

Subject: Comments on Dept of Ecology's May 2012 Publication no. 12-11-020 entitled:

Preliminary Cost Benefit and Least Burdensome Alternative Analysis

regarding the Dungeness portion of the Elway-Dungeness Water Resources Inventory Area (WRIA) 18.

By

Gerald J. Stiles,  
PhD, Public Policy Analysis  
Sequim, WA resident

1. Core to and apparently missing from this analysis is an explicit equation linking Dungeness CFS flow and salmon population.

P. 13 of the Analysis states that there was a low of 43 returning fish in 1993. It subsequently notes that "Water conservation . . . and an experimental hatchery program. . . **may have helped** bring the Dungeness Salmon back . . .(emphasis added)" but fails to provide a conclusive linkage.

This conclusive linkage should be established and provided in any subsequent analysis because it is core to this issue in that it establishes a Dungeness flow cause and effect. This analysis appears specious absent this linkage.

2. The section titled "Increased Certainty of Development" starting on p. 33 fails to accommodate the likelihood that water-constrained property values will decrease because WRIA 18 portends a finite, and thus negative, limit on water access. This likelihood should be part of any cost-benefit analysis.

3. The paragraph titles "Protecting Existing Restoration" on p. 35 seems to be based on the specious argument that existing restorations would devalue or decay absent WRIA 18 and cannot stand alone. If this were the case, why were these restorations enacted in the first instance?

Also, and if I recall my doctoral cost-benefit analyses correctly, this analysis violates basic cost-benefit analysis premises in that it accounts for already-expended (i.e., 'sunk') costs. All of the cost-benefit analyses with which I have been associated were exclusively forward-leaning, and never backward-leaning.

And, this section violates RCW 34.05.328 guidance in that it fails to count "probable costs" and, instead, counts 100% of previous restoration costs. Were there even a 10% likelihood of protecting existing restorations, this expected value would reflect \$2.05M rather than the \$20.5M.

4. Finally I comment that this analysis fails to account for the increased toxicity costs attendant with more salmon spawning, dying, rotting, and subsequently contaminating waterways. Informal estimates suggest that wild salmon could be the Peninsula's greatest waterway polluter.