

1 jobs would be offered to local workers. Somewhere in the range of 10 – 20 permanent jobs will
2 be created. These jobs are projected to be good paying jobs with full benefits.

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4 The project is estimated to be approximately a \$200 million capital investment. This
5 figure includes site preparation, construction of roads and tower foundations, electrical
6 infrastructure, purchased and erection of wind turbine towers, and construction of an operations
7 and maintenance facility. This is a significant figure for a small rural community.

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9 This project will have an impact on tax revenues in our county. Based on calculations
10 that Economic Development Group staff created, some new property taxes will be generated but
11 the substantial benefit to the community will be the reduction of taxes to every property tax
12 payer in the county. Due to the passage of recent initiatives limiting tax revenues that can be
13 collected in a taxing district, as the underlying assessed value increases the tax burden on
14 individuals is reduced. From an economic developers point of view, this means that this new tax
15 rate would be an incentive to businesses to locate in this area. An additional benefit may be that
16 as rates lower, taxpayers would willing to support other taxes for things such as libraries,
17 hospitals and schools that enhance the quality of life within the community.

18
19 The project harvests a natural resource that is abundant and non-depleting in our
20 community, the wind. It requires minimal utilities and has little or no impact to air and water
21 quality. Roads and other infrastructure for the project will be developed and maintained by the
22 applicant. Additionally, a development such as this does not require the services that are
23 demanded by other types of development over an area this widespread such as police, school,
24 and utilities.

25
26 The project provides lease revenues to property owners that flow throughout the
27 community. The revenues from the leases on Department of Natural Resources lands supports
28 state and local schools. This comes at a time when our education system is continually
29 struggling with funding.

1 The testimony of our witness Steve Grover of ECONorthwest will be based on a report
2 that the Economic Development Group commissioned him to prepare. The report was
3 commissioned to provide information related to property value impacts, economic impacts of the
4 project and local tax effects.

5 Kittitas County has all the necessary elements for development of wind energy projects:
6 wind, available land, power transmission lines and proximity to the power market. Power
7 companies have issued Requests for Proposal for wind power recently, which means that there
8 are potential buyers of the power.

9 The Economic Development Group supports this project based on the net economic gain
10 to the citizens of Kittitas County and beyond.

11 DATED this 6th day of August, 2004.

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15 Debbie Strand, Executive Director
16 Economic Development Group of Kittitas County
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