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THE SCOOP



JAMES BERNSTEIN

LIPA reduces recycler's costs

ENERGY

After a 12-year effort, Long Island's largest recycling company, Gershow Recycling Corp., last week won a break in its energy costs, receiving permission from LIPA to purchase electric power, which will enable the company to reduce its reliance on fossil-fuel.

Without discussion, Long Island Power Authority trustees unanimously approved Gershow's request to buy 5.7 megawatts — one of the largest such purchases at a single location — for seven years.

Gershow is to build, operate and own its own substation on the site. LIPA agreed to allow Gershow a "modified time of use rate" that the utility said is not a discounted rate but a rate that is "priced to discourage electric use during peak demand periods on weekdays in the summer months from 3 to 8 p.m., when the cost of generating electricity is high."

Under the agreement, Gershow will pay \$2.55 per kilowatt hour as opposed to \$3.39, the price for companies without the time-of-use rate. By halting operations at the peak peri-

od of 3 p.m., Gershow will save \$222,000 annually, LIPA said.

Kevin Gershowitz, president of the 46-year-old Medford-based company, said he was pleased the new time-of-rate use had finally been approved. In an internal Gershow newsletter, the company said it has been trying since 1998 "to get this done" but that its efforts had been "unsuccessful."

"As a result, the company continues to use fossil fuel-fired engines, despite the fact that electric transmission lines exist adjacent to its Medford property ... reducing emissions is an ongoing objective for Gershow," the newsletter said.

Gershow operates a giant machine that shreds automobiles, washing machines and the like. A car is shredded in about 10 seconds. The pieces come out in fist-sized balls.

The question is why it all took so long. **Vanessa Baird-Streeter**, a LIPA spokeswoman, wrote in an e-mail that "Gershow has concluded their engineering analysis, which enabled us to finalize agreement."

Energy expert **Matthew Cordaro** said he believed "personal differences" between Gershowitz and **Richard Kessel**, who was LIPA chairman



Kevin Gershowitz's Gershow Recycling received LIPA's permission to purchase electric power.

during most of the time Gershow was trying to get the rate, contributed to the delays. Gershowitz said he did not want to discuss the past. Kessel denied Cordaro's assertion. He said he at first opposed allowing Gershow to build a substation connecting to LIPA wires. Kessel said he did recollect dealing with the issue of rates.

But, Kessel added, he later changed his mind about opposing Gershow. "I became comfortable with them as an important business," Kessel said. "They were trying to do the right thing."

Kessel is now chief executive of the New York Power Authority.

Patricia Seubert, a civic ac-

tivist who lives about three-quarters of a mile from the Gershow recycling facility, said she believes it is better the company is going to electric power.

"Sometimes, with the equipment they use now, you can smell it in the air," Seubert said.

Gershowitz said he hopes to begin building the substation in March.