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SCOR

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Testimony for 9/24/96 Public Hearing on Draft EIR/EIS

As an Environmental professional who has written, edited and commented on EIR/EIS's for twenty years, I find the emphasis on economics of this document to be excessive. It appears from the reaction of the press and others that even though the focus of this document is supposed to be on environmental issues, the most compelling reason the Discharge Alternative is preferred is because it costs the least. 001

Of course, the document must address socioeconomic impacts, however, the data used for the costing of the Alternatives, taken from the Consultant's November, 1995 Cost Study, are misleading. 002

The costs are misleading because they do not address construction costs for realistic project designs, known as "value engineering".]

They are misleading because they include: 003

- Contingencies and adders that are compounded to raise the estimated construction costs 55%
- Plus 20 years of estimated operation and maintenance costs and
- 20 years of (6.5%) interest rates for financing.

All this on top of construction cost estimates that already had contingency fees included.] This also assumes that the basic project costs are accurate, which is debatable. Any cost estimate inaccuracies are magnified by the 55% cost adders. 004

An example of a misleading construction estimate is the Geysers pipeline route for Alternative 4. The Consultants engineer preparing the piping cost estimates stated in the November, 1995 document, that he has no experience in high pressure pipelines. He felt the costs were at least 10% high, which is then increased by the 55% cost adders. The result is unrealistic pricing.

The Geysers Operators responded to the November report with more realistic numbers based on over 20 years of pipeline experience, but the numbers in the Draft EIR/EIS are the same as those in the November report. And now, the consultants will receive over \$300,000 more to come up with more accurate cost figures for the Geysers.] 005

[In addition, the pipeline route only considered Pine Flat Road. That route among other problems, would cost an additional \$8 million dollars to repave the road. Whereas the Geysers Operators have already identified more than one variation of that route, which would eliminate or minimize many of the problems, including the need for the \$8 million repaving and would shorten the route up to two miles.] 006

[In closing, as a ratepayer, I urge the consideration of more realistic project costing of the Alternatives be included in the Final EIR/EIS. Also, it should address options for project phasing and the potential of public/private partnerships for The Geysers, and smaller agricultural irrigation projects that SCOR advocates, such as the Gallo Rohnert Park Project] 007
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