



Desert Claim Wind Power

December 20, 2004

Mr. Darryl Piercy, Director
Kittitas County
Community Development Services
411 North Ruby, Suite 2
Ellensburg, WA 98926

VIA EMAIL

RE: Submittal of Development Agreement
Desert Claim Wind Power

Dear Darryl:

Here is the updated Development Agreement between Kittitas County and Desert Claim Wind Power LLC. It addresses the comments taken from the notes and audio tape of the Board of County Commissioners' December 7, 2004 public meeting on the Desert Claim Wind Power project. A directory of what we addressed is attached.

Please note that this updated Development Agreement requires Desert Claim to provide a buffer of 1,000 feet, or to provide a written agreement from the affected property owner to allow Desert Claim to locate turbines closer than the 1000 foot buffer. The Commissioners' comments indicated that, in addition to the Safety Zone Setback of 487 feet, an additional setback from Project Boundary lines should be provided. This was discussed at our December 15, 2004 meeting between County staff, County attorney and Desert Claim representatives. At our meeting, we tried to explore with the staff possible alternatives that would meet the intentions of the Commissioners, which were expressed in varying ways. Jim Hurson informed us that in Kittitas County the staff could not approach the Commissioners for clarification except in a properly noticed public meeting. County staff also suggested that we consider the Commissioners' comments as a request for a wind project property line buffer.

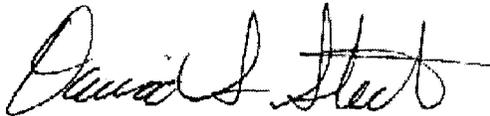
Although we have included a 1,000-foot buffer requirement at the direction of the Board of County Commissioners, we must state for the record that a buffer of 1,000 feet is not warranted by the impact analysis in the Final EIS. Nor is it required under the County's wind farm development regulations. As we have attempted to make clear during the entire 2-year county permit process, our company's policy is to site turbines

no closer than 1,000 feet to existing residences. We do this in an effort to be a good neighbor to residents who are already there and who do not have a choice as to where to locate their homes. We believe it is entirely unjustified to convert this voluntary "good neighbor" policy to a highly restrictive buffer from property boundaries in the Ag-20 and Forest and Range zones.

The enclosed Development Agreement represents our attempt to address all of the public and staff comments that the county has received since August 2004, as well as those of the Commissioners. With the exception of the new, more onerous 1,000-foot buffer requirement imposed by the Board of County Commissioners, the other changes to the Development Agreement are more in the nature of clarifications and corrections. Every material provision in this updated Development Agreement has already undergone extensive public review. Therefore, we strongly believe that further delay is unwarranted.

We urge the Commissioners to vote to approve the Desert Claim application on December 27.

Sincerely,
DESERT CLAIM WIND POWER, LLC



David S. Steeb, P.E.
Project Director

Enclosures

cc James Hurson, Kittitas County
Jan Sharar, Kittitas County
Richard Weinman, Kittitas County (Huckell/Weinman)
Chris Lawson, Kittitas County (Huckell/Weinman)

**DESERT CLAIM
DEVELOPMENT AGREEMENT PROVISIONS RESPONDING TO BOCC COMMENTS (12/20/04)**

<u>LOCATION</u>	<u>RESPONSE TO BOCC COMMENTS</u>
<u>Recital J</u>	<u>Desert Claim meets the definition of Wind Farm in KCC 17.61A.020.</u>
<u>Sect.1.2.3</u>	<u>Meeting in year 25 re extending Agreement or Decommissioning.</u>
<u>Sect. 2</u>	<ul style="list-style-type: none"> • <u>Comparable Turbine;</u> • <u>Decommissioning;</u> • <u>FAA;</u> • <u>Project Substation meets requirements of KCC 17.61A;</u> • <u>Re-Powering, and</u> • <u>Substantial Completion.</u>
<u>Sect. 5.2</u>	<u>1,000-foot buffer between Turbines and adjacent property lines.</u>
<u>Sect. 5.4</u>	<u>Construction Buildout Period: 5 years to Substantial Completion; Major Revision to extend it; Force Majeure Event automatically extends it.</u>
<u>Sect. 5.11</u>	<u>Decommissioning: trigger: 5-year increments for bond or corporate guarantee; escalator clause; reversion to underlying zoning/Comp Plan designations.</u>
<u>Sect. 5.14</u>	<u>Re-Powering.</u>
<u>Sect. 5.15</u>	<u>Project Access Roads: Desert Claim responsible for maintenance.</u>
<u>Sect. 5.16</u>	<u>Smithson Road Extension: Desert Claim builds to County road standards; Desert Claim responsible for maintenance until it becomes public.</u>
<u>Sect. 6.15</u>	<u>Shadow Flicker: specific mitigation BEFORE construction.</u>
<u>Sect. 6.18.2</u>	<u>Tourist Kiosk: specific location/size/maintenance responsibility.</u>
<u>Sect. 7</u>	<p><u>Complaint Resolution process:</u></p> <ul style="list-style-type: none"> • <u>Noise/Shadow flicker/TV reception;</u> • <u>Life of Project;</u> • <u>Specific mitigation.</u>
<u>Sect. 8</u>	<u>Reporting/Mediation: appeal to BOCC.</u>
<u>Sect. 11</u>	<p><u>Amendments/Revisions.</u></p> <ul style="list-style-type: none"> • <u>Minor—3 items/Administrative Process/UOCC appeal.</u> • <u>Major—5 items/BOCC hearing and decision.</u>
<u>Sect. 13.3</u>	<u>Covenants run with the land and bind land owners in Project Area.</u>
<u>Sect. 13.9</u>	<u>Assignment. County has right to approve assignment to assure financial capability to perform obligations under Agreement, including Decommissioning.</u>