



1 energy projects which includes “The Effect of Wind Development on Local Property Values”,  
2 dated May 2003, that was provided to EFSEC as Exhibit 19 in the Application for Site  
3 Certification.

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5 Q Would you please identify what has been marked for identification as Exhibit 34-1(GS-1).

6  
7 A Exhibit 34-1 (GS-1) is a résumé of my educational background, expertise and employment  
8 experience.

9  
10 Q Are you sponsoring any portions of the Application for Site Certification, for the Wild Horse  
11 Wind Power Project?

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13 A Yes. I am sponsoring Exhibit 19, “The Effect of Wind Development on Local Property Value”,  
14 for which I was primarily responsible for the analysis and development.

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16 Q Are you familiar with the above referred study?

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18 A Yes

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20 Q Did you prepare this study, or, if not, did you direct and /or supervise their preparation?

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22 A Yes.

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24 Q Is the information in this study within your area of authority and /or expertise?

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A Yes

Q Are the contents of this study either based upon your own knowledge, or upon evidence, such as studies and reports as reasonably prudent persons in your field and expertise are accustomed to rely in the conduct of their affairs?

A Yes.

Q To the best of your knowledge, are the contents of this study true?

A Yes.

Q Do you incorporate the facts and content of this report as part of your testimony?

A Yes.

Q Are you able to answer questions under cross examination regarding this report?

A Yes

Q Do you sponsor the admission into evidence of this study which was a part of the Application?

1 A Yes

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3 Q Are there any modifications or corrections to be made to those portions of the Application that  
4 you are sponsoring?

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6 A No.

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8 Q. Would you please briefly describe your expertise and qualifications?

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10 A I have worked in the field of regulatory economics and energy for more than 25 years. I am  
11 currently the Executive Director of the Renewable Energy Policy Project. Prior to taking that  
12 position I ran a consulting firm that assisted in several renewable energy commercialization  
13 efforts. I have offered expert witness testimony in 27 states. I have testified before Congress  
14 and numerous state legislatures on energy issues. From 1988 to 1991, I directed the Department  
15 of Public Service in the state of Vermont. My responsibilities there included determining the  
16 position of the state on energy development projects such as a proposed interstate natural gas  
17 pipeline.

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19 Q Have you qualified as an expert witness in the State of Washington?

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21 A. Yes, I have. In 1996 I testified before the Utilities and Transportation Commission of  
22 Washington on behalf of the state Attorney General's Office in the Puget Power Merger  
23 case.

1 Q Would you please summarize and briefly describe the study you conducted regarding the  
2 effect on wind farms on local land values.

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4 A The first step in this analysis required assembling a database covering every US wind  
5 development that came on-line after 1998 with 10 MW installed capacity or greater. The  
6 wind developments were considered to have a potential visual impact for the area within  
7 five miles of the turbines. This was defined as the project view shed. For a time period  
8 covering roughly six years and straddling the on-line date of the projects, we gathered the  
9 records for all property sales for the view shed and for a community comparable to the  
10 view shed. The goal in selecting comparable communities was to have communities that  
11 are as similar as possible with respect to variables that might affect residential housing  
12 values, with the exception of the presence or absence of wind farms. To define the  
13 comparable communities we consulted with local County Assessors and analyzed 1990  
14 and 2000 U.S. Census data. We selected five criteria to analyze: population, median  
15 household income, ratio of community median income to poverty level, number of  
16 housing units, and median value of owner-occupied housing units.

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18 For all projects for which sufficient property sales data was available, we then conducted  
19 a statistical analysis to determine how property values changed over time in the view  
20 shed and in the comparable community. This database contained more than 25,000  
21 records of property sales within the view shed and the selected comparable communities.

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23 Under my direction, REPP looked at price changes for each of the ten projects in three  
24 ways: Case 1 looked at the changes in the view shed and comparable community for the  
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1 entire period of the study; Case 2 looked at how property values changed in the view shed  
2 before and after the project came on-line; and Case 3 looked at how property values  
3 changed in the view shed and comparable community after the project came on-line.  
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5 If property values had been harmed by being within the view-shed of major wind  
6 developments, then we expected that to be shown in a majority of the projects analyzed.  
7 Instead, to the contrary, we found that for the great majority of projects, the property  
8 values actually rose more quickly in the view shed than they did in the comparable  
9 community. Moreover, values increased faster in the view shed after the projects came  
10 on-line than they did before. Finally, after projects came on-line, values increased faster  
11 in the view shed than they did in the comparable community. In all we analyzed ten  
12 projects in three cases, we looked at thirty individual analyses and found that in twenty-  
13 six of those property values in the affected view shed performed better than the  
14 alternative.  
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16 Property values respond to a large number of influences and we do not offer this analysis  
17 as a predictor of values. The analysis we conducted was done solely to determine  
18 whether the existing data could be interpreted as supporting the claim that wind  
19 development harms property values. The statistical analysis of all property sales in the  
20 view shed and the comparable community provides no evidence that wind development  
21 has harmed property values within the view shed.  
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