

Public Hearing Testimony of Karl Schwartz, Resident, July 14, 2008

Italic text was not provided in my oral testimony.

Thank you, your Honor, for listening to my concerns. My name is Karl Schwartz. My spouse and I reside at Buckwampum Road, Springfield Township, about 7 miles from the proposed route.

I am president of Patients Against Lymphoma, a non-profit foundation. I also serve as Patient Representative to FDA on the Oncological Drug Advisory Committee, seven years now.

In my work with FDA I have training in identifying sources of bias and levels of evidence in clinical study data, which is essential to the drug review process, and, from my perspective, to all public policy decisions.

Your Honor, I'm here to show my opposition to PPL's Cross Country route and substation siting because, I believe it will unnecessarily degrade the quality and character of our Township and County – unnecessary, because the SEPTA and 309 routes appear to be more appropriate and feasible.

I think serious errors have been made in judgment and process by PPL, and the negative effects in the region would be significant, cumulative, and enduring if not stopped.

Any transmission route will be unwanted and undesirable by folks who live nearby. Therefore the focus of this deliberation, I feel, should be on the magnitude and duration of the impacts: the effects on a more commercial region, versus effects on the cross country region, which many experts say contain larger intact, higher-quality woodlands, wetlands, and streams.

Importantly, the negative impacts within the Cross Country route are likely to be irreversible, which would justify higher one-time costs for installations in the alternative routes – if truly more expensive.

We must also consider and compare the effects of a rural siting of the 7-acre substation, versus its location in a truck depot or a junkyard along or near the 309 and SEPTA routes.

It seems that we need to increase power transmission capacity, or will in future, but should the process allow a for-profit corporation to aggressively promote one route over another – to decide which location best serves the public interest? Or to aggressively procure Right of Ways ahead of the PUC approval?

PPL has made statements to the media regarding the higher costs for the alternative routes and how that expense could be passed on to customers. But these estimates of higher costs, and also interpretations of impact studies, are *biased* by an earlier purchase of 85-acres of land within the Cross Country route. That is, to find otherwise would be to admit the prior land purchase – costing \$2 million – was a mistake.

Furthermore, USDA guidelines on the siting of rural substations states that it's important to perform initial site investigations prior to the purchase of land.

“It is becoming increasingly important to perform initial site investigations prior to the procurement of property.”¹

¹ Department of Agriculture Rural Utilities Service RUS Bulletin 1724E-300
Issued June 2001, Design Guide for Rural Substations
<http://www.usda.gov/rus/electric/pubs/1724e300/1724e300.pdf>

Also, to me, the cost exhibits submitted by PPL in its application hid more than it clarified regarding how the routes *compare* in cost. Also, we don't know if PPL's estimate of higher cost is based on the need of the alternative routes to tie into the Hickon substation, and that PPL is not even considering substations along 309 or SEPTA corridor. The public should also be mindful that PPL is a for-profit corporation (*with sales in year 2007 of \$6.4 billion*)² and that its primary mission is to increase shareholder value, not to protect public and natural resources.

... Noting that the language in its annual report suggests that the value it places on environments is mainly strategic and not fundamental to its mission:

"Smart environmental moves are also smart business moves. Doing the right thing for the environment is a key to building shareowner value."²

My point is that having a profit agenda can create a bias that underestimates the true value of public and natural resources, even if not intentionally.

Also concerning the process, the first community discussion of the matter before us began in October of 2007 in this building, after the purchase of the substation property. And I cannot recall any description of the footprint and zoning impacts and environmental risks of the 7-acre substation off Hickon road – which appears to be a flood plain and also contains wetlands. So I respectfully suggest that the PUC examine the minutes of that meeting to confirm that PPL has not communicated very well with the public.

Also, I am not aware that PPL has filed with the Army Corp of Engineers for a permit to build a substation on a wetland.

Another concern is that there may be an increased risk of flooding when a 7-acre substation (and an unknown number of utility buildings) are built on a flood plain. Will residents file law suites to remedy, and will PPL pass these costs on to its customers?

Regarding risks to natural resources, it appears that very little data exists concerning long-term effects on even construction activities in wetland ecosystems, according to a study by Tufts University, funded by the New England Power Company.

"Little data exists concerning long-term effects of many types of construction activities in wetland ecosystems" and also: "... vegetation recovery may or may not be indicative of functional recovery. ... Unfortunately, the scientific understanding of the relationship between vegetation and wetland function (i.e., wildlife habitat, water quality maintenance, groundwater recharge) is limited and fragmented."³

QUESTION: How much greater the risk when we add control of vegetation with herbicides to construction activities carried out in sensitive riparian corridors over the entire life of the transmission lines?

Your Honor, I recognize I'm outside of my subject area, but I respectfully suggest that the PUC require PPL to show published evidence that refutes this finding.

Regarding impacts on property values, two studies show that the value of property in sight of the transmission lines will decline as much as 12%⁴ - affecting people who are

² PPL 2007 Annual Report: Our Formula for Growth, Exceptional People, High-Performance Assets, Understanding of Energy Markets = Growth

³ Nickerson, et al. Biology Department, Tufts University
Effects of Power-Line Construction on Wetland Vegetation in Massachusetts, USA,

⁴ Journal of Real Estate Research 7(3): 315-330, 1992.,
High Voltage Power Lines: Do They Affect Residential Property Value?

not compensated by PPL for Right of Ways. Therefore, PPL's estimates of assessments of hardship based on counting the number of easements (the number of properties directly effected by transmission lines) could lead to false conclusions.

I think common sense tells us that putting a 7-acre substation in a rural area will have a stigmatizing effects that will endure and spread. So please, Your Honor, give full consideration to this effect, versus the minimal impact on property values if the substation was put in a commercial region: where it should be placed.

We might ask: Will a 7-acre substation on Hickon road force the Township to change the zoning of the region? Will the local residents file civil suits to recoup losses when their zoning changes? And will PPL pass that cost on to its customers?

I respectfully ask your Honor to consider the impact on quality of life when truck traffic to and from the substation begins in earnest.

Calling attention to a USDA criteria for rural substation that they be near all-weather highways and be assessable to heavy equipment:

“Nearness to all-weather highway and railroad siding, accessibility to heavy equipment under all weather conditions, and access roads into the site”¹

Here, again, the magnitude of the impacts will be substantial in a rural setting versus an area already industrial in character, already capable of handling such traffic.

Will PPL compensate the Township to upgrade the roads? Will these costs be passed on to PPL customers ... or to residents of the Township through taxation? How could the Township justify higher taxes for less value?

In conclusion, the idea that the substation and lines should go where it's easiest to do and cheapest makes no sense to me. These are factors, of course, but not *primary* factors. When we contract for utility work in our homes, the electric wires are installed inside the walls, even though it's easier and cheaper for the technician to string the wires on the living room ceiling. The homeowner might also save money that way in the short-term, but good luck selling the house later. I feel that the same principle applies in this matter before the PUC and I think this is why the PPL plan makes no sense to so many residents, to our Board of Supervisors, or to our elected representatives.

Is this the precedent we want for policy decisions on land use:

A corporation decides on the need and the route without public discussion, buys land first, does the studies second, informs the public last, repeatedly cites it's purpose is “for the Convenience or Welfare of the Public”⁵ in it's applications.

... Will PPL also argue that they cannot change plans because it would be in inconvenient to the public welfare? In other words, it seems to me that PPL wants it all ways.

Finally, I think if we default to what is “preferred” and easiest for utility companies we will look back and wonder what became of our beautiful rural communities and unique wildlife habitats. We will have only photographs to show our children and grandchildren.

Please, Your Honor, on behalf of the public, send a message to PPL – and to all utility companies – that public input and interest comes first, and that independent studies on impacts and risks must come before the aggressive procurement of land and right of ways.

Impact: Property values and Power Lines: The Good, the Bad, and the Ugly
http://www.powerlinefacts.com/Power_Lines_and_Property_Values.htm

⁵ PUC document, item P-2008-2038262, June 27, 2008: “Petition of PPL Electric Utilities Corporation, for a finding that building to shelter control equipment at the Substation to be constructed in Springfield Township, Bucks County, Pennsylvania Necessary for the Convenience or Welfare of the Public.”

Thank you very much for listening.

Karl Schwartz