BEFORE THE STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL

In the Matter of Application No. 2003-01:
SAGEBRUSH POWER PARTNERS, LLC;
KITTITAS VALLEY WIND POWER PROJECT

The Economic Development Group of Kittitas County is a non-profit corporation established in 1998 to provide economic development services for Kittitas County area.

The mission of the organization is to provide leadership that stimulates business and promotes economic opportunities to support the needs of Kittitas County. One of the major objectives of the Economic Development Group is to provide assistance to businesses looking to locate in the area. Business expansion, recruitment and retention are key roles of any economic development organization.

The Economic Development Group is governed by a 21 member Board of Directors consisting of members of the community with widespread backgrounds from throughout the county. The Board has carefully considered the proposed Kittitas Valley Wind Power Project proposed by Sagebrush Power Partners, LLC and determined that they would support the application. This support is based on the jobs created, capital investment of the project, impact on tax revenues, and the general economic development benefits of the project.

The project will create jobs for our community. During the construction phase of six to nine months, this project is expected to create approximately 250 jobs. There will also be a number of indirect jobs as noted in the DEIS 3.7-17. The applicant intends that many of these
jobs would be offered to local workers. Somewhere in the range of 10 – 20 permanent jobs will be created. These jobs are projected to be good paying jobs with full benefits.

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

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

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

The project provides lease revenues to property owners that flow throughout the community. The revenues from the leases on Department of Natural Resources lands supports state and local schools. This comes at a time when our education system is continually struggling with funding.
The testimony of our witness Steve Grover of ECONorthwest will be based on a report that the Economic Development Group commissioned him to prepare. The report was commissioned to provide information related to property value impacts, economic impacts of the project and local tax effects.

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

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

DATED this 6th day of August, 2004.

Debbie Strand, Executive Director
Economic Development Group of Kittitas County