BEFORE THE STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL

In the Matter of Application No. 2009-01:
WHISTLING RIDGE ENERGY LLC;
WHISTLING RIDGE ENERGY PROJECT

APPLICANT’S PREFILED DIRECT TESTIMONY

WITNESS #2: KATY CHANEY

Q Please state your name and business address.

A My name is Katy Chaney, and my business address is 1501 4th Avenue, Suite 1400, Seattle, Washington 98101-1616.

Q What is your present occupation and profession, and what are your duties and responsibilities?

A I am a Manager, Transportation and Power with URS Corporation, an international environmental and engineering consulting firm providing services to organizations such as Whistling Ridge Energy LLC. URS Corporation assists organizations in
analyzing environmental impacts and land use compatibility of projects such as the Whistling Ridge Energy Project. My management responsibilities for URS include environmental impact statements, permitting efforts, and planning and siting studies. My duties regarding this Project were to manage and oversee the preparation of the Application for Site Certification and to prepare the land use analysis.

Q Please identify what has been marked for identification as Exhibit No. 2.01.

A Exhibit No. 2.01 is a résumé of my education background and employment experience.

Q Please summarize your work in the industry in permitting other energy facilities.

A I have been involved with the following nine other Applications for Site Certification filed with EFSEC since 1993: Cowlitz Cogeneration Project, Chehalis Generation Facility, Satsop Combustion Turbine Project, Trans Mountain Pipeline, Olympic Pipeline, Sumas Energy 2, Satsop Combustion Turbine Project – Phase II, Pacific Mountain Energy Center, and Grays Harbor Energy Project. My work on these projects has involved managing the preparation of the Applications and underlying technical reports, preparing land use analyses, managing the preparation of environmental documents in compliance with SEPA, participating in negotiations for settlement agreements with agencies and other intervenors, and participating as a witness in the adjudicatory hearings.

Q Are you sponsoring any portions of the Application for Site Certification for the Whistling Ridge Energy Project?
A: Yes, I am generally sponsoring the Application as a whole. In addition, a number of technical experts will be sponsoring particular portions of the Application. In the capacity of a technical expert, I am sponsoring Section 4.2.1 (Land Use) of the Application.

Q: Are you sponsoring any appendices or other documents that are part of the Application for Site Certification?

A: Yes. I am sponsoring the following appendices:

   - Appendix D: Representative Health and Safety Code
   - Appendix E: Proposed Skamania Zoning Code

Q: Are you familiar with the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices?

A: Yes.

Q: Did you prepare the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices, or, if not, did you direct and/or supervise the preparation of the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices?

A: Yes.

Q: Is the information in the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices within your area of authority and/or expertise?

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Yes. My technical training and experience is in land use analysis, and I have managed the work of scientists and engineers in the preparation of the application material for this and many other similar projects.

Q Are the contents of the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices either based upon your own knowledge, or upon evidence, such as studies and reports that reasonably prudent persons in your field are accustomed to rely on in the conduct of their affairs?

A Yes.

Q To the best of your knowledge, are the contents of the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices true?

A Yes.

Q Do you incorporate the facts and contents of the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices as part of your testimony?

A Yes.

Q Are you able to answer questions under cross examination regarding the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices?

A Yes. However, a number of technical experts in the science and engineering fields will be sponsoring particular portions of the Application. Where appropriate, I may
defer specific questions to technical experts.

Q  Do you sponsor the admission into evidence of the Application as a whole, Section 4.2.1 (Land Use), and those identified appendices?

A  Yes.

Q  Are there any modifications or clarifications to be made to the Application for Site Certification?

A  No, not beyond the modifications or clarifications included in the testimony of the other technical experts.

Q  In your opinion, is the selection of the Project site consistent with site selection criteria used on other projects?

A  Yes. I have reviewed EFSEC’s recommendations for the Kittitas Valley, Desert Claim, and Wild Horse wind energy projects, in which EFSEC previously supported the application of certain criteria for the evaluation of wind energy project sites. While Whistling Ridge Energy LLC is not a developer of multiple sites, and only proposes the site described in this Application, the selection of the Project site conforms with the following site selection criteria that EFSEC has accepted in these other wind energy projects:

• Commercially viable wind resource;

• Access to high voltage (115kV or 230 kV) transmission lines within a reasonable distance to a project site, with sufficient available capacity to carry the project’s
output;

- Absence of significant environmental constraints (i.e., no threatened or endangered species, major archeological resources, critical wetlands, etc.);
- Willing landowner(s) with sufficient undivided acreage to support a project;
- Accessible site with sufficient road access to permit delivery of large wind turbine components and allow construction of project infrastructure; and
- Appropriate and compatible zoning designation and/or lack of conflicting land uses.

Q How would the Project site be accessed from SR 14?

A Site access would be provided by Skamania County roads (Cook-Underwood Road and Willard Road) and a new connection direct to West Pit Road, an existing private logging road. West Pit Road connects to a network of existing private logging roads. The private logging roads are on S.D.S. Co., LLC and Broughton Lumber Company property, and they provide access to most areas where Project facilities would be located. Other witnesses will testify in more detail about vehicular access.

Q Would there be any temporary facilities needed for construction?

A Yes. There would be a need for construction phase laydown and storage/staging areas, rock crusher and portable concrete batch plant(s). If built, these facilities will be on site or along the access road to the site, minimizing the impacts on the surrounding roads.

Q Where are the two alternative locations for the operations and maintenance facility?
A The two alternative sites being considered for the operations and maintenance facility are a site adjacent to the proposed substation in approximately the center of the Project area, and a site outside of the western boundary of the Project area along West Pit Road. Both sites would be approximately 5 acres in size and include an approximately 3,000 square foot enclosed space, including office and workshop areas, a kitchen, bathroom, shower and utility sink. The building would be constructed of sheet metal, and would be approximately 16 feet tall (to the rook peak). The site along West Pit Road provides the advantage of being at a lower elevation than the site adjacent to the substation which would make it more accessible during winter months.

Q Would you please describe the applicable land use plans for the site?

A The site is located entirely within unincorporated areas of Skamania County. Portions of the land are designated as Conservancy in the Skamania County Comprehensive Plan. The majority of the land is currently zoned as Unmapped (UNM), except for two areas. A small part of the southwest portion of the Project area where seven turbines are proposed is zoned Resource Protection (For/Ag-20), and the alternative site for the operations and maintenance facility along West Pit Road is zoned Residential 5.

Pursuant to the locally adopted land use plans and ordinances in effect at the time of the Application, wind energy facilities, including operations and maintenance uses, are an outright permitted use in the UNM area of the Project. Wind energy facilities are allowed by conditional use approval in Resource Protection (For/Ag-20) and Residential 5. Consequently, were the Project to be permitted through Skamania County, a conditional use permit would only be required for facilities in these two areas of the Project.

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Q Has Skamania County provided a Certificate of Land Use Consistency to EFSEC?

A Yes. In a letter dated May 4, 2009 signed by Karen A. Witherspoon, AICP, Community Development Department Director and accompanied by a staff report prepared by the Skamania County Community Development Department, Ms. Witherspoon made an initial determination that the Project was consistent with the Skamania County zoning code, critical areas, clearing and grading, the Comprehensive Plan, and resource maps. The staff report was adopted by the Skamania County Board of County Commissioners as Resolution 2009-22 on May 5, 2009. Resolution 2009-22 has been marked for identification as Exhibit No. 2.02.

After the Application was amended to the change in the proposed access route from SR 14 and to add the second potential location for the operations and maintenance facility, a second staff report was prepared by the Skamania County Community Development Department finding that the Project is consistent with applicable Skamania County land use regulations. The staff report was adopted by the Skamania County Board of County Commissioners as Resolution 2009-54 on December 22, 2009. Resolution 2009-54 has been marked for identification as Exhibit No. 2.03.

Q Does the Application contain information regarding geology and soils?

A Yes. Testimony on these topics is being provided by Dan Meier.

Q Is the Project anticipated to impact air quality during construction or operation?

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During construction, there would be temporary and localized minor impacts from construction vehicle exhaust, similar in nature to those produced by any construction project that involves heavy equipment and transportation of materials to a project site. Construction of the Project would also produce limited odors associated with exhaust from diesel equipment and vehicles, fugitive dust emissions from construction-related traffic, and additional wind-blown dust as a result of ground disturbance. Whistling Ridge Energy LLC would implement an effective dust control program to minimize any potential disturbance from construction-related dust.

Because the Project uses wind technology to generate electricity, no impacts to air quality would be created during Project operation.

Q Does the Application describe how stormwater would be managed during construction?

A Yes. Sections 2.10 (Surface Water Runoff) and 3.3 (Water) describe water discharges, water resources, and stormwater management. A Stormwater Pollution Prevention Plan (SWPPP) would be prepared and implemented during construction to control the flow of stormwater.

Q Does the Application contain information regarding wetlands and rare plants?

A Yes. Testimony on these topics is being provided by Jeff Walker.

Q Are impacts to fish or other aquatic species anticipated?

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A No impacts to aquatic species, their habitat, or designated critical habitat are expected as a result of construction and operation of the proposed facility. Water quality would be maintained during construction and operation of the Project by incorporating best management practices (BMPs).

Q Does the Application contain information concerning other wildlife species?

A Yes. Testimony on this topic is being provided by Jeff Reams and Greg Johnson.

Q Does the Application include an estimate of noise that may be created during operation of the Project?

A Yes. Testimony on this issue is being provided by Mark Storm.

Q Does the Application contain information concerning visual impacts?

A Yes. Testimony on this issue is being provided by Chris Watson, Tom Watson, and Dautis Pearson.

Q Does the Application contain information concerning recreation resources on the site, and does the Application describe what effects may occur to recreation resources on the site or in the Project vicinity?

A Yes. Testimony of this issue is being provided by Dautis Pearson.

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Q Does the Application contain information concerning historic and cultural resources on the Project site?

A Yes. Testimony on this issue will be provided by Sarah McDaniel.

Q Does the Application contain analyses on the potential traffic impacts that may occur during construction and operation?

A Yes. Testimony on this issue is being provided by Nathan Larson.

Q Does the Application include an estimate of the anticipated socioeconomic effects of the Project?

A Yes. Socioeconomics effects are described in Section 4.4. The Project would generate new local employment, additional business for local service and materials providers, and additional tax revenues to Skamania County and the state. The overall permanent socioeconomic impact of the Project would be positive as measured in terms of new jobs, local purchasing, and new tax revenue.

Q How many jobs would Project construction or operation create?

A During the estimated one-year construction period (excluding engineering, design, specifications, and survey), approximately 330 full-time and part-time workers would be employed at some point. Some of these jobs would not last the entire construction period. The on-site construction work force would peak at approximately 265 workers over the construction period and average 143 workers over the 12 months. Eight to
nine permanent full- or part-time operations and maintenance staff would be required once the Project is operational.

Q Where are these construction workers expected to come from?

A For the purpose of performing the impact analysis in the Application, we assumed an estimated 65 to 75 percent of the construction labor force would likely be hired from the Portland-Vancouver metropolitan area. An estimated 25 to 30 percent of the workers would be residents of the three-county area including Skamania, Klickitat, and Hood River Counties. This estimate is based on the relative size of the labor force in the three-county area compared to larger labor forces in metropolitan areas that are further away. Most construction workers hired from the Portland-Vancouver metropolitan area (65 to 75 percent) are expected to commute on a daily basis due to the 61-mile distance to the site.

Q Does the Application include an estimate of the payroll costs for construction?

A Yes. This information is in Section 4.4. Total payroll costs for Project construction, including fringe benefits and other labor overhead costs, are projected to be approximately $18 million. Based on the location of approximately 25 to 30 percent of the workers being residents of the three counties surrounding the Project, approximately $4.5 million is expected to be earned in the three-county area including Skamania, Klickitat, and Hood River Counties.
As described in the Application, Whistling Ridge Energy Project local procurements for construction materials, services and equipment leasing associated with construction are projected to total approximately $13.2 million. These procurements would augment the revenues of many construction-related businesses in Skamania County and the three-county area in general.

Q You testified that the operation of the Project would require 8 to 9 workers. Does the Application include an estimate of the gross payroll for these workers?

A Yes. This information is also included in Section 4.4. The estimated gross payroll (including fringe benefits and other payroll overheads) for the operational workforce is $1.5 million, or an average annual labor cost of $167,000 to $188,000 per employee. In addition to the regular operational workforce, a temporary workforce with appropriate skills would be utilized during major maintenance or other non-routine operational work.

Q Does the Application include applications for air or water discharge permits?

A No. The fuel source for the Whistling Ridge Energy Project is wind transformed from kinetic energy into electrical energy by wind turbine generators. The Project would not be subject to PSD regulations since it would not emit more than 100 tons per year of a regulated pollutant. As no air emissions would be generated from operation of the wind turbine generators, a PSD Permit and Notice of Construction Application would not be required.

EFSEC has jurisdiction regarding the NPDES Permit for the Project pursuant to WAC Chapter 463-38. Construction of the facility would disturb more than five
acres of land, and EFSEC may determine that the Whistling Ridge Energy Project
gain coverage under the Department of Ecology’s Stormwater General Permit for
construction activities.

If coverage is deemed necessary by EFSEC, at least 30 days prior to beginning
construction, Whistling Ridge Energy LLC would develop and submit to EFSEC a
notice of intent to be covered by the Department of Ecology’s 2005 Construction
Stormwater General Permit for discharges associated with construction. Pursuant to
the general permit, Whistling Ridge Energy LLC would prepare SWPPPs that identify
appropriate BMPs to reduce the pollution loadings resulting from construction
activities and industrial operations. These BMPs would be incorporated into Project
design, and Whistling Ridge Energy LLC would ensure that they are observed during
construction of the Project. Monitoring and reporting would be carried out in
accordance with permit requirements.