



**NEWS FROM:
NEW YORK STATE JOINT COMMISSION ON PUBLIC ETHICS**

FOR IMMEDIATE RELEASE:

August 15, 2013

DANIEL J. HORWITZ
CHAIR

For Further Information Contact: (518) 408-3976

JCOPE.NY.GOV

NATIONAL GRID FINED FOR GIVING MEALS AND ROUNDS OF GOLF TO STATE REGULATORS AND THREE REGULATORS ALSO FINED FOR ETHICS VIOLATIONS IN THEIR DEALINGS WITH UTILITIES

ALBANY (August 15, 2013) -- The New York State Joint Commission on Public Ethics announced today that National Grid and two former employees of the State's utility regulating agency paid fines settling cases involving the giving and receiving of improper gifts including rounds of golf and meals. In a separate settlement, another employee of the regulator, the Department of Public Service (DPS), paid a fine for sharing a draft investigative report with a consultant for another utility that was under investigation.

National Grid, according to its settlement agreement with the Joint Commission, gave numerous gifts, including meals and rounds of golf, to employees of the DPS between 2002 and 2010. The DPS is the administrative arm of the Public Service Commission, which regulates utilities in the State. Under the settlement agreement, National Grid agreed to pay a \$25,000 fine, to cooperate fully with the Joint Commission on any related investigation regarding the gifts, and to provide supplemental annual ethics training to its employees for the next four years.

The Joint Commission's enforcement actions are the result of an investigation and July 2012 report by the New York State Office of the Inspector General, and subsequent investigation by Joint Commission staff. The investigations resulted from National Grid self reporting the gifts after learning of them through an internal audit.

In related actions, former DPS employees Joseph Klesin and Carlos Ortiz paid fines of \$1,500 and \$1,000, respectively, for accepting gifts of rounds of golf and meals from National Grid in violation of State ethics laws. Both former employees resigned in early 2012 during investigations into National Grid providing gifts to DPS employees.

Separately, DPS employee Steven Blaney paid a \$1,500 fine settling a case in which he violated State ethics law by sharing draft investigative files about a DPS investigation into a 2008 gas explosion in Queens with a consultant working for the utility that supplied the gas.

According to the investigations, National Grid gave gifts totaling more than \$7,000 to employees of the DPS's Office of Electric, Gas and Water Safety between 2002 and 2010. During that time, National Grid was a registered lobbyist and filed as a lobbying client with the Joint Commission on Public Ethic's predecessor agencies. Under the State Lobbying Act §1-m, lobbyists and lobbying clients are prohibited from offering or providing gifts to public officials unless it cannot be reasonably inferred that the gifts were intended to influence the officials.

The Joint Commission has investigative and enforcement jurisdiction over lobbyists and their clients under the Lobbying act, as well as over public officials under the Public Officers Law, which includes restrictions on receiving gifts. A violations of the Lobbying Act's gift restrictions carries a maximum potential fine of \$25,000 or three times the value of a gift.

In a separate related action by the Public Service Commission last year, National Grid agreed to pay nearly \$1.7 million to settle a case alleging violations of the Public Service Law regarding illegal gifts.

The settlements with the Joint Commission are available by clicking below:

[National Grid settlement](#)

[Joseph Klesin settlement](#)

[Carlos Ortiz settlement](#)

[Steven Blaney settlement](#)