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BEFORE THE STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL

In the Matter of Application No. 2006-02
Desert Claim Wind Power Project

EXHIBIT 10
PREFILED DIRECT TESTIMONY
RONALD CRIDLEBAUGH

Q. Please state your name and address.

A. Ronald Cridlebaugh

Q. What is your position?

A. I am Executive Director of the Economic Development Group of Kittitas County.

Q. Can you describe your background?

A. I have been the Executive Director for the Economic Development Group of Kittitas County for the past 4 months. Prior to that I was the Executive Director for the Ellensburg Chamber of Commerce.

Q. What is the Economic Development Group?

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A. The Economic Development Group was created in 1998 and designated by the Kittitas County Commissioners as the Associate Development Organization for the County. The Economic Development Group is governed by a 21-member Board of Directors consisting of members with widespread backgrounds from throughout the county.

The mission of the Economic Development Group is to provide active leadership that promotes business and stimulates economic growth in Kittitas County. The Economic Development Group is actively involved in improving the business climate of our county by increasing the tax base, helping existing businesses expand and become more profitable, and attracting new businesses to our community.

Q. Has the Economic Development Group taken any formal position regarding the Desert Claim Wind Project?

A. Yes. The Economic Development Group has formally endorsed the Desert Claim Wind Project (exhibit 60.3). After carefully considering information about the project, our Board of Directors decided that we would support the application. We believe the project will be an important capital investment in our community, creating needed jobs and generating significant tax revenues. Further the Wild Horse Wind Project has shown that these types of projects can be good neighbors and make a positive contribution to the economic vitality of Kittitas County. In these difficult economic times, we need projects like these, and for the long term economic health

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of our county, we need to continue to find ways like this to diversify and strengthen our economy.

Q. In addition to your first-hand observations about the Kittitas County economy, have you done anything to evaluate the effect of wind projects on the local economy?

A. Yes. There are four wind projects that have been constructed, permitted or proposed in Kittitas County: the Wild Horse Wind Power Project and its proposed expansion, the Kittitas Valley Wind Power Project, the Vantage Wind Power Project and the Desert Claim Wind Power Project. Economic projections have been published regarding each of these projects, either in studies performed by academics or economic consultants, or in Environmental Impact Statements published by government authorities. We have reviewed these economic projections and compiled the information in an effort to understand the potential aggregate effect of these projects on our local economy.

Q. What does this economic data show?

A. If all four of the Kittitas County projects are constructed as currently proposed, there will be 356 turbines with a generating capacity of 658 megawatts (MW) in Kittitas County. The estimated annual output would be 1,315,314 megawatt-hours (MWh), which is enough power to meet the average household needs of more than 160,000 households. The projects would have an estimated assessed value of just over

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\$500,000,000. They would employ directly 70-80 people and provide additional indirect and induced employment.

Together, the projects would pay just over \$4,000,000 in property taxes, almost \$3,000,000 of which would be local property tax revenue, with State Schools receiving just over \$1,000,000. Kittitas County would receive over \$1,000,000 for its general fund and the county road fund. Hospital District #1 would receive almost \$150,000. Local Fire Districts would receive \$300,000 and local schools would receive \$1,400,000. This is annual property tax revenue. Some of this revenue is new revenue, but some of this revenue will reduce the levy rates for taxpayers.

In addition to this property tax revenue, additional benefits are negotiated with individual projects. For example, the Wild Horse Project purchased a fire truck and constructed the Renewable Energy Center, which has become a tourist attraction. Several projects, including the Desert Claim Project, have turbines on Department of Natural Resources Land, which provides annual lease revenue that benefits K-12 education.

Q. What is Exhibit 60.1, entitled Combined Benefits of Kittitas County Wind Projects?

A. Exhibit 60.1 is a spreadsheet that provides more detail on the calculations that I summarized above. One thing that is noteworthy about the specific values shown in this spreadsheet is that the Desert Claim Project is the only one that will generate tax

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revenue for the Ellensburg School District. Over the years, I have heard some people in our community argue that wind projects should all be located at the eastern edge of the County. Although I understand that suitable wind sites were found in the eastern county for the Wild Horse and Vantage projects, it is important to understand that some of our local taxing districts, such as the Ellensburg School District, depend upon economic development in other areas of the County as well.

Q. What is Exhibit 60.2 entitled Property Tax Calculations?

A. Exhibit 60.2 is another spreadsheet that showing the calculation of property tax revenues that would be generated if all four of the projects were built and operating. It shows how the projects would increase the total assessed value in each taxing district and how that would be likely to reduce tax rates in the districts.

Q. What is your conclusion from all of this analysis of economic data?

A. Our analysis of the data confirms what we at the Economic Development Group have expected and have actually begun to see in the County: that wind projects result in a lot of positive local economic activity, creating jobs and generating significant tax revenues. At a time when we are all experiencing an economic slump, we need these projects.

Q. Does that conclude your testimony at this time?

A. Yes.