organization's websites; working with school officials; and through the media. The best way, as we see it, to reduce these toxic chemicals is by offering a range of replacement green chemistry, sustainable products. That's one of the focuses of our new Pollution Prevention Institute. This Institute is a \$2 million initiative, which was included in Governor Spitzer's 2007-2008 State Budget, and will serve as an incubator for businesses, universities, state and local governments, and environmental organizations to develop green chemistry and sustainable products.

Our fifth priority is safeguarding New York's unique, natural assets — the Adirondacks and the Catskills, and from the shores of Lake Ontario to the beaches of Fire

Island — New York’s well-known, most remarkable, and irreplaceable natural assets. Our responsibility is to ensure that future generations can enjoy them as much as we do.

One of our key initiatives in this priority is the Adirondacks Park Planning Initiative. For years, the state’s piecemeal approach to balancing the needs of people, nature, and the park has largely failed. We have to find a new, innovative strategy. That is what our new Adirondacks Smart Growth Grant Program is all about. The program was announced in Lake George six months ago. The program offers \$1 million in planning grants that can be used to help Park communities address some of their most pressing land use issues in developing workforce housing and efficient aging infrastructures. There is no local match required. It’s a 100-percent grant program that is, I think, much more appealing to the smaller communities in the Adirondacks.

It also recognizes that these kinds of planning studies need to have a connection to somebody to actually carry them out. Many times these kinds of grants develop studies that then warm shelves, or everybody has a press conference and says, “We have this great report.” There’s nobody in these local communities or often only part-time officials to actually implement the strategies defined or identified in a brand new study.

So, part of our grant request or the RFT we’ve got out there is to have these communities identify who the people are who will implement the grant, the study findings, or where they can find those people either collaboratively with neighboring towns or other groups, such as Cornell or some of our institutions of college forestry to implement the programs that they have developed or that they have identified in their report.

The board has sent out the grant application. We’ve extended the time at the request of the Adirondack communities that were excited about his, and we’re looking forward to a very productive program. The Adirondack Park, as everybody knows, is one of our great treasures, not only in New York, but in the nation. With better planning, we can make it a shining example for everybody in how to successfully balance the needs of people and of nature.

That’s just a small part of our agenda to protect our state’s natural assets. We’re working on a range of fronts to safeguard New York’s watersheds. Across each of these, we’re employing an ecosystem-based management approach, not just on the specific problems,

but the connections and broader impacts as well. We have a huge array of activities and responsibilities in the department, and I could go on all day talking about them.

Obviously, being commissioner, it's not only a full-time, it's an all-time job. We've got a lot of work to do. As Teddy Roosevelt once said:

*Of all the questions which can come before this nation, short of the actual preservation of its existence in a great war, there is none which compares in importance with the great central task of leaving this land even a better land for all our descendants than it is for us, and training them into a better race to inhabit the land and pass it on. Conservation is a great moral issue, for it involves the patriotic duty of ensuring the safety and continuance of the nation.*

Those words, spoken nearly a hundred years ago are still true. My goal at DEC is simple: to integrate the five priorities I've just discussed. We can go across all of our traditions and programs to leave this state in a better place for our children and generations to come.

*Tom Gais:*

Thank you very much, commissioner. Would anybody like to pose a question?

*Senator Tarky Lombardi:*

Peter, you talked about remediation of brownfields. There was no comment relative to asbestos removal. We do a lot in the state if it's in the ground, but if it's in a building and you have to destroy the building in order to clear the asbestos, there's no assistance. Is there any thought of doing anything along those lines?

*Pete Grannis:*

Asbestos removal is not part of our brownfield program. We're having trouble getting that to work as it is. I think if we can reach agreement on cleanup, as opposed to development, we could talk about including asbestos. At this point, it's one of those areas that's come up in some of the upstate cities, where they have buildings they need to demolish or repair, and are looking for support from our brownfield program. Right now we are focused on what's in the ground, rather than asbestos that exists. But it's certainly not off the table.

*Richard Nathan:*

I couldn't agree more that the Adirondack Park is a great asset to the state and to the country, particularly at this time of year. You said that you think that partly it has been a failure and in your new program you envision changes. I'd like to hear you say a little bit more about how it's failed and how it should change?

*Pete Grannis:*

It hasn't been a failure; it's been a shining success. During my years in the legislature, my predecessor in the Assembly, Peter Berle, who was DEC commissioner, fought for the future of the Adirondacks. The tensions in the Park between the communities and the 100,000 people living within the Park, versus the broader interests of protecting the Park for all of New York and for the millions of visitors every year, has been a dynamic and makes moving ahead difficult.

And so we've identified a number of problems. These problems are so obvious when somebody sits down and talks about these things, rather than tries to dictate policy either from Albany or the Adirondack Park Agency. Communities, because of the way that forced protections work, sometimes find themselves with forest land buffering key quarters for something as simple as putting in utility poles or expanding the sewer system.

Without going into the forest land, they need a constitutional amendment and it sets an impossible standard. So we try to reconcile uses, recognizing the community's need to grow out of the existing infrastructure there. It's part of our goal with these planning grants to get communities to use the existing infrastructures, and avoid pressures of the people outside of the communities, and other kinds of aspects of what's going on. It's been a wonderful example. I just think that tensions could be lessened. But I think our grant program was very well received.

I've been out there, obviously, in a different role. My pressures when I was looking at the recommendations as a legislator were one thing, but I think my role is to try to foster a much more collaborative decision-making process, engaging the communities and their elected officials during the planning process. So far, we've gotten pretty good marks. I've been up there several times. We're not dictating policy. Obviously, the new head of the Park agency is important. But I think this collaborative effort pulls a lot of future for

communities that want to grow, that need to grow, have economic opportunities in the Park within these established communities. The governor is very committed to that and we're going to do our best to try to make that happen.

*Richard Nathan:*

How do you get more people in the country to know and use the Park?

*Paul Grannis:*

There are six or eight million visitors to New York from all over the country who come to the Park. Promotional activities strain some of the trailheads. We're doing our best both to promote and protect the Park. Our unit management plans involve a planning process that engages the local community, providing stewardship for the four million acres of property we own mostly in the Adirondacks. It's something that's important, so we take care of the lands. In fact, that's one of the places where I think Governor Pataki didn't succeed. The stewardship resources didn't keep pace with his ambitious acquisition plans for new open space, so we're looking at that.

It's interesting, because when we talk about our parks, we talk about the Adirondacks, but we have a lot of other parks. The Adirondacks seem to get a lot of attention, and we're going to be focusing more attention, I think, for a while on the Catskill communities, where there are just different kinds of pressures with a lot of institutional differences between locals, the state, and the city of New York on how the Catskills are protected. We've got these land acquisition projects. We're in the process of working with several of our great not-for-profit partners on major land acquisitions, figuring out what to do with those acquisitions as they morph through not-for-profits hands into state stewardship.

*John Stouffer:*

I'm with the Office of the State Controller. Your initiative related to green and healthy communities I think, quite rightly, puts a strong emphasis on revitalizing New York's urban communities, and in reducing their environmental impacts. The state also, though, has programs that invest in infrastructure. Do you see a role for the clean water revolving funds?

*Pete Grannis:*

Absolutely. In driving in from Exit 23, there's a big billboard that says, "2,600 deficient bridges in the state." It's just sort of a reminder of the problems we face that rely on our pure waters program and our sewage treatment plant program, our very desperate need of resources.

We have a very aggressive program of low-cost loans for communities that need to upgrade their sewage treatment plants or build new plants. We are doing a study to identify the state's needs both for existing and new plants. Our back-of-the-envelope estimate is that it could take \$25 billion, and those plants are critical. Those plants need to be upgraded. They were built many years ago.

The ability of communities to grow within their existing infrastructure depends on sewage treatment, obviously, and having plants that are up to date, that are not polluting, and that are big enough to handle the expansions of the community. So that's a critical component we're going to announce to the legislature. And that brings up a broader issue, which is our partnership with Washington. We are responsible for three major programs: air, water, and solid waste, where the programs are mandated to the states. We've been given more work to do, and less money to do these jobs. So I've been to Washington four or five times, lobbying our congressional delegation, which I'm told is a little easier for me because I was in the legislature with most of them.

But it has made my ability to approach and remind our congressional delegation that they need to step up to the plate to get us the resources to do these jobs easier. But it's a national effort, not just our problem. The problems are being experienced all across the county. I think the governors will be reaching out to other governors to try to form a national coalition to put pressure on Washington for more resources for the sewage treatment plants.

And then with the transportation infrastructure, we're looking at integrating Smart Growth planning with our transportation sector, which is clearly another complicated, but necessary, aspect of looking at Smart Growth planning and in long-term greening efforts. It's going to have to be a collaborative effort from the DOT and us. Our department of state plays a very important role in that too. So, we're focused on that. And we depend on the controller to help out too.

*Steven Wilson:*

Thank you, I'm with the Hudson River Brownfields Society. When you spoke of the climate change issue, I wonder if you could talk a little bit about any ideas or plans you have for dealing with mitigation of natural hazards — the potential to experience more intense higher energy weather events — and how that plays out with local officials to deal with that?

*Pete Grannis:*

It's interesting that it ties with the question that John Stouffer just asked about infrastructure planning. We did this overlay of the impact of local climate change on the downstate communities, Long Island and New York City. It's a very frightening prospect — a few more years of rising temperatures, rising sea levels, violent storms, and putting our infrastructure under the perimeters of all of these critical areas of this. Yet planning is going on for more infrastructure development on the perimeters, on the water within range of what is surely going to be a disastrous storm at some point in the not-too-distant future.

So, looking at that kind of mitigation, working with communities, it's very long range, and there are concerns we'll just build a very big sewage treatment plant or what the city of Binghamton did. It was just wiped out in the floods last year, and they have to rebuild this plant because they built it in an area that was susceptible to flooding. Now, you need to look at the thinking that went on, and obviously it was on the periphery of a community, so they didn't want it somewhere else. But the mitigation and the exposure to the effects of climate change have to be built in.

Our sister agency, DOT, is doing a lot more creative work on culvert design, bridge abutment design, and bulk heading waterway designs next to roadways, recognizing that those kinds of seemingly innocuous activities make a big difference in stream flow and flooding, factoring in the ability to cope with future disasters. But it's going to have to be sort of a global effort internally for us in this state, and obviously nationally. There will be a focus on all the agencies that are involved in planning, grant making, and funding.

I'm looking at the impacts of these and what that means for our future design standards and where we're going to put our infrastructure. On the east side of Manhattan about 10 years ago we had a violent storm. All along the perimeter of my district, along the FDR

Drive, water rose up over the Drive and came inland. There are a number of parking garages that were about two blocks in that were filled with water from this storm. Nobody had anticipated that these garages would fill. Everybody's cars were filled with water, and some cars actually floated. Nobody ever thought about the fact that the FDR was eight to ten feet above the East River and the impacts of that. But there has been a lot more thinking about those kinds of disasters. We need to anticipate those kinds of concerns and build them into our planning.

*Blue Neils:*

Hi, I'm from Saratoga County. The flip side to what you are talking about is more rural counties and communities, and faster developing ones. Because often times, what you have is undeveloped land that is rapidly being developed. It's further up in the upper reaches of the watersheds, particularly like the Hudson River Basin and things like that. That leads into the flooding and pollution problems that we see downstream in the lower Hudson River belt.

My question to you is: What are you looking at in reaching out and creating a presence in these local communities, so they understand they can rely on the department for technical advice when it comes to planning? Because often, the planning boards and these communities have the least experience, and maybe the least sophistication to deal with the types of initiatives that you're talking about, like Smart Growth. They simply do not know about it. These are nine-to-fivers who need that outreach from the state to be able to understand these things. What is the department poised to do to address that?

*Pete Grannis:*

As I've mentioned here, we're looking at issues of a broader context, rather than just being worried about a particular event or a particular problem. We're looking at watersheds and its broader eco-based management systems. We're looking at bigger kinds of solutions to things that incorporate all of the factors in particular areas of the watershed.

Our Smart Growth Program was announced and we're doing the grants from what was an initial foray. We're going to expand that program. We're working collaboratively with those communities. I think that they have the least resources, but some of the most important future involvement in our thinking about how we're going to grow.

And clearly the ability to get brownfields back on the line, to have the people that develop properties in existent settings, rather than having to look for greenfields elsewhere, I think is a part of that. I think we need wise infrastructure planning for transportation corridors and other kinds of things like that. We're very mindful of the pressures and the roles of the small communities.

*Robert Ward:*

I'm with the Rockefeller Institute. You mentioned energy — one of the many issues you have to deal with that pits competing concerns against each other and trying to find a balance. Assuming that wind power and some of the other alternatives are not going to provide the thousands of megawatts that the ISO (New York State Independent System Operator) and others stated we needed, what are the prospects for development of new natural gas plants, or dare we say additional nuclear capacity?

*Pete Grannis:*

Nukes aren't on the projection right now. We're focusing on our 15 by 15 agenda. We're not going to meet some of these concerns by finding alternative fuels, so we're going to have to deal with energy conservation. So, with the RGGI initiative selling pollution credits, we're going to have resources, I guess that goes back on the demand side, as well as the supply side. So, we're going to have to balance out. We're never going to meet our energy goals by producing more fuel, we don't think, so conservation is going to have to be a big component of that.

Natural gas plants are very much on the line. We're encouraging the conversion of older plants to have cleaner fuels. And for nukes, someday we're going to have to wrestle with that issue.

The administration doesn't believe we have to be fast-tracking nukes or coal, or even clean coal plants. But there are discussions that are going to go on. At some point, I think we're going to have to come to a very important discussion about whether nuclear power is going to be in this mix for our energy future. But right now, that's not on the table.

*Thomas Gais:*

I just have a follow up question somewhat related to that. How much do the emissions reduction goals depend on changes in the motor vehicle mileage rates that are tied to the California standards? Do you build that into your expectations?

*Pete Grannis:*

We do, and our ability to continue to use the California exemption for their tighter emission standards is very important. I was in Washington on another trip fighting with the EPA on granting the latest waiver requests from California with their latest technological involvement on lower emission emitting vehicles that we and about eight other states will piggyback off of.

We've got a multi-state mercury reduction rule that we're doing collaboratively with other states as to the federal EPA. They can't help us, but we think we know what we can do on these areas. So, it doesn't mean we're counting on the EPA to get their work done. It's being run by interim administrators, and they have resumes up on the screen, you know. They know their days are numbered. I think there are going to be a lot of holdovers in the next administration, whether it's a Republican or a Democratic administration.

The Washington people don't seem to be too happy, particularly with the EPA. There are things they've done that are actually pretty positive, but this standing in the way of the states' initiatives has been very counterproductive. So, we would all use the California rules, and they are very much a factor in our future.

*Thomas Gais:*

Do you have any expectations that the waiver is going to be granted one way or the other?

*Pete Grannis:*

It's sort of a sad state of affairs when you see what the EPA can do and what they should do. It's very discouraging. The answer is we have high hopes for the next 15 months. But, you know, these lawsuits are going along. The EPA doesn't seem to be faring too well on this.

*Laura Haight:*

I have a question about enforcement. You know, there are a lot of really excellent laws on the books protecting the environment, many of them that you introduced in the legislature. And the environmental community, as a whole, has been very concerned about the lack of enforcement, particularly in the previous administration, whether that was a matter of inadequate resources or inadequate will. What I want to find out from you is what changes you envision for your agency, in terms of enforcement and give specific examples.

*Pete Grannis:*

We are going to give our entire counsel's office a focus on enforcement activities. Our primary goal is to clean up the pollution. If that takes enforcement, we're prepared to use that. We're looking to work cooperatively with anybody who wants to work with us on cleaning up a problem.

But when we find that people are not towing the line or jerking us around, or not doing what they are supposed to be doing, we are going to be committed to strong enforcement. We've got this whole new construct in our counsel's office or working with the attorney general's office.

We are referring a lot of cases to the attorney general's office and we are aggressively pursuing people who have not been working cooperatively with us. And that will be a hallmark. I know that it was not a focus of the past administration; but that is a focus from this administration.

*Elizabeth Davis:*

I'm from the Office of the State Controller. You've been speaking of Smart Growth off and on, and as I'm listening I'm feeling like a lot of these issues with energy conservation and all of these other things come back to Smart Growth. I heard you speak about brownfields and about Adirondack Park Smart Growth, but I'd like to hear more about a broader Smart Growth land use planning initiative that you have.

*Pete Grannis:*

I've been here six months. We'll be making grants available for communities in the Catskills as well on a slightly different basis than we did in the Adirondacks because the Catskill grants will actually implement recommendations of the planning process. In the Adirondacks we had to find the money to implement the programs that the communities have identified. But we're going to be looking on a much broader basis on smart planning across the state with DOT and the Department of State. Other than that right now we have nothing new on the table.

I met with a number of prior commissioners before I started my job, and they cautioned me that the hardest part of what this job entails is having time to think about these much bigger issues. And so recognizing that my tendency is to get involved in lots of issues as I did in the legislature, it's tough to walk away. These are fascinating issues. We're partners with the federal EPA. We need the ability to look at these broader issues. We need look outside our department to come up with ideas on how we can do our jobs better, more efficiently, and produce results that we can actually implement. We're not looking for studies and big reports.

So, we're looking at pesticides; we're looking at incorporating carbon focus in our process; we're looking at land use planning, and waste reduction, and a lot of things on brownfields. The policy office is going to be our focal point on looking for new directions. Their job is to talk to everybody they possibly can. They've got more work than they can possibly handle, but they seem to thrive on it.

My job is partly just to make sure this agency functions and does what it's supposed to do and make sure the staff recognize that we care about them and are supporting them. The policy office is cutting across all of the divisions and bureaus, and pulling together these broader policy objectives for us to be focusing on in the second six months and beyond.

*Diane Louis:*

I'm with the Office of Assemblywoman Joan Millman. In order to do all these things, you have to rely on your staff. Could you put that in perspective from when you first came in and where you'd like to go with that?

*Pete Grannis:*

In the prior decade, the department lost 700-800 staff from lack of finances, attrition, a lack of focus, lack of concern. These staff losses put a tremendous amount of pressure on the agency. We had to reconfigure, in doing more with less. We basically made up the difference by realigning the department with last year's budget. We have 109 new staff positions, all identified by need, and I think we've filled 75-80 percent of them already. We need to start to rebuild the professional parts of the department that need the most attention. As you all know, the governor's office has identified a big revenue shortfall for next year, so everybody's been told to see how we can make our agencies leaner. We're working with the governor on that, but we have these priorities and we've been told that our initial budget presentation was not what they expected. Instead of identifying a series of cuts, we identified a series of needs.

And so in our budget presentation we've identified where there would be consequences. Maybe we won't issue any more permits, or we won't take any more new applications, or we won't go out and inspect all these water pollution permits discharges. All these things, you know, they have consequences. And so in our budget presentation we're doing our best to identify how our staff resources are linked to the job we are expected to do. Because if things continue in Washington, the cutting back of resources and increasing the mandates, and this low-balling of staff replacements at the state level, there will come a day when we cannot do the job. And we'll have to do a triage in what it is we do. And I'm going to make sure if I possibly can that's not going to happen on my watch.

So, this budget stuff will come to the legislature, and obviously we'll work with the governor's office. We are part of a team; everybody's part of this process. But the budget presentation will be put out and there will have to be a discussion about what the governor's priorities are.

*Daniel MacKay:*

Mr. Grannis, you've seen in your tenure where the states are in the implementation of the State Environmental Quality Review Act. I'm wondering if you would be willing to offer an assessment of how that is faring? What changes might be needed to assist this administration in making those changes? I think, in particular, I would like to get your comments on the status of that?

*Pete Grannis:*

It's truly phenomenal what has to be done to look into environmental projects, or projects with environmental impacts. The gentleman hasn't heard this yet, but we're open to anybody in the comptroller's office, so we can look at carbon issues in their bottling process when they go around looking at programs that they audit. As to the expansion of carbon emissions issues, these are things the administration is going to be looking at very aggressively. We'll be moving on some proposals in the not too distant future. So people have ideas on these and we're looking for everybody to talk to us and tell us what things need to be addressed, what things have to be fixed. We put in a suggestion box for the department. I will also engage all of the people who have worked for us — 3,500 very committed people who have been there for long periods of time. They know the programs, they know what works, they know what doesn't.

The suggestion box is for the internal people to try and tap their collective knowledge on how we can do things better. But we have the same offer to everybody on the outside. We've been meeting with groups and associations to let people know that we are interested in suggestions. We might not always take them, but we're paying attention to them, and they help us, I guess, focus on issues that people think are important and that need addressing.

*Karen Palladino:*

I'm also from the Office of Assemblywoman Joan Millman. I was wondering if DEC is working with DOT on public transportation. Saratoga County is the largest-growing county in upstate New York and most of those people work for the state government. There's not enough parking for all the people who work down near Albany. There are a number of states trying out getting rid of the gas tax and charging by the mile for use of the roads. Basically, there's no public transportation from here into Saratoga County. There is one bus: the ETA has outsourced to the Northway Express, but the last bus is at 5:50 P.M.. As you know, legislative people do not work 8:00 to 4:00 or 9:00 to 5:00. I'm wondering if there is something that DEC can do to work with DOT and get public transportation going at a normal schedule for real people to work?

*Pete Grannis:*

Public transportation is very important. We've got to reduce the amount of miles driven and mass transportation alternatives are important. I'm not aware of anything we're doing directly with DOT. Internally, we're looking at ways to encourage people to carpool, and for compressed work times, so they don't have to drive to come to work. Clearly, the future has to encompass mass transit opportunities. The mayor of Albany was in my office yesterday talking with the head of the parking authority and the bus transit system here about planning better ways to encourage people to use bus transit in the Albany area, but that doesn't help you directly. But the point is that it's part of the focus.

Again, we and the governor are looking at a broad array of carbon issues. There are climate change options, and clearly getting people out of their cars and into mass transit has got to be part of that. So the answer is I agree, but I don't know what we're doing as yet.

*Ian Brody:*

I'm from Senator Dilan's office. I wanted to see if you can comment about accelerating the Newtown Creek cleanup? The Newtown Creek divides Brooklyn and Queens.

*Pete Grannis:*

This has been an ongoing effort. The pool of oil under the Newtown Creek tank farms rivals small oil wells, and they are pumping oil in a phenomenal rate from the leaks in the tank farms that were above it. We're working with the attorney general's office. I think they are in the process of beginning a criminal action against the polluters, if they haven't done so already. Again, our goal is to get that oil out of the ground, stop the plume from migrating, if we possibly can. It's been very slow and frustrating. But we are now, I think, aggressively pursuing our options to keep those pumps going. We're building a remediation plant with the attorney general's office so we can get the oil out of the ground and stops the migration of the plume. This has gone on far too long. It's an embarrassment that needs to be fixed.

*Joseph Trapp:*

About 20 years ago, there were regional cabinets established across the state. We're entertaining thoughts of re-establishing that, because there really were some great benefits when you are redoing a road to rebuild the infrastructure at the same time.

*Pete Grannis:*

Governor Spitzer has re-established the regional representatives. I know that we have been involved in discussions as they have brought together their regional reps from my department and other agencies. Certainly, this is an effort to bring together all the responsible parties, so that one can find out what else is going on, we know who to call, and we can work on solutions together, rather than other agencies working on separate agendas. I think the governor's office is focusing on that. The name may be different, but I think the focus is there.

We've been told under no uncertain terms that our job here is to work collaboratively with the other agencies, so that if we can't figure out how to do that, then somebody will tell us how to do it. I think that same message is going out to the governor's regional representatives and all of our regional offices and all the agencies. So, that process is going on.

*Sean Mahar:*

I'm from Audubon New York. Commissioner, with the majority of New York State land in private ownership, private landowners have an important role to play in conservation. What programs are you considering to provide landowners with incentives to undertake conservation?

*Pete Grannis:*

We are working with the agriculture department. I've been working with private landowners on designated areas, bird conservation areas, habitat protection areas, working with individual landowners who come to us, or we go to them when we know of a particularly sensitive area. We try to encourage them and work with them on setting aside or protecting the lands that they've got.

Conservation easement is another program that lets the owner continue to use his land the way he chooses, but limits the ability to develop it. This is a real labor-intensive program. A lot of landowners come to us. A lot of them find out about our programs and work with our professional, land management, and conservation staff. We're doing what we can. I think that's very important.

*Thomas Gais:*

Thank you very much, Commissioner, for a wonderful presentation.