Those in attendance: Kittitas County Board of Commissioners – Chairman David Bowen; Vice-Chairman Alan Crankovich; and Commissioner Perry Huston.

Planning Commission Members – Chairman David Black, Scott Pernaa, Doug Harris, Mark McClain, Grant Clark, Don Williamson.

Others in attendance: Susan Barret, Planning Commission Clerk; Julie Kjorsvik, Clerk of the Board; Allison Kimball, Assistant Director of Community Development Services; Darryl Piercy, Director of Community Development Services; Joanna Valencia, Community Development Services Staff Planner; James Hurson, Chief Civil Deputy Prosecutor; Mandy Weed, Community Development Services Administrative Assistant. There was a Court Reporter in attendance as well as approximately 175 members of the public.

PUBLIC HEARING  KITTITAS VALLEY WIND POWER PROJECT  CDS

CHAIRMAN BOWEN opened the joint public hearing with the Kittitas County Board of Commissioners and the Kittitas County Planning Commission to consider the Kittitas Valley Wind Power Project Z-2005-22, submitted by Sagebrush Power Partners, LLC for siting of a maximum of 80 wind turbines and associated facilities at a site located approximately 12 miles northwest of the City of Ellensburg. He made introductions of the Commissioners and staff. He reviewed the hearing procedures. DARRYL PIERCY, DIRECTOR OF COMMUNITY DEVELOPMENT SERVICES introduced himself and his staff. The Board of County Commissioners made disclosures. There were no objections made to the Board of County Commissioners staying seated for the public hearing.

DAVID BLACK, CHAIRMAN OF THE PLANNING COMMISSION, introduced the Planning Commission members. He also reviewed the hearing process and procedures. DES KNUDSON made an objection to David Black sitting on the hearing, feeling he could not make a fair decision on the project, and that according to an article he previously wrote, he was against all wind farms in Kittitas County. JAMES HURSON, CHIEF CIVIL DEPUTY PROSECUTOR, requested Mr. Black to put into the record, all of the documents he referenced in his disclosure. MR. BLACK read an editorial into the record he wrote (The Right Idea, The Wrong Place – June 2002). He felt he could be open minded and did not intend on stepping down. MR. HURSON noted the letter was written prior to the application being made. No motions were made for Mr. Black to step down by the Planning Commission or the Kittitas County Board of Commissioners. Disclosures were made by Planning Commission members.

STAFF PRESENTATION -

JOANNA VALENCIA, STAFF PLANNER reviewed a staff report. She noted a revised and final staff report, dated January 10, 2006, was available for the public’s review. Comments that were received after January 3, 2006 had also distributed to the Board for their review. DARRYL PIERCY, DIRECTOR OF COMMUNITY DEVELOPMENT SERVICES reviewed the revised and final staff report.
<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Item</th>
<th>Date Submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Letter – Dennis Romppel</td>
<td>01/10/06</td>
</tr>
<tr>
<td>2</td>
<td>List of Disclosed Items of David Black - Submitted David Black</td>
<td>01/10/06</td>
</tr>
<tr>
<td>3</td>
<td>Editorial – The Right Idea, The Wrong Place by David E. Black (June 2002) – Submitted by David Black</td>
<td>01/10/06</td>
</tr>
<tr>
<td>4</td>
<td>CD – Life Near a Windfarm and Letter from Geoff Saunders for ROKT addressed to David &amp; Susan Black – Submitted by David Black</td>
<td>01/10/06</td>
</tr>
<tr>
<td>5</td>
<td>Postcard addressed to David Black – Submitted by David Black</td>
<td>01/10/06</td>
</tr>
<tr>
<td>6</td>
<td>Information addressed to “Neighbor” from Ed Garrett for ROKT (sent to David Black via US mail) – Submitted by David Black</td>
<td>01/10/06</td>
</tr>
<tr>
<td>7</td>
<td>Comments received after January 3, 2006 - Submitted by Joanna Valencia</td>
<td>01/10/06</td>
</tr>
<tr>
<td>8</td>
<td>Letter - Submitted by Rob Acheson</td>
<td>01/10/06</td>
</tr>
<tr>
<td>9</td>
<td>Letter from Department of Fish &amp; Wildlife dated 9/17/2003 – Submitted by Dana Peck</td>
<td>01/10/06</td>
</tr>
<tr>
<td>10</td>
<td>Article by Adam Bruns with picture of wind tower – Submitted by Rick Forrester</td>
<td>01/10/06</td>
</tr>
<tr>
<td>11</td>
<td>Copy of photo of blades being transported – Submitted by Rick Forrester</td>
<td>01/10/06</td>
</tr>
<tr>
<td>12</td>
<td>Letter from Michael C. Maw (dated 1/9/06) – Submitted by Gloria Lindstrom</td>
<td>01/10/06</td>
</tr>
<tr>
<td>13</td>
<td>Map - Proposed Coal-Fired Power Plants &amp; Natural Gas Prices 1990-2003 - Submitted by Troy Gagliano, Renewable Northwest Project</td>
<td>01/10/06</td>
</tr>
<tr>
<td>14</td>
<td>Letter to Planning Commission from Jeffrey S &amp; THuan T. Howard (dated 1/10/06) - Submitted by Jeff Howard</td>
<td>01/10/06</td>
</tr>
<tr>
<td>15</td>
<td>Map of Section 35, Article New BLM Guidelines (12/16/05), Article from Yakima Herald (11/27/05), Letter from John &amp; Shelly Phillips – Submitted by Sandy Sandall</td>
<td>01/10/06</td>
</tr>
<tr>
<td>16</td>
<td>Public Hearing Sign In Sheet Submitted by Julie Kjorsvik, Clerk of the Board</td>
<td>01/10/06</td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Board of County Commissioners
CC: Julie Kjorsvik, Board Clerk
FROM: Joanna Valencia, Staff Planner
DATE: March 23, 2006
SUBJECT: Kittitas Valley Wind Power Project, Z-05-22:
Transmittal of Verbatim Transcripts from January 10, 11, and 12, 2006 Joint Hearings

Proponent: Please see Exhibit 3a of the Development Application: Legal Description of Lands under Option with Applicant

Agent: Sagebrush Power Partners, LLC

Location: The project is proposed to built on open ridge tops between Ellensburg and Cle Elum at a site located about 12 miles northwest of the city of Ellensburg. Please see Exhibit 1 and 2 of the Development Application for maps showing the project location and site layout.

Project Description: Application for a wind farm consisting of a maximum of 80 wind turbines with a maximum height of 410 feet (ground to blade tip). The application is for a Development Agreement/Development Permit, a site-specific zone change that would overlay the existing Forest and Range and Agricultural-20 zoning with a Wind Farm Resource Overlay Zone, and a site-specific amendment to the Kittitas County Comprehensive Plan from a Rural designation to Wind Resource Overlay District

Attachments: Verbatim Transcript of Proceedings from January 10th, 11th, and 12th, 2006 of Joint Hearing before the Kittitas County Board of County Commissioners and Kittitas County Planning Commission
IN THE STATE OF WASHINGTON
COUNTY OF KITITAS

KITITAS COUNTY BOARD OF COUNTY COMMISSIONERS SPECIAL MEETING RE KITITAS VALLEY WIND POWER PROJECT

ORIGINAL

VERBATIM TRANSCRIPT OF PROCEEDINGS

January 10, 2006
6:30 p.m.
Kittitas County Fairgrounds
Ellensburg, Washington

JOINT HEARING BEFORE
THE KITITAS COUNTY BOARD OF COUNTY COMMISSIONERS
AND
THE KITITAS COUNTY PLANNING COMMISSION

REPORTED BY:
LOUISE R. BELL, CCR NO. 2676

CENTRAL COURT REPORTING 1 800 442-DEPO
Seattle - Bellevue - Tacoma - Yakima - Tri-Cities
APPEARANCES:

KITTITAS COUNTY BOARD OF COUNTY COMMISSIONERS:

COMMISSIONER DAVID BOWEN, Chairman
COMMISSIONER ALAN CRANKOVICH
COMMISSIONER PERRY HUSTON

KITTITAS COUNTY PLANNING COMMISSION:

COMMISSIONER DAVID BLACK, Chairman
COMMISSIONER DOUG HARRIS
COMMISSIONER MARK McCLAIN
COMMISSIONER SCOTT PERNAA
COMMISSIONER GRANT CLARK
COMMISSIONER DON WILLIAMSON
CHAIRMAN BOWEN: It's Tuesday, January 10th, 2006, 6:30 p.m., Kittitas County Events Center at the fairgrounds, Home Arts building. I'm going to call this concurrent hearing to order.

We are here today for an open-record hearing between the -- before the Kittitas County Board of County Commissioners and the Kittitas County Planning Commission to consider the Kittitas Valley Wind Farm Project --

I keep forgetting I have my court reporter over here, so I'm going to slow down.

(Continuing) -- submitted by Sagebrush Power Partners, LLC, for siting of a maximum of 80 wind turbines and associated facilities at a site located approximately 12 miles northwest of the city of Ellensburg.

One thing I will ask is I've turned my cell phone to silent or buzz; if you all could do the same thing I would appreciate that, as would people sitting next to you.

Facility layout-wise, our restrooms are back here to my left in the back of the room. So if anybody needs them, get up and go use them and come on back.

At this point I want to introduce the other
commissioners and our staff. Immediately to my right is Commissioner Alan Crankovich from District 2. Just past him is Commissioner Perry Huston from District 3.

Next to him is Julie Kjorsvik; she’s our Clerk of the Board. If you have information you want to hand us in hard copy, please take it to her; and if you don’t have enough for everybody here, she will make copies and then arrange for copies to be made, anyway, and have them available for the next time we meet if this hearing should be continued.

And I’m going to go ahead and -- oh, and our Chief Deputy Prosecutor, Jim Hurson, is sitting at the table to my far right, unless he got up and walked away on me.

MR. HURSON: Back here.

CHAIRMAN BOWEN: He’s in the very back now. So you recognize him.

And I’m going to let Community Development Services Director Darryl Piercy introduce his staff briefly.

MR. PIERCY: Mr. Chairman, thank you. To my left is Joanna Valencia, the primary -- that has been primarily working and responsible for the
development of the staff report for this project.

On my right is Assistant Director Allison Kimball. I'd also like to point out at the far end of the table Susan Barret, who is the Planning Commission Clerk of the Board.

CHAIRMAN BOWEN: Perfect, thank you. And one other person sitting up here -- I'll let David Black work with his folks here on the Planning Commission -- Louise Bell is our court reporter. And about once an hour or so we're going to pause for five or ten minutes and let her hands rest, because she's going to try and verbatim print down what we're saying. So besides speaking slow, we're going to give her a break every once in a while.

Those -- most of you here have been through this before and know how this worked last time. Last two times, I should say. But for those who weren't, we've got a concurrent hearing going on with the Kittitas County Planning Commission and Kittitas County Board of County Commissioners present. The Planning Commission chair will preside over the majority of the hearing.

The hearing itself will consist of a staff presentation, a presentation by the proponent for
the project, public testimony, followed by proponent and staff closing comments. Anything that came up during the testimony, you'll have -- an opportunity to address those issues will be given.

Once we have all comments in from the public and from the proponent and staff, then the Board of County Commissioners will excuse their selves from the meeting so that the Planning Commission can begin their deliberations.

So that's in general how this will work, whether it's over one day, two days, or three days. We'll just have to wait and see what they're going to expose this one as.

Approximately 10:00 p.m. we're going to stop and assess where we are in regards to testimony today. And if necessary, we will continue this to another date. Most likely tomorrow evening at 7:00 it worked out with Mr. -- with Chairman Black, so -- and we'll go from there.

And with that, as far as the record and all that, that's what's front of us so far. We're going to probably get as much again as this stack is here, so we've got a lot to go through and a lot to read. All of your comments that were
forwarded to the commissioners' office we
immediately sent to the CDS office so that they
could actually hold the record and have all
comments there, so we have a complete record from
CDS back out to everybody.

I'm going to let CDS talk about exactly
what's in this record and then what's been added
this evening.

With that, Appearance of Fairness-wise, all
all of us need to disclose any ex parte contacts,
any conversations specific to this particular
project. And I'll go ahead and start.

In this situation, anything that came in the
office or any letters to the editor, all that, I
just did not read them, so until I had the record
in front of me, so I don't have to disclose much
of anything. And I have not had any specific
discussions with anyone regarding this project.

As I reviewed the project layout, I do know
some of the people that own land on it and I know
some of the people that own land next to it. So
once again, I haven't had conversations with them
but I do know them. Otherwise I have no other
Declarations to give.

With that, does anybody object to my sitting
in public hearing on this project?

Hearing no objections, Commissioner Crankovich?

COMMISSIONER CRANKOVICH: With the exception of what we have here presented by staff, I have purposely declined to engage in any conversation about this particular project, so I have nothing to declare. Like I say, I've avoided.

CHAIRMAN BOWEN: With that said, is there anyone who wishes to oppose Commissioner Crankovich sitting in hearing on this project?

Seeing no objections, Commissioner Huston?

COMMISSIONER HUSTON: Thank you, Mr. Chairman. Curiously enough, I can't even think of anyone who's asked me a process question, which is probably the first time I've actually been able to say that in quite some time.

The letters that we've received we blind-filed. I've had no conversations with anybody that I can think of regarding wind power in quite some time. Which I suppose means I haven't left the house or something, but nothing to -- nothing to disclose.

CHAIRMAN BOWEN: With that said, is there
anyone who objects to Commissioner Huston sitting in hearing on this project?

Hearing none, Commissioner Huston will remain seated.

With that, I’m going to go ahead and introduce David Black. He’s the chairman of our Planning Commission. And David, it’s in your hands.

CHAIRMAN BLACK: Thank you very much, Commissioner Bowen.

I will introduce the Planning Commission members. On my far right is Grant Clark. Next to him is Scott Pernaa. Next to him is Mark McClain. On my far left is Don Williamson, and next to him is Doug Harris.

My name is David Black, and I’m chairman of the Planning Commission. I think our clerk has been introduced, Susan Barret.

And again, if you have any hard material that you wish to give to the Planning Commission, please be sure that it goes to Susan Barret.

A little bit of background, a little bit of housecleaning. The Planning Commission is an advisory commission to the Board of County Commissioners. The Planning Commission has three
options: a recommendation of approval, a recommendation of denial, or no recommendation at all. But in all cases this hearing will go to the Board of County Commissioners for their final approval.

The procedure I think was covered by Mr. Bowen: staff presentation, applicant presentation. And I think with the applicant presentation we intend to leave a little bit of time at the end of the testimony so you can rebut some of the testimony. Public testimony.

The Planning Commission will go into a deliberation, and then we will have motions and finding of facts to support that.

This hearing is being mechanically recorded, the minutes are being taken. Both the minutes and the recordings will be available at the Kittitas County Develop -- Community Development Services, 411 North Ruby Street, Ellensburg.

With that, I will go into my legal disclosures. And I will go back to 2002. I am a part owner and a publisher of a Snoqualmie Pass Times newspaper --

AUDIENCE MEMBER: Excuse me, can I suggest --
CHAIRMAN BLACK: Pardon me?

AUDIENCE MEMBER: Speak up.

CHAIRMAN BLACK: Speak up?

AUDIENCE MEMBER: Yeah, turn your microphone closer.

CHAIRMAN BLACK: Better? Great. I don’t have to go through all that I just went through, do I? It’s all recorded.

I’m a part owner and a publisher of a Snoqualmie Pass newspaper. It was called the Snoqualmie Pass Times and it is now the Cascade Times. In June of 2002 I wrote an editorial regarding the "Right Idea" at "the Wrong Place," and I wrote it under my name.

Also on -- and I don’t have these dates, but I will just bring them up anyway.

Would you keep me in line out there in case I start to drift a little bit.

I received a letter and a videotape from Mr. Geoff Saunders of ROKT. I did not view the tape. And I now see it’s a portion of the record. Along with that came a letter, which I did read. It’s undated and has nothing to do with this.

I received a post card to my -- which says
no -- say no to the wind farms, that post card (indicating).

I received a letter from Mr. Ed Garrett, which also I did not read. I then received a phone call from Mr. Ed Garrett, asking me if I had received the video. I said I had received the video but I did not view it. He asked me -- or excuse me, he asked me if I was going to view it; I said no, I didn’t think that it was appropriate for me to view it. And I did not view the video.

AUDIENCE MEMBER: Mr. Black --

CHAIRMAN BLACK: With that, that’s all I have.

AUDIENCE MEMBER: Mr. Black, will you view that video?

CHAIRMAN BLACK: Actually it’s --

AUDIENCE MEMBER: It’s part of the record --

CHAIRMAN BLACK: Yes, right. It’s part of the record at this time, and I will view the video, yes.

I didn’t have the dates. I’m totally open minded on this. And feel I’m able to do this without any problem. If there’s anyone in the audience that feels I should step down, please
say so.


CHAIRMAN BLACK: Pardon me?

MR. DESMOND KNUDSON: I believe you should step aside.

CHAIRMAN BLACK: Okay. I --

COMMISSIONER McCLAIN: A reason?

CHAIRMAN BLACK: Yeah, do you have a reason for that?

MR. DESMOND KNUDSON: Yes, I do. You have stated --

COMMISSIONER HUSTON: Mr. Chairman, I might suggest you bring Mr. Knudson to the podium so we have a good clear recording.

CHAIRMAN BLACK: Okay, thank you.

MR. DESMOND KNUDSON: Mr. Black, I find it hard for you to remain open on this when you have stated in your letter -- in your paper that you oppose wind farms in Kittitas Valley. I would like to hear you say that you are open-minded --

CHAIRMAN BLACK: I did say I was open-minded.

MR. DESMOND KNUDSON: Okay, and that you can see wind farms in Kittitas Valley. So far your
vote has been 0-0-0.

CHAIRMAN BLACK: Not so, that's not true. I'm open-minded in this. I voted for the Wild Horse wind farm straight through. I do not intend to step down.

Mr. Hurson?

MR. HURSON: Jim Hurson, deputy prosecuting attorney. Just so our record's clear, you had, I think, several letters or documents. What I might suggest is that you put those into the record.

CHAIRMAN BLACK: I will do that.

MR. HURSON: That then makes our record clean as far as any appearance of fairness, as far as any written documentation on the tape. That then becomes part of the record and then all of the members have had an opportunity to review that (inaudible) ex parte outside of that.

As far as your editorial, I think I remember reading a long time ago -- I don't remember the exact wording. I don't know if you have a copy of it with you --

CHAIRMAN BLACK: Yes, I do.

MR. HURSON: I would suggest that that be also made part of the record. And you might
even, for clarity, just read it if people have some concerns. And then you could also clarify your votes on the other wind farm applications that have been in the county, because I think that was an issue too as far as whether you oppose all wind farms.

CHAIRMAN BLACK: Right. I did not oppose all wind farms. I did not. But I'm more than happy to read the editorial if you want it to be read into the record.

MR. HURSON: I know it'll take a while, but I think it's a good -- it's good for the record preservation. So then the public know what the issue's about.

CHAIRMAN BLACK: Go ahead.

AUDIENCE MEMBER: This microphone in the center podium does not seem to be working. It doesn't -- I can't hear it hardly.

CHAIRMAN BLACK: Talk louder, Mr. Hurson.


"The generation of electrical power in Washington State is the basically 84 percent hydroelectric. 6 percent coal-fired, 5 percent nuclear, 4 percent gas, and 1 percent all others,"
which includes geothermal biomass" --

Excuse me, I will qualify this as June 2002.

"...biomass, solar, and wind. There are a
total of 286 facilities generating nearly 25,000
megawatts...enough annual energy for 6 million
homes. A closer review of these numbers shows
that there are two coal-fired plants generating
1460 megawatts, 11 gas-fired plants generating
1022 megawatts, 3 petroleum plants generating
4 megawatts, for a total of 2486 megawatts or
10 percent of the total generated capacity.
These 16 are the obvious 'dirty power'
facilities" that -- "where we must find alternate
sources for electrical generation.

"It is generally accepted that we must
reduce our dependencies on foreign oil, and few
will argue that our environment will allow us to
use fossil fuel on a long-term basis.
Geothermal, solar, and wind become today's"
replacement "of the three. Wind" and --

Excuse me, I'll go back. "Geothermal,
solar, and wind become total replacements and of
the three, wind technology has moved to the
forefront and that is the right idea. However,
there is a visual drawback that is not easily
overcome since these towers are 300 to 350 feet high" and "three-bladed rotors of approximately 200 feet in diameter, making the overall height" of "450 feet. Red navigation lights, required on the towers, and white flashing strobe lights will certainly light up the valley. Because of these visual effects, the location of this alternative source of electrical generation is critically important, and in fact is just as important as the location of the 'dirty power' facilities.

"The Kittitas Valley Wind Power Project wants to site 150 turbines over 12,000 acres of land between Highways 10 and 97, north of Ellensburg and south of Highway 97. This wind farm, at its maximum production, would generate 250 megawatts or 1 percent of the total electricity generated in the state; however, generally the operating levels are around 25 percent of" the "maximum rating or about 63 megawatts. For this small amount of electricity, placing a wind farm in this pristine setting is too much of a gamble" for "Kittitas County's large recreational driven economy. Statistics show that" the "tourism can be reduced by as much as 30 percent in locations where the large wind
turbines have replaced the pristine areas. This is the wrong place for the project. David E. Black."

CHAIRMAN BOWEN: With that said, I -- this is my first objection to somebody sitting, so I’m going to ask for some parliamentary guidance, both from Chief Deputy Prosecutor and from Commissioner Huston. I don’t know if we note for the record there was an objection or if we actually remove somebody from the board over one objection or since the Planning Commission is a recommendation board and not actually a final decision-maker if it’s -- you know, I’m not real clear on those issues, so if I could have that filled in for me I’d appreciate it.

COMMISSIONER HUSTON: What would ordinarily be the case, Mr. Chairman, obviously it’s Mr. Black’s first line of decision, whether he believes he can sit with an open mind on this particular hearing.

Certainly it would be the option of Mr. Knudson, who’s lodged his objection, to withdraw that, having heard the letter that has now been read, or in fact withdraw that objection at this point.
However that works out, if there are no other objections, then it's Mr. Black's first line of decision. It would be within the power of the Planning Commission by motion and vote to ask him to step down, if anyone were to desire to do that or, for that matter, the Board of County Commissioners could arguably put that same motion forward.

So what I would do is go through that litany of decisions clearly for the record with Mr. Black, who's already indicated he doesn't want to. But for the sake of the record, repeat that, ask Mr. Knudson if he wishes to pursue his objection; ask anyone else if there's an additional objection now that we've heard the letter. Go to the Planning Commission for motion, go to the Board of County Commissioners for motion.

CHAIRMAN BLACK: I feel that I can be open-minded in this. I have not voted against the wind farms in all cases. I have voted in certain cases along with other people on this Planning Commission. I do not intend to step down.

CHAIRMAN BLACK: Mr. Knudson?
MR. DESMOND KNUDSON: Thank you, Mr. Black.
I appreciate your candor on this. I still
believe that you have made your mind up on this
project, because this is what this letter was
relating to, was this project. The other ones
you did a fine job. But this one, I think you’ve
already committed yourself not to look at things
openly, with an open mind. I do not withdraw my
objection.

CHAIRMAN BOWEN: Okay, with that,
following --

CHAIRMAN BLACK: Can I poll the Planning
Commission?

CHAIRMAN BOWEN: Certainly.

MR. HURSON: Jim Hurson again. I’m just
trying to clarify something, because I was
listening to the -- to your letter to the
editor --

AUDIENCE MEMBER: Can’t hear you.

MR. HURSON: In listening to the letter, it
sounds like this was done before you had this
application in hand.

CHAIRMAN BLACK: Oh, absolutely.

MR. HURSON: And if I understood it
correctly, your letter was under the assumption
that the turbine height was up to 450 feet
tall --

CHAIRMAN BLACK: Absolutely.

MR. HURSON: -- there were 150-some turbines
in the application, and that the efficiency is
only about 25 percent.

If those were not true, would your opinion
be exactly the same as you entered there, or is
that a new issue that you need to address? If
those were false assumptions.

CHAIRMAN BLACK: Those were tied -- that was
the original plan, and it was -- it has been
dramatically changed. I have no problem with
being open-minded about it. I certainly think
that the size was changed, and the size was
changed not by my editorial but it was changed by
the Horizon people; they made the decision to
change it.

Is there a motion from the Planning
Commission for me to step down?

Hearing none, I'll turn it back to Chairman
Bowen.

CHAIRMAN BOWEN: Thank you, Chairman Black.

Is there a motion from the Board of County
Commissioners for him to step down?
Hearing none, we’ll move forward, Mr. Black, with the rest of the declarations from your other members.

CHAIRMAN BLACK: I’ll turn it over to Mark McClain.

COMMISSIONER McCLAIN: I think in terms of -- the only things I’ve heard about this would be a couple of articles that are in the paper, letters to the editor. I can’t recall actually reading any of them but just glancing through them. And perhaps a couple of questions in terms of when this evening was to occur. That’s all I have.

CHAIRMAN BLACK: Scott Pernaa?

MR. PERNAA: I have nothing to declare at this time either.

CHAIRMAN BOWEN: Mr. Chairman, could you check and see if anybody has objections to either of them.

CHAIRMAN BLACK: Pardon me?

CHAIRMAN BOWEN: Could you check and see if anyone has objections to --

CHAIRMAN BLACK: Oh, I’m sorry --

CHAIRMAN BOWEN: -- either -- Thank you.

CHAIRMAN BLACK: Does anyone have an
objection to Mark McClain sitting?

Scott Pernaa; does anyone have an objection to Scott Pernaa sitting on the commission?

Grant Clark, please.

COMMISSIONER CLARK: My only previous contact would have been reading a couple of letters to the editor in the paper, maybe half a dozen of them. But I haven't had any other conversations or discussions.

CHAIRMAN BLACK: Does anyone have an objection to Grant Clark sitting on the commission?

Don Williamson.

COMMISSIONER WILLIAMSON: I read this mountain of paperwork that you gave me. I don't know if that makes a difference. I've also read a few letters to the editors, both pro and con. And I talked to my aunt about it. She lives in Thorp. And she's here tonight, looking beautiful as ever.

CHAIRMAN BLACK: Does anyone have an objection to Don Williamson sitting on the commission?

Seeing no one, Doug Harris.

COMMISSIONER HARRIS: I've read articles in
the newspaper; and other than that, I have
nothing else to declare, no contact with anyone
or other discussions of any kind.

CHAIRMAN BLACK: Does anyone in the audience
have an objection to Doug Harris sitting on the
Planning Commission?

Seeing no one, we will go into staff
presentation.

CHAIRMAN BOWEN: Mr. Chairman, before we
start, I forgot two things. Could I bring them
up quickly and then turn it over to staff?

CHAIRMAN BLACK: Yes.

CHAIRMAN BOWEN: Thank you. When you get up
and do your public testimony, we would prefer
that you address the board and not individuals
out in the audience, so you’re directing your
testimony to us.

And the other thing, I spoke with Chairman
Black, and we normally limit testimony for the
public to three or five minutes. He’s willing to
give a shot, if we can stay focused and address
the points and not wander off, to not necessarily
time them right at the five minutes or the three
minutes, but he will at his discretion, if
somebody starts rambling, trying to redirect them
back and eventually cut them off if they get too far off-point.

So those are the two things I missed in my opening remarks. Thank you.

CHAIRMAN BLACK: Thank you. We will be very flexible on the three-, five-minute presentation. However, if it's a me-too type of thing, it would be really nice if you just said, "Yes, I agree" or something like that.

But we want everybody to have an opportunity to speak, to say what's on their mind. We have three days of this, and you're more than welcome to spend as much time as you need.

So with that, I will turn it over to Darryl Piercy and Joanna, who are going to do the staff presentations.

MS. VALENCIA: Thank you, Chairman. Thank you, Mr. Chairman, members of the Planning Commission, and Commissioners. For the record, Joanna Valencia, Kittitas County Community Development Services Planner 2.

Tonight's public hearing is for the Kittitas Valley Wind Power Project, File No. Z-05-22. I'd like to begin this evening by first calling out an error that was made in the staff report that
was forwarded to you dated January 6th, 2006. Paragraphs 22 and 32 should be deleted, as they do not apply to the project before you this evening and refers to information regarding conditional use permits.

A copy of an updated staff report dated January 10th, 2006, with the corrections made has been distributed to you this evening, and copies are also available for the general public at the table by the door.

A project binder and other materials were forwarded to you prior to this hearing for your review, and this staff report will highlight some of that information.

The applicant, Sagebrush Power Partners, LLC, is requesting approval to develop a proposed wind farm pursuant to the Kittitas County Comprehensive Plan and zoning code. The proposal consists of a project area of approximately 6000 acres. A permanent footprint of 90 acres of land will accommodate the proposed turbines and related support facilities.

Lands within the proposed 6000-acre project area are composed of privately-owned open space and livestock grazing land and State-owned land
administered by the Department of Natural Resources.

The project is proposed to be built on open ridge tops between Ellensburg and Cle Elum at a site located about 12 miles northwest of the city of Ellensburg. The project's area includes all or portions of Sections 1, 2, 3, 9, 10, 11, 12, 14, 15, 16, 21, 22, 23, 27, 34 of Township 19, Range 17 in Kittitas County. Specific parcel numbers are available in the submitted development application.

This slide points out the approximate location of the project site and associated roads located in the area, including Highway 97, Bettas and Hayward Roads, and Elk Springs Road.

The application proposes a maximum of 80 wind turbine generators with a total height ranging from a minimum of 250 feet to a maximum of 410 feet. A complete description of the proposal may be found in the project applications to Kittitas County and EFSEC and in the Draft EIS published by EFSEC in December 2003 and Draft EIS addendums published on December 23rd, 2004.

CHAIRMAN BOWEN: Joanna, you need to slow down a bit for our reporter.
MS. VALEN CIA: Okay.

The current proposed layout submitted with the project application proposes 64 wind turbines with associated facilities which includes a BPA station, a PSE substation, and an operations and maintenance building, also known as the O&M building.

The applicant has submitted an application to the Washington Energy Facility Site Evaluation Council, also known as EFSEC, for certification of its proposed wind farm site pursuant to RCW 80.50.

EFSEC's rules require that to be approved, energy projects must either be in compliance with local land use plans and zoning ordinances or EFSEC must preempt those plans and ordinances.

The applicant withdrew its request for preemption with EFSEC on October 24, 2005, and the current process is to achieve compliance with local land use plans and zoning ordinances.

The submitted application is requesting a Wind Farm Resource development permit as described in KCC 17.61A by obtaining the following:

1. A site-specific amendment to the
Comprehensive Plan land use designation map from a rural and commercial ag designation to wind resource overlay district.

2: A site-specific zone change that would over-lay the existing Forest & Range and Agricultural-20 zoning with a Wind Farm Resource overlay zoning.

3. A development agreement/development permit to set forth the development standards for this project.

A Draft Development Agreement was submitted by the applicant on 12-23-05, and this has been included in your packet.

The following will summarize the applicable policies, regulations, and other issues for this project.

The project is currently located within a rural and commercial agricultural land use designation. As before mentioned, a site-specific amendment to this Comprehensive Plan land use is required. Applicable goals, policies, and objectives include land use utilities -- land use, utilities, and rural policies. Specific information regarding these GPOs are provided with the staff report for your
review.

The project is also currently located within the Agriculture-20 and Forest & Range zoning. As before mentioned, a site-specific zone change would be required to overlay this existing zoning.

Wind farms are identified as permitted uses in a Wind Farm Resource Overlay Zoning District subject to the additional information (sic) requirements and restrictions set forth in KCC 17.61A.040, the Wind Farm Resource Overlay Zone, and KCC 17.98, rezones.

In regards to the administrative review for this project, on September 30, 2005, an application was submitted to CDS. A letter of incomplete application was issued to the applicant on October 13th, 2005. A revised application was received on October 17th, 2005, and was deemed complete. A copy of the formal withdrawal of preemption from EFSEC was received by CDS on 10-24-05, and a notice of application was issued, with a December 5th, 2005, comment deadline, on October 27, 2005. A notice of revised application was issued on December 12 (sic), 2005 with a January 3rd, 2006, comment
deadline to address the revised application and revised -- submitted to address comments received during the initial comment period.

Written comments were solicited and the final date to submit written comments was on January 3, 2006. As of January 5th, 2006, at 5:00 p.m., 271 written and e-mail comments have been received. These comments were transmitted to the Planning Commission and the Board of County Commissioners. And an indexed list of comments received is available for review, along with other project documents at the CDS office.

Written comments were received after January 3rd, 2006, deadline, and these have been distributed to you this evening as well.

A critical areas review pursuant to KCC 17A was conducted by the staff planner, and some of the key critical areas include wetlands, fish and wildlife conservation areas, and geologically hazardous areas.

The Draft EIS and addendums include a more thorough study of the critical areas associated with the project.

At this time I'd like to invite Darryl Piercy, director of Kittitas County Community
Development Services, to conclude the staff
report with a presentation regarding the State
Environmental Policy Act and its application to
this project.

MR. PIERCY: Thank you, Joanna,
Mr. Chairman, members of the Planning Commission,
and members of the Board of County Commissioners.
For the record, my name is Darryl Piercy. I'm
director of Community Development Services for
Kittitas County.

I have the duty this evening of presenting
to you the history of the environmental review
associated with this project and also to give you
an update on the current status of the
environmental review process, as well as issues
we feel may still be outstanding in regards to
this particular application.

This is an unusual process in terms of the
way the environmental review is normally
conducted, in that Kittitas County was not the
lead agency for this project. On January 13th,
2003, Sagebrush Power Partners submitted an
application for site certification to EFSEC, as
Joanna has indicated previously in her staff
report.
Based on the review of that application, EFSEC determined that the proposal would have a probable significant adverse effect on the environment, that a Determination of Significance would be issued, and that an Environmental Impact Statement was required pursuant to the State Environmental Policy Act, often referred to as SEPA.

Following the applicable SEPA rules, which is WAC 197-11, EFSEC assumed lead agency status for this project. As such, EFSEC has been responsible -- has been the responsible agency for the development of the Environmental Impact Statement and the draft which is before you and contained in the record this evening.

As a portion of that, EFSEC conducted public hearings that were done in January of 2004. They actually issued the Draft Environmental Impact Statement in December of 2003.

The record for public comment was open on the Draft Environmental Impact Statement until March 14th -- excuse me, until March 12th of 2004.

EFSEC published a Draft EIS, as I indicated, on December 12th of 2003 that was followed up
later in the year of 2004 with the Supplemental Draft Environmental Impact Statement. The Supplemental Environmental Impact Statement is contained within your packet of materials and is considered to be the Draft Environmental Impact Statement that was issued for this project.

Upon receipt of the application by Sagebrush Power Partners for the local process that we received in October of 2005, Kittitas County requested that additional environmental review be completed as a result of the revised application. And we transmitted this request on behalf of Kittitas County to EFSEC in regards to our concerns that the revised application may in fact pose significant differences from that which was reviewed by the original Draft Environmental Impact Statement.

As a result of that, in December of 2005 an addendum to the Draft Environmental Impact Statement was issued, and that has been provided to the Board of County Commissioners and to the Planning Commission as an addendum to the Draft Environmental Impact Statement and is contained in your packet. We have provided that to you on disk format. If any of the members of the
commission or the -- the Planning Commission or
the Board of County Commissioners would like that
in a physical hard copy, we can also provide that
to you if you so desire.

I should point out for the record that in a
meeting of EFSEC that was conducted today without
any prior announcement to Kittitas County or to
the applicant, EFSEC has determined that they
would be conducting additional public hearings on
the Draft Environmental Impact Statement for this
project. This was an effort that we were not
aware of prior to scheduling this hearing.

The purpose of that additional hearing is to
ensure that the proper process was met in regards
to the original public hearing that was conducted
in January of 2004. There is some question --
and that question is contained within the
record -- as to whether or not proper notice and
adequate time for review and comment was given in
advance of that public hearing in January of
2004.

As a result of that, the responsible
official for EFSEC has made a determination that
additional public hearings would be necessary.

We have brought that issue to the attention
of the applicant today and we have given the
applicant the opportunity to postpone this
hearing based on the fact that the record is not
complete in regards to total public comment that
will be submitted as part of the Draft
Environmental Impact Statement.

The applicant I'm sure will address this in
their testimony but has indicated to staff that
they would like to proceed with this hearing and
feel that the record is in fact complete and that
proper procedures were in fact handled at the
time of public testimony in January of 2004.

Nevertheless, it should be noted for the
record that EFSEC will in fact be conducting
additional public hearings on the Draft
Environmental Impact Statement in either late
2006 -- January 2006 or early February 2006.
Those hearings will be taking place in
Ellensburg. So members of the public here
locally will be able to testify at that hearing.

It should also be noted that in their
meeting this afternoon that EFSEC also indicated
that they would be allowing for additional
testimony to be submitted into the record on the
addendum to the Draft Environmental Impact
Statement that was issued in December of 2005.
And again, that addendum is in your packets and
is part of the record.

Since Kittitas County has not had the
opportunity to be lead agency in the
environmental review, there are a number of areas
where we probably would have reviewed the Draft
Environmental Impact Statement somewhat
differently.

There is contained within the record a
letter from the Department of Community -- or
Community Development Services that was signed by
Clay White on January 15th, 2004. That is
contained within the comments section of the
Draft Environmental Impact Statement. I will
also submit a hard copy of that into the record
for your review.

While many of the issues that were addressed
in that letter back in January of 2004 had been
addressed as part of the supplemental EIS and
also have been addressed as part of the revised
layout and presentation in this application by
Sagebrush Power Partners, many of the issues that
are contained in a letter continue to be valid in
terms of Kittitas County concerns of the Draft
Environmental Impact Statement.

For that reason, and since we are not lead agency on this project, it is the intention of staff to introduce into the record the final Environmental Impact Statement that was done for Desert Claim Wind Power Project dated August 2004, and we also intend to introduce into the record the final Impact Statement for the Wild Horse Wind Power Project dated May 2005.

While these projects are in fact different, they are site-specific in terms of some of their review, there is also general review in regards to the overall impacts of wind farms that we think are pertinent to this project and do it in a manner and methodology that is different from that that was conducted as part of the Draft Environmental Impact Statement for the Kittitas Valley project.

I can give you two examples where that is the case. In the example of aesthetic impacts, both of these documents have addressed in their final Environmental Impact Statement the aesthetic impacts in a manner that was different than was is being addressed in the current Environmental Impact Statement.
And in fact, they assigned values to view corridors and view sheds, whereas that was not specifically done in this Draft Environmental Impact Statement for Kittitas Valley.

Another example is the methodology and analysis that was conducted in each of these final Environmental Impact Statements in regards to sound and noise generation. And so we do feel that this gives an additional perspective in regards to that issue and the final Impact Statements for these two projects that will supplement your knowledge in your review of that issue as you hear testimony.

So we will be introducing those, and it is our intention to introduce those into the record for your review. Again, we can make those available to you in a variety of formats, but we intend to provide you a disk and web linkages to those documents; and if you would like a hard copy of those, those can also be provided for your review.

With that, we have no other additional information to provide in regards to the environmental work that has been done to date. Again, I think it's important to emphasize for
the record that the lead agency for this project
is in fact EFSEC; that Kittitas County has only
been a respondent in terms of comments to the
Draft Environmental Impact Statement.

It should also be noted for the record that
the applicant was not actively involved in the
development of the Environmental Impact
Statement, which is typical. A third party under
contract from EFSEC was actually responsible for
the development of the Draft Environmental Impact
Statement that is before you for consideration.

I'd be happy to respond to any questions
either in regards to Joanna's presentation or in
regards to the environmental presentation and
that discussion as you see fit.

CHAIRMAN BLACK: Planning Commission? No
questions.

MR. PIERCY: Thank you.

CHAIRMAN BOWEN: Commissioners, any
questions? No. Okay, thank you.

CHAIRMAN BLACK: Before we go into the
applicant's presentation, I think we'll take a
couple-minute break there for our clerk and our
secretary. We'll be back in five minutes.

(A break was taken.)
CHAIRMAN BLACK: We’re ready to start.
Commissioner Huston I believe has a question he would like to...

COMMISSIONER HUSTON: Yes, Mr. Chairman, thank you. Perry Huston, Commission District 3.
I was asked over the break by Mr. Lindstrom specifically, exactly how this process unfolds, and it dawned on me we did kind of miss a key point in terms of how this works. So I thought perhaps some explanation to the public as to how this process meshes with EFSEC might be in order. I can do that or I would defer to anyone else who wishes to take it on.

CHAIRMAN BLACK: No, go ahead.

COMMISSIONER HUSTON: Very good. I thought I'd ask; it doesn't hurt.

CHAIRMAN BLACK: Thank you.

COMMISSIONER HUSTON: EFSEC is the -- give me a hand here -- Energy Facility Siting Evaluation Committee; right? Very good, thank you. To the State of Washington. The final decision on the permit for this project lies with the governor. The governor issues that permit. EFSEC will make a recommendation to the governor.

What we’re doing is working on our own
portion of that process where we're dealing with the question of consistency with local land regulation. So as such, we are -- we are doing that process. In the end we either approve the request, we don't approve the request, a variety of other processes. But the final discussion: Is it consistent or it is not.

Now, the decision still lies with EFSEC from a recommendation and still lies with the governor. Then you have an appeal process directly to the Supreme Court; correct me if I'm wrong.

In terms of SEPA, as Mr. Piercy pointed out, we're not the lead agency; we are essentially a respondent, a commenter, like anyone else would be. We will evaluate in terms of impacts our own portion of the process. So that is essentially how it works.

What you need to do in terms of your interaction with us is not worry about that, frankly. Put your comments into the record that you believe are appropriate. If it's something that should have went to EFSEC, keep in mind this record will be transmitted to EFSEC in its total.

And of course we need to hear the
observations in order to make our own portions of
the decisions that are relevant to the local
process. So -- but the final decision lies with
the governor. That's the important point to
consider in terms of what you'll hear from us and
then what happens from here.

Now, we have the additional hearings,
apparently, that are going to be scheduled, and
Mr. Hurson -- and then I did ask a question at
break of Mr. Hurson in terms of how we interact
with the new process, and it's essentially the
same way we interacted with the old process.
Staff would make the observations based on the
information they hear and that which they glean
from their own evaluation of the record.

So hopefully that clarifies that question.
What we will do is rule on our own local portion
of the process, all that's transmitted to EFSEC,
and then they pick it up from there.

Thank you, Mr. Chairman.

CHAIRMAN BLACK: Thank you, Commissioner
Huston.

With that, we will go into the applicant's
presentation.

MR. PECK: Thank you Mr. Chairman. How am I
doing on the microphone here? If I can strike
the same deal that was struck earlier, if I start
backing away from it or get too quiet, just say
something and I'll try to correct it as I go
along.

Darryl, you set the bar pretty high on
keeping it short. I'll see if I can at least
stay in the same range. We do have some
technical consultants for you that'll add to our
time beyond what your staff presentation has
been. And with that said, I'll get into the
formality part of it if you'll let me.

My name is Dana Peck. My address is 222
East 4th here in Ellensburg. 98926, obviously.
Have to stop and think about it. I actually live
in Goldendale, just spent eight years working for
Klickitat County as a department head. And I've
got a deal with the folks over there that when I
say "Klickitat," they'll change it to Kittitas
automatically. Hopefully that won't crop up too
much.

I'm the project manager for the Kittitas
project, Horizon Wind Energy. In addition to my
own testimony today, or presentation, rather, I'm
joined by Erin Anderson from here in Ellensburg
with Cone Gilreath. Tim McMahon with the law
firm of Stole Reeves in Portland might also be
making some comments here.

Our presenters -- and I'm going to list the
tab in the Findings of Fact just to kind of
associate them with paper that you may or may not
have in front of you as you go along.

Tab 10 on property values was prepared by
Barton DeLacey, the Cushman Wakefield firm in
Portland.

Tab 11 on visual issues was prepared by Tom
Priestly from CH2M Hill's Oakland office.

Tab 12, noise issues, Mike Bastasch, also
with CH2M Hill, but their Portland office. I
think I just blew Mark's name as well; sorry
about that. When your name is Dana, you try real
hard to get other people's names right, and
sometimes I don't.

Tab 13 was prepared by Dr. Dan Kammen from
University of California Berkley. Dan was
originally going to be with us today to get into
safety issues and risk analysis that he's a
particular expert at. He's meeting with Governor
Schwartzennegger today, hopefully not riding
motorcycles with him, and wasn't able to attend,
although he will probably help us provide any
written materials that come after this hearing
later.

Tab 14, also on safety issues, was prepared
by Michael Bernay of World Link Specialty
Insurance out of Newport Beach, California, and
he's with us today.

Habitat studies, Tab 16, was prepared by
Wally Erickson, from the WEST Firm in Cheyenne,
Wyoming. Probably one of the best-known firms
doing that kind of work for our industry.
Wally's going to be available tomorrow but was
out of the region today. So to the extent that
there may be a rebuttal period that calls for his
input, he'll be available to do that. I'll
briefly mention whatever the findings of his
area.

And two tabs, one where the substantive
material is on shadow flicker, and then the vitae
materials are under Tab 17 from Andrew Young,
who's also here today and who I believe both your
organizations are familiar with from previous
work with our firm.

I'd also like to formally introduce the
documents and exhibits, if I might, and I'll keep
this short. We have before you a proposed
Findings of Fact and Conclusions for the project,
Books 1 and 2, dated December 30th, 2005.

And then exhibits that we have are project
site overview, the project in relation to other
projects, project site layout, description,
project land ownership map, surrounding land
uses. Project area zoning, various references to
the Comprehensive Plan. Two slides on property
taxes, one that you have and one that we have an
updated version of from the Phoenix organization
and the county assessor information that we put
together recently that I'll have that, again,
 isn't in your prepared materials previously, but
I'll mention that again as we use them.

And also in the materials that we've
submitted we have the Econorthwest economic
impact descriptions, and a brief discussion of
the implications of residential development that
was prepared in Ohio and gets into some of the
comparative costs involved with the different
kinds of development.

That said, I'd like to just very briefly go
into some opening comments before we ask our
technical people to come up; and they'll be
giving brief summations of the materials that you have in front of you.

You know, I think the main point I'd like to make -- and if we could go to Slide 3 on that -- the main point that I'd like to make is just the extent to which my predecessors in this role of project manager and the company as a whole have really heard out your respective commissions and the public comments.

It's led to a dramatically changed project and it's dramatically changed in ways that we feel have a real significant response. And this is Slide 16 on this one. A really substantive response to what's been brought before us in a variety of environments over time.

The "X"s that you see there are turbines that have been dropped from the original proposal. The blue dots remain wind turbine generators. And the corridors or strings that they would appear in. That reflects a 64-turbine layout.

We've also discussed 80 turbines, a range of 64 to 80. That's a reflection of the number of turbines that we put into those preexisting strings, depending on what technology we use.
We're in a dramatically evolving industry. We can't guess by the time we go to construction which turbines might go in there, but we can give you one statement of fact on the subject, and that is that in the environmental analyses that have been brought before you and EFSEC organization to date, the largest machines have always been used in those analyses.

So even if we were to go to 64 machines with a higher megawatt output, the physical dimensions of them have already been addressed in the environmental materials that you've had before you.

So we've talked about, briefly, the reduction in the number of wind turbine generators, and it's about a 50 percent reduction.

The other things that is of interest is the change that's occurred with the Federal Aviation Administration when it comes to actual lighting involved with turbines. This firm's been extremely involved at a number of levels with the FAA to get changes in their requirements for turbine lighting, turbine string lighting.

And the results of those changes are no
daytime lighting is required anymore, and nighttime lighting's been dramatically reduced to 16 turbines. It would be the end turbines in each of those strings would have a red light on them at night, and that's a rather dramatic reduction from -- I'm going double-check my numbers on this, because I've had a real tendency to get them wrong.

I believe the original number was 60, somewhere between 50 and 60, and the current number is 16. So because of actions that the company and the industry as a whole has taken, this project will have a significant change in the kind of lighting that occurs on these reduced number of turbines that exist there.

And if you'll look at that map, if I could go back to 16 again -- sorry to jump around on you -- the thing that you'll notice is that there's a dramatic change in visual impact in the project from non-participating landowners. And I think that's probably one of the messages that we've heard the clearest on this project.

There's also greater setbacks from property compared to the original. And this is all fairly well discussed in a variety of addenda that were
prepared by the EFSEC folks within our document. It's under Tab 18. That's where the EFSEC addenda exists for you folks.

Noise in particular is addressed at Page 3. I guess you guys aren't really working off of that, but at any rate, Tab 18, as you get into that, has a significant discussion of the fact that this is a changed project with reduced impacts across the board.

And in fact, there are reduced probable significant adverse impacts in areas like shadow flicker as well. The -- well, again, you can just go back to that one that was changed and see that.

Extensive environment analyses that have been performed as part of the SEPA process. And the state regulatory agency signoffs on this project, most noticeably -- and I suspect your county commissioners, like my former employers at Klickitat County, don't normally have very many nice things to say about WDFW, and in our particular case we were able to get approval both of the methodology that we used for habitat analysis and the final product.

We have a September 17th, 2003, letter from
WDFW, agreeing with project's intent and moving forward. Collectively the technical analyses and related regulatory reviews have shown that there aren't any unmitigatable impacts.

I'd like to add that the project will bring substantial economic benefits to this area. My position at Klickitat County was Director of Economic Development. In Klickitat County that's a county department head position as opposed to a nonprofit, which it is in most of the rest of the state. Klickitat County was very interested in encouraging this as a way to increase the tax base without really dramatically having an effect on infrastructure costs to the county. Really a dual public benefit to the local economy and the local ranching community in particular.

There's no question that the project will pay over $1 million in property taxes and possibly quite a bit more. And we have two slides, one of which is in your prepared materials at 10. And this is the approximate breakout that we were looking at when we put together the original materials. And then Slide 11 gets at some updated information.

So property tax payments that are projected
when this project is constructed benefit the
local community in those sorts of areas.

The other thing that we found in Klickitat
County -- and it surprised us, frankly; even the
county assessor hadn't foreseen this when our
large energy facility was built in Goldendale --
there's an actual reduction in personal property
tax for individual homeowners that results from a
project of this magnitude basically buying down
existing special levies. To the extent that you
pass bond measures for special items and taxing
districts that are affected by this project, an
individual's tax rate goes down.

For instance, the Calpine project which is
in Goldendale, which is roughly equivalent to the
Wild Horse project, reduced my property taxes a
buck-sixty a thousand just for sitting there. In
my case that's not a whole lot of money; there's
other people that benefit a lot more from that
than I do. But I did nothing and my property
taxes went down because of the sort of addition
to the property tax base.

And we'd certainly have the same impact
here, possibly more. I don't have a
sophisticated grasp of your property tax
structure after one month on the job, but I can pretty much guarantee you that it drives individual property tax rates down to add this sort of thing to your tax rolls.

And to put in it comparison, we just got some information from your assessor that the largest item on the property tax rolls right now, not surprisingly, is Suncadia, about $46 million.

The Wild Horse project, as a utility-owned thing, I can't really talk about that a whole lot. You know, they have their own sort of tax structures, the utility-owned facilities. But we would anticipate that the Kittitas Valley Project would, as a 130-megawatt project, would certainly be in the $100 million range on your property tax rolls, which is more than twice the amount of the largest thing on there right now.

New job creation during construction, considerable during operation. Probably somewhere between 5 and 15 jobs. You know, we're not a big employer, we don't have a lot of infrastructure costs that come along with our kind of development. We do create jobs and there's a lot of people that will be working on construction from local firms and subcontractors
during construction, which tends to be about a six-month cycle.

More importantly, and I say this in a fairly heartfelt way, having just come from county employment myself, we feel very strongly that this project complies with the County's Comprehensive Plan and plan policies as written to date.

I was up here in the early '90s when these projects were initially looked at when I was with another wind power company back then. Some of those met towers that are up there because my traveling partner and I were prospecting for wind sites, identified a couple of these sites out here, and the first thing we did was talk to the County about whether this sort of thing is a fit with your Comp Plan.

And frankly, looking at your Comp Plan several years ago is what prompted us on the Klickitat County side to initiate this energy overlay zone, which you may or may not have read about. There was a pretty good article in the paper some months back. We felt that you guys have put into your Comp Plan, either by accident or design, some significant incentives for a wind
power developer; and if we were one of the other
two or three areas with wind power development
potential in the state, we better get on the
stick and try to do something similar.

And let me just go into that a little bit if
I could. If you look at Tab 2 and 3 of the
Findings of Fact that we submitted, we go into a
rather extensive discussion of how we feel we're
in compliance with your existing guidelines and
policies.

Just to summarize, your Ag-20 and your --
and the other related zone speak very strongly
about preservation of existing agriculture and
natural resources uses and practices, making that
really the top priority in the zones that we're
looking at here for the Kittitas Valley project.
And I think Slide 8 gets at that a little bit.

Residential development that conflicts with
these sorts of agriculture and natural resource
uses is fairly explicitly not encouraged by the
existing materials on your books.

The preservation of habitat and scenic
vistas are a public responsibility, and private
landowners shouldn't be expected to provide these
goods for free. You can find that in your
documentation as well.

And as someone from a property rights state -- I'm a Goldendale resident, as I mentioned -- when you've got people that would like to see this happen, it sure seems that that point I just raised applies.

Several sections of the Finding of Fact go into extensive detail on that, how we feel the proposed project fits with the county code and Comp Plan. And those Tabs 2 and 3 are where you get a lot more information on it than I'm going to provide you tonight. Again, trying to keep to the keeping-it-short part.

Again, on the property rights side, it just seem likes the landowners who want wind development on their property and the applicant, us, should be able to rely on the adopted policies, what's on the books, in planning and getting this project approved. Here. We'd like to get it approved here.

We've relied on those adopted policies and plans, and we feel quite strongly that this project complies with them. And we're going to start having our technical folks get at some of the specifics of that in just a minute.
I made reference to the expert reports that are included as the exhibits and reports in the document that you have before you. And if I could, I'd like to start having those of those folks come up and just give you some brief presentations on this.

We've got them here from all over the place, as I mentioned, and I think you'll find it interesting. We're going to have most of these in the sort of 3-to-5-minute range. There's four or five folks that -- we're not going to take up an hour of your time doing this, and I think you'll find it quite interesting that there's some pretty highly credible people that are standing behind what you've got in front of you.

If we could, Tom, could we start with you, Tom Priestly --

CHAIRMAN BLACK: What tab is that, please?

MR. PECK: Tom is Tab 11.

MR. PRIESTLY: Good evening. My name is Tom Priestly, and I'm a senior environmental planner with CH2M Hill. My business address is 155 Grand Avenue in Oakland, California.

My specialty is the evaluation of the aesthetic effects of --
CHAIRMAN BLACK: Excuse me just a second, please.
Can you hear in the back? Can you hear back there?

AUDIENCE MEMBERS: Barely.

MR. PRIESTLY: Is this better now?

CHAIRMAN BLACK: Yeah, it's better, I think. Better for me, at least.

MR. PRIESTLY: Okay. So my specialty is evaluation of the aesthetic effects of large projects of various kinds.

So very briefly in terms of my qualifications for doing this kind of work, I have master's degrees in city planning and environmental planning and a Ph.D. in environmental planning from the University of California at Berkeley. And I have been doing this kind of work for over 20 years.

And I prepared the evaluation of the aesthetic effects of the Kittitas Valley Wind Power Project as it was originally proposed. And I've also prepared an assessment of the aesthetic effects of the revised project. And you'll find my assessments of those effects in Tab 11 of the materials that have been filed with you by the
applicant.

I should probably say something very briefly right now about the methods I used to conduct my analysis. The approach that I followed is one that's been developed over the past 30 years or so by federal land management and infrastructure agencies. And a lot of effort and research has gone into the development of these methods to create a very systematic approach that could be used to make an evenhanded assessment of the potential visual changes of projects of this type.

So the approach that I used is one that is very, very much standard in the profession and is very widely -- it's very widely applied.

And as I mentioned, my analysis is presented in Exhibit 11 of the document, and so rather than going into great detail about what's in it, I'm just going to make a couple of points that may be of some assistance to you as you read it and evaluate it.

One important point is, well, how did I pick the views that I chose to focus on in preparing this supplemental analysis? And what I did is I went back to the original analysis and first
decided to focus on all of those viewpoints from which it was originally determined that the project, as originally proposed, would have had high levels of impact.

And then I also chose to focus on a couple of viewpoints where the original impacts were moderate at most but which were located along the Highway 97 corridor. And the rationale there is it's that corridor from which the very largest numbers of people are going to have views, particularly views at closer range of the turbines that are a part of this project. So there was a very, very clear rationale for the selection of the viewpoints that were used in the supplemental analysis.

What I'd like to do now is just very briefly run you through the PowerPoint slides that show you -- that will illustrate some of the -- some of the illustrations in Tab 11.

I'd like to start with the view of the original project of the viewpoint of Highway 97. Right at the top of the ridge some of you might be familiar with the gravel pit up there. And under the original project a total of nine turbines would have been seen in this area. And
this was assessed as being an impact that was high.

As you travel north on Highway 97, you’re probably all very aware of that fact that the landscape becomes quite interesting, has quite a high quality as you pass over the ridge and head north.

This is the project as it is now proposed. In response to some of the feedback that the applicant got, the decision was made to remove all nine of those turbines, and it’s -- I think it’s fairly understandable to -- that my current rating of the impact of the project on this view is that there is no impact.

Okay, next view. This is a view also on Highway 97, and some of you might be familiar with the northern end of Bettas Road. It hits Highway 97. This is from that intersection looking south.

Under the original project it would have been ten turbines. Well, we’re not getting our -- I apologize, we’re not getting our "after," but let me walk up there and I’ll show you what’s happening up here.

Under the current project, these turbines,
all these turbines have been removed. The only ones visible would be these here. These here in the distance.

CHAIRMAN BLACK: Could you --

MR. PRIESTLY: Most of you probably couldn't hear that, so I'll explain here on the mic.

CHAIRMAN BLACK: Thank you.

MR. PRIESTLY: Nine of the turbines on the left would be removed, and the only turbines visible would be the three turbines at the very, very far right end of this view. So there would be a substantial change in the level of impact in this view.

Under the original project the impact on this view would have been moderate. It's now rated as low.

Next slide. And this is the view from the enclave of rural residences in Section 35 at the very, very far end of Elk Springs Road. Under the original -- under the original project, something like 40 turbines would have been visible from this viewpoint.

Next. And under the project that is currently proposed, the number of turbines visible would be reduced to fifteen.
And what's also important, you might remember from the map that Dana showed you a little earlier, there are a lot of "X"s in the area closest to Section 35, so the turbines that would have been the very, very closest to the views from this area have been removed, so what's left are turbines that are more visible.

But because of the very high initial quality of this view, my assessment is that the impact on this view is still high.

And some of you may be familiar with Forest Road 35. It's up at the upper end of Reecer Creek Road. It provides access to the recreational areas up on Table Mountain. This is the view of how the original project would have looked from there, and in this view there would have been 146 turbines visible. And under the current project that's been reduced to 60.

And this impact, though, again, given the very high scenic quality of this view, even though the numbers of turbines has been greatly reduced, the level of impact has been reduced, the assessment is still that the impact on this view is high.

And finally, I want to pick up on a couple
of things that Dana had to say about lights.
Under the initially proposed project, the project
would have entailed the use of lights on
something like 60 of the turbines; there would
have been flashing lights during the daytime --
flashing white lights during the daytime, and at
nighttime there would have been flashing red
lights.

And as Dana indicated, the applicant has
been working very, very closely with the FAA. In
the last couple of years they’ve done quite a bit
of research flying around wind farms at nighttime
in different places of the company -- in the
country and trying out different combinations of
lights to see what would really -- what’s really
necessary to provide for safety.

And they have greatly reduced the number of
lights required. That’s what’s reflected in the
current plan. So now people looking at this
landscape during the daytime would not see
flashing white lights; and during the nighttime
they would be seeing, you know, a third or fewer
of the red lights than they would have seen
before.

And a couple of things to say about these
lights that's important to understand. One is that they are very highly directional. And because they are shielded and directional, it means that you won't be getting a lot of, like, light trespass on land areas that would have the effect of potentially increasing ambient light conditions, and you won't get the backscatter into the sky, which has the potential for creating skyglow, like a red skyglow at nighttime.

And the potential for skyglow is actually further reduced by the fact that under the new regs, all the lights flash at the same time. And I recently had a long conversation with the people from the FAA, and they said that one of the things that they had observed in flying around these sites at night, when the lights were synchronized there is no potential for skyglow.

So I guess on that note I'd like to end, and you can see the details of my testimony in the written documents.

COMMISSIONER CRANKOVICH: I have one question.

CHAIRMAN BLACK: We have a question, please.

COMMISSION CRANKOVICH: In your slides, do
they represent the true scale?

MR. PRIESTLY: Yes. Yes, they do. And if you want more documentation, there's a little section in the initial environmental assessment that we submitted to EFSEC that provides kind of a technical -- the technical basis for the various things that we did to assure that the scale that you get in the simulation is accurate.

CHAIRMAN BLACK: Any other questions? No. Thank you.

MR. DeLACEY: Good evening. My name is Barton DeLacey. I'm a -- I'm with Cushman & Wakefield from Portland, Oregon. My address is 200 Southwest Market Street, Suite 200. I'm the director of litigation support at Cushman. My background --

CHAIRMAN BLACK: Excuse me, could we get a tab that you're talking about?

MR. DeLACEY: I'm sorry, I'm here to address the impacts on property values.

MR. PECK: It's Tab 10.

MR. DeLACEY: Tab 10A --

CHAIRMAN BLACK: Thank you. That's extremely helpful --

MR. DeLACEY: Tab 10, and then my CV is
in -- right behind it.

CHAIRMAN BLACK: Thank you very much.

MR. DeLACEY: Okay. My background to address this includes a master's degree in planning. I'm also -- I've been a professional appraiser for over 25 years. I hold the MAI designation. I also teach adjunct at the School of Business Administration at Portland State, and I've been a certified appraiser in the state of Washington for 15 years.

And I'm also -- I'll mention this only because it's -- there's literature which we address that is published in studies, and I also was elected a Fellow in the Royal Institution of Chartered Surveyors, which has published some studies on wind farm activity in the British Isles.

COMMISSIONER McClAIN: I don't think anybody's actually able to hear you unless you get really close --

MR. DeLACEY: I'm not told that at home very often, but all right. For once I have my inside voice. Sorry, excuse me.

I've conducted impact studies on what we call LULUS -- Locally Undesirable Land Uses. And
as Mr. Black has said, many times there's nothing wrong with this particular use; it's -- sometimes they can be very desirable and have great utility and we just don't want to look at them, we don't want them near by us, but they're great to have them someplace.

So my work has included work with siting gravel mines, wind turbines, power plants, prisons, and last month I was asked to help a group of volunteers site -- or relocate a homeless shelter in Orlando, Florida, because that was also considered a Locally Undesirable Land Use to a growing downtown.

I've studied the Wild Horse project, also wind projects in California, Oregon, and recently in upstate New York.

Part of what I do, my methodology includes researching and keeping up to date on the literature that has been published from time to time regarding, again, how LULUs, if you like, adversely -- or how they can impact property values.

And indeed, adverse impacts on property values can be measured in some circumstances. But what it requires is a high volume of
transactional activity such that one can do a statistical analysis.

Many times appraisers use statistical terms when they do appraisals. They'll average three sales and come out with the value and they'll say, well, that's the value of the house. But you know, in fact, the data that appraisers typically use in coming up with values is really anecdotal evidence and it informs the judgment of the appraiser.

So you're having to deal -- really, it's all about the experience the appraiser has with that type of property as opposed to some dry analysis of numbers.

But back to the kinds of data that we need to measure value impacts, where we've been successful in measuring it, in gauging it, we find it's in fairly dense urban areas where we have lots of sales over a long period of time so you can go through and randomly sample the population. And then you can do what's called a hedonic model, where you're able to then explain various factors or look to various factors to explain a change in sale price.

Unfortunately this isn't possible in rural
areas for obvious reasons, because we don't have a high volume of sales activity and the properties are very unique. So what do we do to see whether or not or to try to hypothecate whether or not a particular change in the landscape is going to impact values?

Well, first we have to look at the types of properties that are impacted. And what we're talking about is a visual impact. It tends to be aesthetic. Now, if you put a turbine or something right on somebody's property, that's a direct impact; and for that typically there's direct compensation or the land is bought.

Well, we're really not talking about that. We're talking about somebody who isn't directly affected in the sense that the project is not on his or her property but is, in fact -- drives by it, looks at it, lives in the neighborhood, and is in some fashion influenced or feels influenced, they may be influenced by that change, by that structure.

So in the Kittitas Valley what we -- we did an exhaustive inventory of all the properties that were affected, we looked at all the neighboring properties. We've also looked at --
we've done inventory of all the sale transactions that are reported at the assessor's office, also through multiple listing.

Fortunately Washington state is a disclosure state, which means that transactions involving the sales of property are -- at least there's a nominal price recorded, so that information's accessible in the public record. That isn't always the case in some states. We've looked at that.

And what must be understood is that properties have value because of their utility or because of the expectation that there will be some future benefit. Such as you have an apartment building, you buy an apartment building because you're anticipating rents. You pay a lot more money for the apartment building than you're going to realize in rents, but you're anticipating those rents to come in over time.

You know, a farm or agricultural land has utility based on its carrying capacity. It's also the lifestyle of the person who chooses to be a farmer and be able to work the land. So there's utility that way.

But clearly the kind of property that is
influenced by the aesthetics of a -- of a change in the landscape is going to be residential property. And the rules are kind of different for residential property compared to other types of commercial property, land and timber, where basically experts can agree as to value based on how much income they're going to, you know -- if you and I agree as to what the rent's going to be on a retail building, there won't be a lot of difference between where we come in at value if we both agree that there's been rent.

But when we come to residential real estate, it's much more sensitive to personal tastes. And again, that's the area that we are most concerned about when there's a change in the landscape.

Now, in fact, when you see in the pattern, when we went through and did the inventory of the potentially -- of the properties that might be affected, we looked at a lot of things and admittedly in a subjective way, but there is fairly consistent criteria that comes to mind and develops.

And one is the concept of a pristine viewshed or a pristine view. And there are many areas where strings of wind turbines have been
proposed that one could hardly say the viewshed there is pristine; the hand of man is all over it.

You have -- you're in the middle of a transmission corridor, so you have transmission towers, you have power lines, you have freeways, you have roads. You have, you know, even things like, you know, blue and white tarps over hay bales. I mean, some people might like that; some people might think that's intrusive. Or irrigation pipes scattered in the field and left out for the season.

I -- you know, the hand of man is all over that, and the type of view amenity you have there is not the same as say -- as we were looking at Bettas Road.

And to really cut to the gist of my analysis, it was our finding that in fact the properties along Bettas Road were probably going to be the most directly impacted by the proposed turbine development. Because they had a number of characteristics. One, it was most likely that they were going to be developed residentially; in fact, they were going to be developed with custom homes as opposed to maybe, again, what we were
doing at the Whiskey Dick or the Wild Horse project.

It was always kind of interesting, there were some homes that were sited, you know; where were they? Well, they weren't up on the hill tops; they were down in a hollow where, you know, the wind wasn't blowing. And so, you know, it wasn't really -- very many of them had -- you know, they didn't have views, because if they were where they could have views, the wind would be blowing too hard.

Well, you know, clearly on Bettas Road we have a situation where you've already -- in fact, you're already seeing some custom homes built. We've seen some subdivisions and we've seen sales of land there.

And that's the kind of -- albeit it anecdotal, but very compelling evidence that we look at that says, you know, if there's going to be that kind of land sale activity going on, there's going to be that kind of platting, particularly post-announcement of the proposed project -- it's been public knowledge that it would likely come -- that kind of evidence says that the market's either indifferent to what the
impact will be, or -- but it certainly doesn't suggest that there's been any negative value. It's just -- it's a preference.

And again, we have to go back to those characteristics of residential value that have to do with appeal, because we all have different tastes. And some people like to live in the woods; other people find that claustrophobic. They want a, you know, sun-drenched landscape. We're all different, we all celebrate that diversity.

The market looks at really rather ill-defined but nevertheless valid indicators to suggest we look at aggregate -- we look at aggregate numbers, the aggregate volume, the velocity of homes that have sold, how many have sold, how many sold compared to last year, what have been those values, you know, have the average price of homes sold, has it gone up or not.

And by all indicators, the Kittitas Valley, there's been virtually no change, not even a hiccup, looking at the sales activity for the homes in this region prior to the announcement of the project in early 2002 all the way through
2005.

Now, there might conceivably be a change once the turbines go up, but again, the evidence we look at in other areas where these things happen is, is that yes, there's always disruption when there's construction, but once the improvements are in place, the market gets used to them.

And people value silos, and I've seen wind turbines at freeway interchanges in Iowa because they really think that's neat to look at. I was just up at -- if you go by Suncadia, I mean, they're right next to a power line corridor, structures that are arguably intrusive, but they're there and, you know, the market says, Look, that may be better if it wasn't there but the fact is this is a wonderful development and we'll, you know, orient our improvements looking somewhere else.

So in conclusion, with the tools available, with the data available, we just don't have evidence that will support the contention that wind turbines will diminish property value in this area.

The -- again, you have to look -- what truly
does influence property values are things like population growth, strength of your economy, frankly the presence of a resort, high-end resort and a huge investment such as Cascadia -- Suncadia.

What will diminish property values are things like loss of population, drops in population, can be devastating. Bank closures. If your community is dependent on a particular industry and that industry closes, then you have real stress on property values.

But those factors are not present in this community today. And even in the most sensitive -- with the most sensitive parcels that we've identified, we simply can't find support for concerns that property values will be diminished.

CHAIRMAN BLACK: Questions?

COMMISSIONER McCLAIN: Mark McClain for the record. You said that you -- in your contemplation of this that the property values hadn't changed between 2002 and 2005.

MR. DeLACEY: No, they actually have. The average price of homes sold has increased consistently and steadily with other areas around
here.

COMMISSIONER McClAIN: Right. And that's in contemplation, would you imagine, to the land itself in that area, or is that just the Kittitas Valley?

MR. DeLACEY: We found it in both places. I mean, we found, again, anecdotal evidence, compared sales and such, that suggested that prices -- land prices were going up just along Bettas Road as a result of development activity. And it was in line with the overall appreciation in values which we were able to track within Kittitas Valley.

COMMISSIONER McClAIN: Okay, but I mean -- but you -- I guess what I'm asking, what I'm a little concerned about, your -- you proposed as part of your basis for your analysis that in looking at whether or not there was impact as a result of announcement regarding this project in terms of the property that's in the area, would you agree or disagree that, say, an example in 2002, when this project was initially declined, that that is some settled area that would support the reason for growth in that continued area or the high price of land in that area? Or would
you say that that's just an inappropriate consideration?

MR. DeLACEY: Well, in other words, that the project was initially tabled or declined in 2002?

COMMISSIONER McCLAIN: Well, I guess what I'm saying is how can -- I mean --

COMMISSIONER HUSTON: Mr. Chairman, if I might intervene, I suspect Mr. McClain's confusing two projects, which we don't want to do. Keep in mind we have not had a decision process in this. It was withheld. It has not gone on to EFSEC, so there is no decision in the past in terms of this particular project.

So just -- I just want to make sure for the record that we're on the right application and that we don't -- granted, we've already had staff introduce certain information from other processes, but just for the sake of the discussion, we might be extra cognizant of the application before us.

COMMISSIONER McCLAIN: I appreciate that. First of all, certainly I wasn't involve in that initial contemplation; don't know anything about it.

My question actually stems around how can
you possibly decide in terms of this project whether or not a value has changed when I would suspect most people in this community wouldn't have been aware that this project was proposed, until a couple of months ago? So how do you --

MR. DeLACEY: Well, I don't think that's -- that's not the history, as I've been involved with this for at least two years, that I know it's been -- it's been out there.

You know, there -- one of the points I try to make is that -- that's my point about how real estate is about expectations of value, and when things are announced or things are expected, real estate investors and others who participate in real estate markets tend to move accordingly.

So if you're going to open a plant, you'd be surprised at who buys land in the area. You go up -- and even just having the knowledge out there, yes, some people will have it a little bit sooner and they make -- they move a little faster than maybe the rest of us. I always make the comment that if you ever see appraisers buying a property, we tend to be the last ones to know because we're always kind of looking backwards. So if you ever see appraisers investing in
something, you might go buy something else.

COMMISSIONER McCLAIN: You've obviously been out to the site.

MR. DeLACEY: Yes, a number of times.

COMMISSIONER McCLAIN: Okay. You say there are little more than seasonal cabins out there, and I'm referring to --

MR. DeLACEY: Oh, that's the northern cluster.

COMMISSIONER McCLAIN: And then so that's obviously not in reference to the homes that are on Bettas Road?

MR. DeLACEY: No, no.

COMMISSIONER McCLAIN: Okay. How many homes have been built in the Bettas Road area in, say, the last, I don't know, year or so?

MR. DeLACEY: Well, there appear to be at least -- at least two new homes that I was able to count that -- I was out here -- I inspected the area in May and October of '04. And when I went back out there this fall in November, there was at least one new home and there may have been a second.

There were some indications at the County that there were some footprints that were laid,
but of course there was snow on the ground, so --
but there was at least two new homes that I
observed to have been built just in the two years
that I've been working on the project.

COMMISSIONER McCLAIN: And those aren't
seasonal cabins; those are large homes?

MR. DeLACEY: They were -- I would classify
them as custom homes. They may have been
seasonal. One of them didn't have a -- didn't
appear to have a garage, for example, but was a
very nice story-and-a-half kind of log,
wood-sided custom home.

COMMISSIONER McCLAIN: In your analysis was
there any discussion with the home owners that
were in the area -- because you said regarding
personal taste is part of the reason why some of
these -- for your evaluation --

MR. DeLACEY: What we did is we -- I did
speak with the realtors and some of the
developers that were involved that were sort of
the intermediaries. Often we find that that's a
little better source of information. We didn't
have access to the homeowners themselves.

CHAIRMAN BLACK: Any questions? Thank you
very much.
MR. BASTASCH: Good evening. Am I speaking loud enough?

My name is Mark Bastasch. I am an acoustical engineer with CH2M Hill in Portland, Oregon. Our address is 2020 Southwest 4th Avenue in Portland. I prepared the acoustical analysis on this and numerous energy facility projects, including --

CHAIRMAN BLACK: Excuse me, could you bring us into the tab so that --

MR. BASTASCH: Sure. Noise is --

MR. PECK: 12, Tab 12.

CHAIRMAN BLACK: That's somewhat helpful.

MR. BASTASCH: I prepared numerous fiscal analyses on many energy facilities, including wind farms. I was the only American organizer present for the first International Wind Turbine Noise Conference in Berlin, Germany, which was attended by over 150 acoustical professionals from all over the world.

I was also an invited speaker at the National Wind Coordinating Committee technical workshop on technical issues, including noise. And that was just recently held in December back in Washington, D.C.
I prepared the original analysis on the larger project and the latest analysis which was submitted to the County.

The analysis is based on standard acoustical modeling methods. The project will comply with the county and state noise regulations.

The land surrounding the site is a Class C EDNA environmental designation for noise abatement. That establishes a 70 dBA threshold at the property line. This project achieves 50 decibels at the property line.

Additionally, we looked at residential residences and we also looked at them using the residential criteria of 50 dBA. That's a Class A EDNA. And the project complies at all residences. This project, like the larger project, complies with the appropriate state and local noise regulations.

And I understand that there has been some discussion regarding low frequency noise and infrasound, and I would like to set the record straight, because this was a topic at the conference in Berlin. And the leading independent experts have published several studies that really state that these concerns are
unfounded, that infrasound and low frequency
noise from wind turbines primarily was associated
with the downwind machines, and we’re now all
commercial; the viable projects are using upwind
machines, and that has resolved those issues.

And with that I conclude.

CHAIRMAN BLACK: Questions?

COMMISSIONER CLARK: Grant Clark.

In looking at your study here, and it lists
a number of I’m assuming adjoining properties,
property owners, and the sound levels at their
particular homes. Is that -- on Page 2 through
about 4 of your section here, there’s a table,
shows noise levels and -- am I correct in
assuming those are the levels at --

MR. BASTASCH: Yeah, the table does --

COMMISSIONER CLARK: -- the particular --

MR. BASTASCH: The table does specify noise
levels at homes and noise levels at property
lines. So there are two columns there.

COMMISSIONER CLARK: Can you characterize
for me -- it looks like the range here runs here
from about 20 to 50 decibels. Can you
characterize for me what 20 decibels sound like,
what 50 decibels sounds like?
MR. BASTASCH: Sure. There was actually a -- 20 decibels is -- would be considered quiet, very quiet. Sometimes it’s considered -- 20 decibels or less sometimes is considered a recording studio level. 50 decibels is probably what we’re experiencing close to in an office building complex or office building setting. Or potentially when we’ve got the HVAC system kicking on here, we’re probably in the 45-decibel range, would be a qualitative assessment.

COMMISSIONER CLARK: Okay, thank you.

CHAIRMAN BLACK: Any other questions? Thank you very much.

MR. PECK: Just for reference before Mike gets started, this is Tab 14.

CHAIRMAN BLACK: Thank you. Helpful.

MR. BERNAY: Good, because I didn’t know my tab. My name is Michael Bernay. My business address is 3101 West Coast Highway, Newport Beach, California.

I’m the executive vice president for World Link Insurance Services and World Link Specialty Insurance Services. We are a wholly-owned, 100 percent wholly-owned subsidiary of a firm called Jardine Lloyd Thompson. Jardine Lloyd
Thompson is the largest Lloyds of London broker, headquartered in London. We specialize in wind energy projects, the insuring of wind energy projects.

We -- World Link Specialty manages and operates a facility, an insurance facility exclusive to the wind industry. I personally have day-to-day responsibility for managing the WindPro facility both here in the United States and worldwide. I’ve been involved personally in the wind industry business since 1985, when we wrote our first wind project -- we called it a wind farm back then -- in California. So I’ve been around the industry for about 20 years from the insurance side.

WindPro is the facility that we own and we manage and is dedicated to the wind industry. We believe it’s the largest single facility insuring wind projects.

Presently we have 8000 megawatts of wind power projects insured underneath our facility. Which relates to about, from what we can tell, about 20,000 wind turbines. We’re in 20 different countries and have just gone beyond 20 different countries. We wrote the first one in
Brazil. The first wind project in Brazil. And we are presently writing in probably 25 different states.

We presently insure I would say approximately 60 percent of all wind projects in the United States and approximately 80 percent of all the wind projects that are operational in Canada.

I've been asked to address basically the general safety issues that are associated with wind energy and wind projects specifically.

As a basis of our underwriting, we deal specifically with technology issues. And since 1985, since I've been in the business, we've really -- we've gone through approximately six generations of wind turbine technology. And that's gone from a 25-kilowatt wind turbine to presently now a 2-megawatt wind turbine, which is now what most projects are considering, between 1.5 to 2 megawatts.

And as these have become bigger, we've also -- we've also seen the safety issues become -- that the projects become much safer. A lot of this has to do with the way these -- the way the turbines themselves are designed and the
projects are designed.

All the turbines that we will insure have to be on an approved list. And we start our approved list by requesting third-party certifications from third parties that specify that the turbine will do exactly what the turbine says it will do or the turbine manufacturer will say -- says it will do. So we always ask for a third party to also be involved before they can get onto our list of turbines that we would be insuring.

Our primary -- our experience, our experience in claims and accidents has been -- has been very, very favorable and becoming more and more favorable.

Basically we provide two types of insurance coverage. We provide coverage for third-party liability, which I think you might be probably most interested in. And that is for damages that occur to either individuals on a bodily injury basis or property damage to trucks or -- or just vacant land. And crops, et cetera.

And we have had absolutely not a single, to date, a single claim to third-party bodily injury. So there -- we just have not had that
experience. We have had a couple of incidents where fires have started and we've lost some crops, we've lost some -- some of those things that we've had to pay on. But the third-party incidents have been very, very, very low.

Our primary coverage is for the protection and the offering of protection for the actual wind power -- wind power turbine assets and balance of plant assets. We insure them -- these are quite large projects, and we will insure all the -- all the assets for a variety of different perils, including mechanical and electrical breakdown coverages. So we're the ones that are paying if these do fail.

Specifically I think in my written testimony I made reference to the fact that we have not had any -- we have not really had any claims -- we know of no claims that -- for the collapse of any wind towers. We've had very minor claims for mechanical and electrical breakdown, which is -- and the majority of our claims are all due to lightning. 55 percent of all of our claims.

Our conclusion, quite simply, is the way wind projects are built and designed today, they've never been more safe. And they continue
to get safer. It's people like you that do a lot of -- help us with that, because you're, you're our eyes and you make sure they are safe, so we appreciate this whole process.

And the wind projects are, from our standpoint, a very, very good risk and we, we are the ones that will ultimately pay if a claim were to occur. We very much like the risk and we're going to continue insuring wind projects.

That's all I have.

CHAIRMAN BLACK: Any questions? Mr. Huston.

COMMISSIONER HUSTON: Thank you, Mr. Chairman. Perry Huston, Commissioner District 3.

Sir, in terms of a project of this nature, when you write a policy, give me an idea what sort of exclusions I would see in that policy, what kind of deductible might I see.

MR. BERNAY: Well, are you talking on the first-party property, are you talking third-party liability --

COMMISSIONER HUSTON: I'm not so much interested in actually replacing the turbines so much as a third-party liability --

MR. BERNAY: Typically the owners will not
have a deductible. The deductibles are minor. And the reason for that is that we prefer to settle the claim and not give that opportunity to the owners to do so. So we will typically not offer a deductible or they'll be as low as $2500. And -- typically the 2500. We give no credits for anything above 2500, so there's no reason to take a deductible.

Typically right now here in the United States if a power, an interconnect agreement is required of the project, the FERC has required a minimum of 20 million in limits for third-party liability, so -- and that's a per-occurrence limit. So we'll put up $20 million per loss per occurrence per accident. To third-party.

COMMISSIONER HUSTON: Any exclusions that are consistent in the industry?

MR. BERNAY: On third-party liability, nuclear. But that's not one you're going to see. Not -- there're very, very -- it's a very, very broad coverage.

Intentional acts. So if you were able to take the turbine and somebody do damage to somebody on an intentional basis. But those would probably be the only ones that are -- that
you would see on a regular basis.

COMMISSIONER HUSTON: In terms of the projects you've insured, how many would compare in terms of proximity to residential uses, et cetera with this project?

MR. BERNAY: I'm not that familiar with the -- with the actual residential use and the way it's -- this project has been -- has been designed. But I can comment on the fact that we insure projects in Germany; and Germany being the largest country for wind energy, we have -- it has close to 14,000 megawatts to the United States' 6 or 7. They have, they have turbines sitting right in their -- their town square in certain villages so, I mean, there's a wide range. Granted a lot are, are off the beaten path, but some are right in downtown.

COMMISSIONER HUSTON: Thank you.

Thank you, Mr. Chairman.

CHAIRMAN BLACK: Thank you.

Before we -- it's approximately 8:30. We're going to have a ten-minute break and let the reporter's fingers straighten out.

(A break was taken.)

CHAIRMAN BLACK: Do you have any idea of how
much time we're looking at, at the present time for the rest of your --

MR. PECK: Another ten, fifteen minutes.

CHAIRMAN BLACK: On this presentation?

MR. PECK: Total.

CHAIRMAN BLACK: Okay. Total? And then we'll hold -- after the public testimony, then you'll come back and you can give some rebuttal.

MR. PECK: That's our understanding of the process --

CHAIRMAN BLACK: Right, that's the way it is.

We have about 90 names of public testimony that will go after this. We're not going to obviously get this done this after -- this evening or whatever it is, and so the thing that I would like to ask the audience is if there is anyone in the audience that is here today that wishes to testify and cannot be here tomorrow.

Now, you're not kidding me, are you? I mean this is -- there are three of you, right? Would -- five?

Would it be acceptable by the rest of the people to have these three to five testify so that they don't have to come back tomorrow or so
we don’t lose their testimony? Is that acceptable to the people in the audience?

AUDIENCE MEMBERS: (Yesses)

CHAIRMAN BLACK: Do I hear a yes?

AUDIENCE MEMBERS: (Yesses)

CHAIRMAN BLACK: Do I hear a no?

AUDIENCE MEMBERS: (Nos)

(Laughter)

CHAIRMAN BLACK: Okay, we’ll do that, and I think if you don’t mind, you will be the first five. And then you can split, do whatever you need to do, okay? Thank you for your time.

MR. PECK: I’m actually the next person up, too, so this is actually --

CHAIRMAN BLACK: Oh, you are? Okay. What a wonderful time this is, then.

MR. PECK: And I’m on Tab 16. I’m speaking for Wally Erickson from WEST, who’s our habitat biologist and has the interesting professional title of being a biostatistician. Years of practice, I’m finally able to get that out in one effort.

CHAIRMAN BLACK: Excuse me, was he going to be here tomorrow?

MR. PECK: He’ll be here tomorrow, yes.
CHAIRMAN BLACK: Would you prefer --
It's probably better that we do it this way.
MR. PECK: It seems like that might confuse
the process.

CHAIRMAN BLACK: Right, it will --
MR. PECK: He'll definitely be here for
rebuttal --

CHAIRMAN BLACK: It's probably not legal and
the whole thing, so let's just do --

MR. PECK: Well, the punchline is really the
WDFW approval for the project.

But before I get there, there was a
year-long habitat study done by the WEST folks
using what are widely accepted practices that
Wally's much more qualified to explain than am I.

A year-long study includes things like
raptor nesting, which tends to have a high
predictive value for what raptor use of an area's
going to be.

But the main thing that I'd like to say is
that the WDFW folks approved both the analysis
that was performed, the methodology of that
analysis, and they also ruled that the
mitigations that were proposed were sufficient,
and they did that in a letter dated September
17th, 2003, the first sentence of which -- it's always amazing to receive from these guys, right, is -- "As we discussed, this letter is intended to confirm our support for the wildlife habitat mitigation proposed by" then "Zilkha Renewable Energy for the Kittitas Valley Wind Power Project."

And that I think pretty much covers the habitat discussion under that tab. And Wally will be available for additional questions tomorrow.

CHAIRMAN BLACK: Is that letter part of the record? I don’t think I’ve seen --

MR. PECK: It is part of the record. I’m not sure if we’ve actually got it under out Tab 16 --

CHAIRMAN BLACK: It’s not under Tab 16.

MR. PECK: We can certainly provide it.

CHAIRMAN BLACK: Would you, please? Would it be satisfactory -- would you care to read the -- into the record, read the letter?

MR. PECK: Oh, it’s -- the first sentence is really the punchline, too, I think. I mean, basically they approved it.

CHAIRMAN BLACK: Okay, would you provide
copies for us?

MR. PECK: Certainly will, certainly will.

CHAIRMAN BLACK: Okay.

MR. PECK: And if I could, I'd also like to finish up the expert section of this by asking Andrew Young if he might come up.

CHAIRMAN BLACK: Before you do that, do we have any questions --

MR. PECK: Oh, sorry, sorry.


MR. PECK: And this is Tab 15.

CHAIRMAN BLACK: See how easy that is? That just works so well.

MR. YOUNG: Good evening. I'm Andrew Young with Horizon Wind Energy, representing the applicant. And I'm here to discuss Tabs 15 and 15A and 17. 15 is a report on shadow flicker analysis. And Exhibit 17 is my resume. So I'm going to discuss two portions, aspects of the project, specifically shadow flicker, the methodology used, and the reports and findings.

I worked closely with Arne Nielsen. He's with a company called Wind Energy -- or Wind Engineers, Inc. He's an independent consultant.

And why don't I start with just defining
what shadow flicker actually is. Shadow flicker is essentially the casting of a shadow by the moving object. So specifically for this application, for the Kittitas Valley Wind Power Project, shadow flicker is defined as the alternating changes in light intensity caused by wind turbine blade as it passes through the sun's line of sight, causing a passing shadow.

So this is the kind of passing shadow effect that one might experience at a receptor in the proximity of a single wind turbine or in the area of a cluster of wind turbines.

So specifically for the project analysis, a specific software was used that's widely accepted in the industry called WindPro, which is a product that's used all over Europe to analyze and assess the impacts of shadow flicker.

Specific inputs to the project include the specific turbine locations, which have been, as previously discussed, significantly reduced. And setbacks also increased quite significantly from nearby residences and property lines through the mitigation. And the specific geometry and sizes of the machines are also inputs to the model.

The specific locations of residences, the
terrain and the topography, whether the turbine's on a hill or in a valley, which we don't have, but if the house is on a valley, for instance, we look at the wind data, how much wind there is during summer months, winter months, et cetera. We also used from the National Weather Service sunshine and cloud-cover data.

Also of specific mention, which I'll discuss with you and I'll point out some of the plots that are contained in Exhibit 15, that the assumption for a house as a receptor, because we didn't go up to everyone's house and go onto their property and look at which direction they had windows, et cetera, we assumed an omnidirectional window, which basically is a glass box with windows pointing in all directions. So what you're seeing in the assessment, what we've come up with in our results, assumes a glass house.

What was not assumed in the model are mainly two things. If there's any obstructions. If a house, for instance, doesn't have windows on the east face or a south face or a west face, if there's trees in the way, curtains or other structures, that might sort of eliminate the
shadow flicker effect from actually happening inside a residence.

So if I could draw your attention to Exhibit 15, there's some color contour plots at the back of those. If you pull open any one of those, I'd like to just explain what those actually are.

The contour plots, basically there's lines -- if you look down at the very bottom left of each page of any one of the contour plots, you'll see the number of hours per year of shadow flicker that are occurring around the turbine locations. At the center you'll see the turbine locations which are sort of red-looking tripods.

And then around you'll see a red line, which indicates shadow flicker effect happening at 200 hours or more. The orange line is 100 hours or more, and the blue line is 50 hours or more. And the kind of reddish line is -- or the burgundy-type line is 24 -- 25 hours or more. Anything outside of 24 or 25 hours is, you know, quite insignificant and extends almost beyond a kilometer or more than 3300 feet from any one of the wind turbines. So that just gives you an idea.
The specific residences, if you look at any one of the contour maps, you’ll notice yellow semicircles, and those are specific locations of homes.

So as you flip through -- I just want to explain that diagram. If you want to know how much shadow flicker there is anywhere on the map, it’s been covered by the analysis for quite an expanse, you know, far further than 3300 feet out from the turbines. So all the residences that were within the shed -- or shadow flicker impact area were examined for the project.

Results of the studies: There are zero residences with any more than 100 hours of shadow flicker impact per year. And there are two residences with shadow flicker of more than 50 hours per year. Of those two residences, one is a non-participating landowner, and the other one is a participating landowner.

The other thing I’d like to point out is -- also in the tables in Exhibit 15 -- that the max number of hours per day, the distance to the nearest turbine for all the residences in the vicinity of the project are also included.

For the record, I’d also like to state that
shadow flicker effect has -- we've, you know, through extensive document search there were no findings of any documentation about adverse health effects caused by shadow flicker.

The Epilepsy Foundation, which has quite an extensive website and also doing research for them from their published information, didn't reveal anything; and what they do report, however, is that fast strobes that are in excess of 10 Hertz can cause epilepsy -- or epileptic seizures, excuse me. And for the wind turbines that we're discussing here, we're below 1 Hertz. So we're an order of magnitude less than what would be considered sort of being in the area that might be close to inducing something like an epileptic seizure.

One other thing that's not included in the analysis is the fact that as the further distance you get away from the turbines, the shadow flicker intensity also diminishes. It's basically the stark -- how stark the contrast is between the shadow and the bright light. If you're close to the turbine, the shadow flicker intensity would be quite high. If you're further from the turbine, you may still get shadow
flicker; but the blur, if you will, or the intensity, you know, the shadow would be less dark than if you were close up. Sort of like standing below a tree you'll notice the same things.

The other thing I'd like to point out, just to explain the shape of the butterflies that seem to be surrounding the turbines, they predominantly extend east-west. We're in the northern hemisphere, so most of the shadows are also to the north, so the shadow impact zones make sense just, you know, from a layman's sort of perspective on the stretch and extent. It's calculated numerically based on the rotation of the earth, the exact latitude/longitude of the machines, the height of the machines, et cetera.

Just a summary of the setbacks that you'll find in the tables that were included with the analysis that we don't have any turbines within 1200 feet of any existing residences or structure. Some of the structures are used seasonally or as hunting facilities. Other setbacks that we've maintained through the project design are 541 feet from non-participating property lines, consistent with
the Wild Horse project. And we've also imposed a tip-height setback from all public roads, including Elk Springs Road.

So I think that's, you know -- in summary, the detailed information covers the effects of shadow flicker quite well. And with the revised site design, there's been a significant amount of mitigation that has also been done to help reduce the impact.

So with that, I'll finish and open it for any questions you may have.

CHAIRMAN BLACK: Tab 17 is your resume?
MR. YOUNG: Yes, that's correct.
CHAIRMAN BLACK: Any questions?
AUDIENCE MEMBER: I have a question --
CHAIRMAN BLACK: Mr. Williamson.
COMMISSIONER WILLIAMSON: Don Williamson.
On this analysis I -- as a layman I understand that the angle of the sun is what basically creates the shadow. Is this -- how do you take into consideration the fact that we have such a diversity of angles that our sun approaches these turbines at? In other words, in the summertime it's relatively high, but in the wintertime, this time of year, it's extremely
low -- you know, much more close to horizontal, which casts a much longer shadow. Is that taken into consideration in your analysis?

MR. YOUNG: Yes, absolutely. That's exactly why these shapes are not sort of, you know, perfectly symmetric; sort of ellipzoids, if you will, or sort of figure 8's that one might see if you were perfectly on the equator. That's exactly why those shapes -- and also the shapes are dictated because of the shape of the terrain and the angle of the sun coming over that terrain. There's a lot of hill features, et cetera, that are actually done through computer numerical model with the digital elevation modeling. That's included in the software.

COMMISSIONER WILLIAMSON: Okay, so then, like you say, the butterfly effect around that indicates that any -- that throughout the year this is basically going to move through it -- throughout that shape?

MR. YOUNG: What the contours indicate are, for instance, if you're inside the orange contour, that the total number of hours of shadow impact are somewhere between 100 and 200 hours.
If you're outside the orange and between the orange and the blue, you'll be somewhere between 50 and 100.

Do you see the legend on the lower left?

COMMISSIONER WILLIAMSON: Yes.

MR. YOUNG: That's exactly what it is.

COMMISSIONER WILLIAMSON: Okay.

MR. YOUNG: It's very -- it's like an isoline or like reading a contour map, if you will, very much like a topographical map.

COMMISSIONER WILLIAMSON: Where this non-participating landowner that you say there's only one, how much has it affected it and where is it located? Can you tell me on which of these pages it is?

MR. YOUNG: If you could bear with me I can. Yes. I'll submit to the record exactly that one, and I'll refer to the page that would show that. If you look on -- there is a contour plot that has in the top -- let me see if it's differentiated.

I'm going to have to approach and --

COMMISSIONER WILLIAMSON: How about the calculation numbers? Is that it?

MR. YOUNG: Yeah, it's calculation number
CHAIRMAN BLACK: Would you like to come forward and show it?

MR. YOUNG: Sure.

COMMISSIONER WILLIAMSON: I'm sorry, my question was one non-participating --

MR. YOUNG: Yes, one non. The non-participating landowner is Calculation 05-1-112SF, B, C, D, F, H, I. And --

COMMISSIONER WILLIAMSON: What's the name?

MR. YOUNG: Thompson.

CHAIRMAN BLACK: The non-participating is 56...

MR. YOUNG: I think this is also spelled out in the summary table that's provided in front of all these pictures.

COMMISSIONER McClAIN: 56 hours, 40 minutes; is that right?

MR. YOUNG: Yeah.

CHAIRMAN BLACK: That's the non-participating, and the participating one is Andrew?

MR. YOUNG: That's correct.

CHAIRMAN BLACK: At 84?

MR. YOUNG: And it was Thompson/Giesick.
CHAIRMAN BLACK: Any other questions?

COMMISSIONER WILLIAMSON: Thank you.

MR. YOUNG: Sorry that the page numbers weren't a little easier to find; my apologies.

CHAIRMAN BLACK: Thank you very much.

MR. PECK: Mr. Chairman, if I could, before Erin Anderson prepares -- or presents our summation, I'd like to just as one of the people who was up here initially in the early '90s exploring for sites and identifying these sites, I'd like to address the -- probably the most recurring question that you're receiving, or comment, which is "Why here." And it's actually something that can be answered relatively quickly, and that's, you know, my meander take of that task, that's what I'll do.

Horizon's selection of this site was made because it met your code. You know, when you go looking at the Comp Plan requirements related to how ag lands are used and how residential developments can't restrict traditional uses, and when you add in the other things that a wind power developer looks for, which is obviously wind, and we all know you got a lot of that here; transmission, a pretty prominent feature.
After you've answered those two questions, you ask the zoning question and you ask the Comp Plan question, which was done. I was one of the people who did it a long time ago. You go looking for willing landowners after that. As you can tell, we've got them. You've got leases signed with people that would like to see this development occur on their property.

And then you go through the environmental test phase as part of the SEPA process. And I think between the documentation you've heard about and the people that you've heard testify on it, it really, really comes back to the first three factors were identified in the early '90s. You've got wind transmission, you've got zoning laws that SEPA will allow for this use. There wasn't anything when we were poking around back then that said, Boy, this is going to be a housing development area like you wouldn't believe. It said just the opposite; still does.

And our subsequent research demonstrated that the county's Comprehensive Plan and zoning made frequent reference to preserving agriculture and resource lands, that residential development and rural lands needed to respect the traditions
and culture of protective lands. This is certainly a productive use of those lands. And recognizing the land values were at least as important as scenic views, especially to the people that own the land themselves.

And our initial contact with county representatives and subsequent contacts just reinforced all those points. I mean, if you're an outsider looking where you can do wind in the state of Washington, you don't find a lot of locations where it works. This is one of them. This is one of the best of them.

And if you're that same outsider trying to figure out what the direction of the county is for the land you're looking at, everything you read says this fits.

And with that said I'd like to just respond to any questions folks might have on what a wind prospector goes through to identify a site. Then we can ask Erin to present our summation.

CHAIRMAN BLACK: Mr. Huston?

COMMISSION HUSTON: Thank you, Mr. Chairman. Perry Huston, Commissioner District 3.

Mr. Peck, I just want to make sure I'm hearing your testimony correctly. You're telling
me that in the early '90s you did an analysis of the county's adopted Comprehensive Plan and found that a project this sort would be in compliance?

MR. PECK: We approached the then-planning department, which, boy, it's a long time ago; I remember going into the basement of some place. I have no idea what building it was, but it sure seems like we went downstairs somewhere and wandered around and talked to whoever the staff people were at that time. This would be probably '93 or '94.

We identified the nature of our interest in the area, we specifically asked the question does this seem to be a fit for the areas that we were looking at, this being one of them. And we were told yes. That's why the met towers got put up.

And it's those same met towers the data from which was subsequently purchased by the federal government and made publicly available that continue to draw the attention of wind power project developers to this area.

We'd have never put those met towers up in an area that somebody told us wasn't ever going to be suitable for this kind of activity.

COMMISSIONER HUSTON: I just wanted to make
sure what you were telling me. So you did no
analysis; a staffer at that point told you you’d
be in compliance?

MR. PECK: Well, you know, my boss was the
lawyer and he read through that stuff, and that’s
the conclusion -- he’s the guy who reached the
conclusion that the met towers were worth
investing in for this area.

COMMISSIONER HUSTON: Okay, thank you.

MR. PECK: Sure.

CHAIRMAN BLACK: Any other questions?

COMMISSIONER McCLAIN: Mine’s kind of more

of a --

CHAIRMAN BLACK: Mr. McClain?

COMMISSIONER McCLAIN: Thank you.

(Continuing) -- a big-picture question. I
know that in sitting here on the planning
commission only for about six months at the most,
I’ve seen a lot of development come to us in that
area. Is that not what you’re -- you’re seeing?

I mean, I think there was a rezone recently
for that area for something like 112 acres right
off of Highway 97, in that area. Rezoning it to
I believe Rural 5. I want to say 112 homes,
something in that nature. Maybe it was 500
acres, now that I think of it. Is that not what
your analysis is telling you?

MR. PECK: No, I think I'd rather defer to
my -- to Erin in her summation on that. You've
been on this commission for six months; I've been
on this job for four weeks, and I can't even get
"Kittitas" out every time I try. So if you don't
mind, I'd like to have her answer that one.

CHAIRMAN BLACK: Any other questions? Thank
you very much.

MR. PECK: That you for your time this
evening.

MS. ANDERSON: Mr. Chair, Commissioners;
Mr. Chair, Commissioners. I am the last speaker
tonight. Erin Anderson, 200 East Third here in
Ellensburg; 105 East First Street in Cle Elum, on
behalf of the proponent, Horizon Wind Energy,
I'll be making reference --

CHAIRMAN BLACK: Excuse me, can't hear you
in the back.

MS. ANDERSON: I'm going to have to get
really close. Do you want me to start over?

CHAIRMAN BLACK: Please.

MS. ANDERSON: Erin Anderson, 200 East Third
here in Ellensburg. 105 East First Street in Cle
Elum on behalf of the proponent, Horizon Wind Energy. I will be referring to Tabs 2, 3, 4, and 5. I am going to be the last speaker for the proponent.

First I'd like to thank everybody for their courtesy. Having been a participant in these processes in the past, I know that passions run high, and you've run a very effective meeting, and we're always concerned about that. I look forward to the continuation of that through this process as we've experienced in the past.

Let me be very clear what Horizon is asking for. You alluded to it. I believe Commissioner Huston alluded to it. The governor of the state gives final blessing to any projects of this sort in the state of Washington. We are a subset of that process here tonight.

What we are asking you for tonight, Mr. Planning Commission Chair and Planning Commission and then for the County Commissioners when you come back with recommendation in hand, is a recommendation and approval for a site-specific Comprehensive Plan sub-area amendment to designate this property for Wind Farm Resource overlay designation; a
site-specific rezone to the Wind Farm Resource
overlay zone; a Wind Farm Resource development
permit -- basically that is the land use
consistency certification; and approval of a
development agreement.

As you will largely recall, the development
agreement itself is a contract between the
applicant and the County that is designed to
provide legal protection and obligations to all
of the parties involved: the county, the
developer, and the public. And that includes the
obligations of the developer throughout the life
of the project under the development agreement.

The reason we're asking for it, I think
Mr. Peck made a very good explanation for why.
He's been involved in wind -- chasing the wind
for 15 years, but the wind's always blown in this
county. Nobody discovered it 15 years ago; it's
been blowing here since before any of us got
here. But it is here.

And he's looked at it, we've looked at it,
predecessors have looked at it. We looked at it
in terms of what does the Comprehensive Plan
zoning and SEPA analysis say and what do we know
about our Comprehensive Plan?
You will find reference and evaluation of the Comp Plan in the proposed Findings of Fact and Conclusions at Tab 2. And they discuss the goals, policies, and objectives of Kittitas County in the Comprehensive Plan designation.

The property we're talking about -- and you saw a map earlier this evening that had just two colors. We are talking about agricultural lands and natural resource lands. Your county code says the primary focus in those lands is to maximize the natural resources that are there. It is not for residential housing. It is not the primary use of that property.

Mr. McClain, I think you were one of the that asked how do you explain all of these rezones. And frankly, you're an attorney; I know you have experience in land use laws on behalf of Kittitas County as a prosecutor. Take a look at the county Comp Plan and what it says are the priorities. They are for maximization of natural resources, and in this circumstance in particular, wind. And it's also designated commercial agriculture. (Inaudible) zoning designations correlate with the Comp Plan designation to be out of compliance with GMA.
The Forest & Range is for maximization of natural resources, the commercial ag is to promote as a primary emphasis preservation of farmland, grazing, those types of things, not residential uses.

You'll find a lot of analysis of the county zoning code that implements your Comp Plan, so you know that the Comp Plan is for rural land uses and agriculture. How do we implement that? We implement that through your zoning code. That's the Forest & Range, the Ag 20. You'll find that analysis, including the County's stated policies, goals, and objectives, in Tab 3 of Volume 1, the big fat document.

In Tab 4 are the criteria for a development agreement. That is the contract between the parties to address the County's objectives, protections, developers' obligations and rights.

Tab 5 contains the SEPA review. The State Environment Policy Act analysis that is called for through the county code as well as through state law.

What you have before you tonight and in this audience are people who own the land that these turbines will go on. They bought their land as
resource land. They bought their land as agricultural land. That is the primary focus of their property. They have relied upon the county's code, the county's Comprehensive Plan to say this is the focus of use for these properties. They have entered into agreements with the developer that yes, we want to maximize the resource on our land. That is a property right.

And you'll hear from individuals tonight who are saying, We expect to be able to depend on you when you say this is a natural resource land; we want to capture that resource and it should not be our uncompensated burden to do view preservation for other people. This is resource land that they desire to capture in accordance with your code.

I do believe that developers such as Horizon, people like myself who live here in this community, as well as the people that want to put the turbines on their property, have and should be able to have a right to rely upon what is in the county code.

With that, I'll field any questions. I have my crew here, but we're liking to adjourn when
you’re done with questions for me.

COMMISSIONER McCLAIN: I guess my question still remains.

CHAIRMAN BLACK: Go ahead.

COMMISSIONER McCLAIN: I’m sorry.

Isn’t there, is there not, a significant development up in that area, within this area that we’re talking about, of -- and I want to say it was 112 or so houses; I think that’s been confirmed by some nods, but --

MS. ANDERSON: A non-project rezone is not a development approval. A non-project rezone doesn’t do any environmental analysis whatsoever. We do not invoke SEPA or do EISs on non-project reasons.

To the extent you want me to define "significant," what I would ask is a quantification of that acreage included in what is the total acreage here. Is that a primary use of the property or is it secondary to resource maximization? And I believe it would be secondary, but I can’t speak to that because I’m not your planner. But those are the kinds of questions you’d want to get answers to. To put words in Mr. Piercy’s mouth.
Anything else? Thank you all.

CHAIRMAN BLACK: Any questions? No. Thank you very much.

MS. ANDERSON: Thank you.

CHAIRMAN BLACK: With that, I believe that concludes the applicant’s presentation. However, we will retain some time at the end of the testimony for you to do some -- some rebuttal.

MR. PECK: Thank you.

CHAIRMAN BLACK: 30 seconds, maybe, or --

(Laughter)

CHAIRMAN BLACK: With that we won’t close -- don’t close it? So we -- not even the door.

So we will then go into the public testimony. And again, I apologize because we have five people that cannot be here tomorrow. When you come there, because you did sign up, would you please give your name so that Susan can remove your name. And whoever’s No. 2, would you be prepared so that we can go through this pretty quickly, please.

And again, I thank you for the rest of the audience for allowing these people to do it in advance.

MR. LEE BATES: I am Lee Bates, 1509 Brick
Road, Ellensburg. And I represent myself.

I am opposed to the project, the Kittitas Valley Wind Power Project Addendum DEIS comments. I read through the December 2005 DEIS Addendum and had the following comments: The wind farm developer, in my opinion, states in the DEIS that all the new turbines will be 410 feet tall. And I got that from Pages 3-9 and -10 and Figures 2-1 and 2-2.

The shadow flicker estimates shown in Appendix A are for October and November and not December and January, when the sun is lowest and the shadows longest.

As a licensed mechanical engineer and 33 years of experience, I feel I am qualified to comment on the noise levels for this project. To study noise levels in the DEIS, I picked the loudest -- excuse me, the closest structure to the turbines. I find it hard to believe that the Andrew structure experiences an estimated noise level of only 49 dBA, according to Table 3.12-5, Page 3-32 in the DEIS, when the turbine H5 listed on Page 3-31 has an estimated noise level of 105.3 dBA. You have to see this in the Kittitas Valley Wind Power Project Addendum to Draft.

This Andrews structure is 723 feet away from the turbine H5, which is a 410-foot-high turbine, and you have to look at Pages 3-9 and -10 and Figures 2-2 and 2-1. The noise levels estimated in Table 3.12-5, as shown on Page 3-31, shows the estimator used the turbine hub height of 67 meters, which is 221 feet, which is for the smaller turbine and not the 410-foot-high turbines they want to build for this project. You have to look at Figure 2-2.

If you are going to make accurate noise estimates, you need to use the same size turbine in the project and not a smaller turbine. A turbine noise comparison is the 109 dBA turbine noise level at 10 meters per second wind speed, as shown in the technical specifications for the V80-1.8 megawatts Vestas turbine.

However, Page 3-9 and 3-10 and Figures 2-1 and 2-2 in the DEIS states they are using 3.0 megawatt turbines on this project and not the smaller 1.8 megawatt turbines. The turbine setbacks shown on Page 2-6 is 541 feet from the tip of the turbine blade to the property line, when it should be, per Steve Lathrop, 1000 feet
from the property line.

Is there any questions?

CHAIRMAN BLACK: Questions?

COMMISSIONER McCLAIN: Maybe you could flesh out your background a little bit more just so -- in the sense of --

MR. LEE BATES: I worked for the Department of Defense, the Navy, for 15 years and Boeing for 15 years as a mechanical and aeronautical engineer, and I have an MBA and I worked in management. And I worked on noise studies at Boeing.

CHAIRMAN BLACK: Questions?

COMMISSIONER WILLIAMSON: Yes, I have a question. The name's Don Williamson.

You say that you -- that at 105 dBA at the turbine, what -- you say you have that there. Do you have anything that supports -- that would indicate what the noise level would be at the Andrew structure?

MR. LEE BATES: Yeah, they're saying it's 49 dBA and it's only 723 feet away.

COMMISSIONER WILLIAMSON: Okay, so do you have anything that refutes that? Or are you just -- in other words, do you have any
calculations that would indicate it would be higher?

MR. LEE BATES: Well, these are estimates.

COMMISSIONER WILLIAMSON: Is there any kind of formulation that would tell us what the sound reduction would be 700-plus feet from the turbine as opposed to 1000 feet or 541?

MR. LEE BATES: No, I don't have those calculations.

COMMISSIONER WILLIAMSON: Oh, okay. Thank you.

CHAIRMAN BLACK: Thank you very much.

MR. RICK FORSTER: My name is Rick Forster. My address is 2411 268th, Redmond. My family and I have five parcels of land in the valley here.

I can sit up on the hill and listen to trains ten miles down the road. I don't know what the decibel reading is, but you ought to come up and listen to it. So I don't know how we're going to get the sound level of 10 feet. Or a 1000 feet. And how they're going to hold at 50 decibels.

As my dad would say, F.M. to the presentation. And what "F.M." stands for, when he's working on something that finally works, he
calls it "friggin' magic." It's not quite the
word he uses, but that's what this is: friggin'
magic.

And I've run my own successful business for
30 years, and that probably qualifies me for a
Ph.D. in common sense. And I can tell you your
land values will go down. I can tell you that
the views, they won't be hurt as long as it's not
your own view being hurt when you don't live here
and you just sell this whole proposal.

You know, their own insurance people have
told you these things are dangerous, that the
blades break, they do cause fires. This is a
very dry, hazardous area. So when you have a
fire started and you got 400-foot-tall turbines
here, you can't get the tankers in here anymore,
you can't get helicopters in anymore. So by the
time you got enough people on the ground to put
it out, it's friggin' all the way over the top to
Wenatchee. Because with wind blowing here, just
like they want, it also blows the fires. I don't
think they've really addressed this.

You know, I sat here many nights about one,
two o'clock in the morning wondering why would
they put an industrial site here. I thought, you
know, it would be better off to have waste
management here build a garbage dump. You know,
at least they’d bring real jobs. Every time a
truck would pull up, the County would get money
for it, and every night they would cover it up.
And we wouldn’t have to look at it. Think about
it; that’s real money.

And you know, how a thousand feet away would
be just like a refrigerator running, as they put
it in their ad. I have some pictures of some
blades here and some turbines. These blades,
mind you, I wrote on the sides, these are like
90 feet away. Theirs are 132 feet. This shows
them on a truck; it gives you a real size, how
big they are. These turbines here are about
250 feet. It shows a car and stuff next to it,
real ones. They’re 400-and-some-odd feet.

Don’t let these people ruin this valley.
They don’t live here. As soon as they sell this
thing, their pockets would be lined and off they
move, go away, and it doesn’t ever impact them
forever and forever.

Thank you.

CHAIRMAN BLACK: Thank you. Do you -- will
you submit those pictures, please? They go to
Susan down there. Thank you.

Next?

MR. JAMES BOYLE: My name is James Boyle. P.O. Box 39, Ronald. I'm here representing myself and my wife and family.

Leading academics in Europe have concluded that the negative effects of wind energy are as underestimated as the positive effects are overestimated.

Denmark is calling for a moratorium on wind farm development so they can reassess their worth. These monstrosities are all over Denmark and the people pay an enormous price not only for them but for their electricity.

CHAIRMAN BLACK: Excuse me, could you get a little closer to the mic, please? They're having a hard time hearing you in the back.

MR. JAMES BOYLE: Oh, I'm sorry.

Puget Sound Energy has asked for a rate increase to cover the cost of their wind farm in southeast Washington. How much more will they increase their rates for the Whiskey Dick facility, which they have purchased? Will Puget Sound Energy also buy the proposed wind farm we are discussing tonight when and if it is
completed?

    Every month along with my bill I get a piece of paper asking me to sign up for a so-called "green energy" at a higher rate than regular electricity. Will we end up like the people of Denmark with enormous energy bills helping to pay PSE back their investment in wind farms?

    Environmentalists everywhere are jumping on the bandwagon for this feel-good, highly visible quick fix to a complicated problem that just doesn't and won't work. With these towers strewn across the earth, they will not only be an eyesore but a monument to human folly. Not to mention the fact that we will be destroying precious habitat, species, and delicate ecosystems.

    Consider the energy expended and the countryside destroyed in the construction of these towers. Each tower will take enough concrete to build an Olympic-sized swimming pool. Imagine the number of trucks required to carry that cement and the roads that will have to be built to accommodate them.

    Historically the installation of wind turbines in the U.S. have fluctuated with the
production tax credit. When the credit isn't in place, the industry sits on its hands. The credit has expired three times and each gap has brought an installation dry spell.

During the last lapse of the credit, from the end of 2003 to the fall of 2004, installations dropped from 1687 megawatts to 389 megawatts. With the credit back in place now, they have another wonderful growth at our expense.

The American Wind Energy Association said the credit is a fundamental part of financing these projects. In other words, let the taxpayer foot the bill.

If wind farms supplied genuinely green energy, one might be willing to bite the bullet and suffer the sacrifice of the countryside for the good of the planet. The truth is they are not the solution they have been touted to be. They are nothing more than symbols for the dream of renewable energy.

If we absolutely must have these dinosaurs in our county, then they should be placed in an area where they will not be an eyesore, where we will not have to see them every day and be
reminded how foolish we humans can be.

Please vote to recommend denial of this project. Thank you.

CHAIRMAN BLACK: Questions? Thank you very much.

MS. GLORIA LINDSTROM: My name is Gloria Lindstrom. I live at 1831 Hanson Road, Ellensburg.

Wind farms belong on developed agricultural lands away from populated areas. They do not belong in wildlife areas such as the shrub-steppe. A good example is the Klondike wind farm in Oregon. The area, located on hundreds of acres of wheat farmland, lacks trees and water sources and is not well suited to avian life. The area is not populated. It is the kind of country ideally suited to wind farms and where they should be located.

In contrast to the experience in Kittitas County, there appears to be no opposition to Klondike. As part of our visit to the Klondike installation in 2004, my husband and I had lunch in a restaurant in Wasco near the Klondike and talked with four or five young men at a table nearby about the wind farm. They said no one was
opposed to it; in fact, there was competition in
soliciting the installation of turbines on
properties.

While one such visit is scant evidence on
which to make decisions, we often think about the
night and day contrast between Klondike and what
is proposed for our geographically confined
valley. Here thousands will be in a sight line
to these turbines. The effect will be on far
more people than just the close-by neighbors.

The proposed WV -- KVWPP is located in a
shrub-steppe area and near too many residents. A
consequence of geographical features tends to
funnel or concentrate birds into certain areas.
This is such an area and is a flyway for
migrating birds.

HawkWatch International, probably the best
source of information about raptor numbers and
their migratory flight patterns for western
United States, have determined the major
migratory pathways in the western U.S., and one
of these pathways is the north-south route along
the Cascade mountains. And we are considering
putting wind farms there without adequate studies
to help determine the potential impact?
We have driven along Highway 97 and watched hawks soar in the areas of the designated turbines G-1 through G-4. In fact, a few years ago a resident whose property is within the proposed wind farm boundary invited my husband to come to his property to see the area because he was very concerned about raptors and the danger they might be in. This resident, sadly, on whose property turbines are proposed for installation, has since become an advocate for the wind farm.

Wildlife studies done for the project by WEST, a company hired by Zilkha and other wind farm developers to perform such studies, are minimal. Only one year’s observation and no nighttime studies for bats and migratory birds. This is inadequate.

I am concerned for livability of our valley. It is a small, beautiful valley. I have -- it has been my home for over 60 years. The upland area to the north and west of Ellensburg has a unique and lovely geography with the Stuart range as its crowning backdrop. What will the addition of hundreds of giant turbines, whirling blades placed in the foreground, do to this historic and treasured view? This concern drives much of the
opposition to KVWPP. Thank you.

I would also like to submit a letter that was e-mailed me today by a former resident who lived here for 20 years. Carl -- or Michael Maw. And he is in the process -- he lives in Auburn. 10807 Southeast 290th Street in Auburn, Washington, and he is in process right now of purchasing land in the proposed site, and he submits this in opposition to the wind farm.

CHAIRMAN BLACK: Thank you very much. Next?

MR. ROGER WEAVER: I bring forth my resume as a good ol' boy with a Ph.D. in rodeo.

No, seriously, I'm Roger Weaver, 1217 Radio Road. I've been in the real estate business for 28 years. I own three ReMax offices: one in Ellensburg, one in Cle Elum, and one in a couple weeks at the Summit. We have 22 agents that we're involved with. We handle a significant number of property.

I personally have been affiliated with Buck & Gordon land use attorneys in Seattle; Mentor Law Group, when I served on the Suncadia Water Council when we did the water rights work for the acquisition of water rights involved with the Environmental Impact Statement. Along with
another firm called Hempleman.

And then I also just finished a three-year project with Jeff Slothower of Lathrop Winbauer Slothower & Harrel firm and completed successful defense of a rezone that took three years. The planning counsel remembers IMWP, and finally that finally took place and was victorious at the Supreme Court; they refused to hear it.

I do personally myself a significant number of what we call opinions of value. I cannot call them an appraisal because I'm not an M.I. appraiser. I'd have to take two years off of my business to go and just do appraisals, and we can't afford that right now.

So anyway, but I do a lot of opinion of values for estate planning, stepped-up basis, dissolutions. And then I have -- the reason I have to speak now rather than tomorrow is I have to be in Skagit County on a property valuation expert -- as an expert witness tomorrow and Friday, okay?

What I want to take issue with is -- first of all, I need to qualify this discussion as it comes from me. Most of you -- some of you know me, and I've spent a significant part of my
career defending property rights. This last issue, the windmill, they brought a confounding struggle for me personally because I've always been for personal property rights.

But this is the first time in my life I'm going to take a departure from that to where I've seen where their exercise of rights in one particular area could affect the values and the dreams of a significant number of people outside of that particular legal description and where they're putting the windmills, as an example.

I have lost a very good friend because of this. Not counting clients that I've lost. So this is a serious subject for me and one that I don't take lightly.

And because of the outcome of that particular decision, I'm appalled that we would even consider this particular project when we didn't allow it in the Reecer Creek area, because this area is significantly more valuable and more pristine and closer to more significant and high-end development.

I used to own a ranch that is about two miles south of there, okay? And then I sold a ranch, Kenny Hartman's old ranch, up around the
corner of Highway 97, which is down that valley there by Swauk Creek. There is significant development planned at both ends of that area that we're talking about.

So we would be from my ranch -- I can remember -- when you talk about viewshed and the lady mentioned it earlier, when you look all across all that area, what is your centerpiece? It's the Stuart range. The Stuart range is the centerpiece for much of the things that we see and appreciate and love in this valley. Now we're going to have a picket fence in front of that view. And that's basically what it will be.

But let's got to the real argument, and that's property values. And this has nothing to do with anecdotal or philosophical, okay? This is some real data. The only quantitative data that I've ever received from this organization was a book that they put out several years ago. And I think some of you have seen the blue booklet where they came out and said their statement on wind farms and how it affects property values.

In that booklet in that particular data, there was not anywhere near this number of wind
farms in any of the examples they used in any particular area except for Bakersfield, California. All the median income and all the properties that they used quantitatively to provide us the detailed information, the median prices of a family household home, a three-bedroom home, was valued between 70,000 and the highest was 123,000. Was the highest particular housing unit that they were discussing.

Compare that to the values in our particular valley. And our land is more expensive than that.

I contend that we need -- you know, if they want to have a justifiable discussion about property values, it's got to be related in comparative terms, okay? And what I mean by that is I want to know are they taking this kind of institution into a valley that depends on recreation and tourism and a property that's as pretty and as valuable as ours is without having any effect on that particular area. I don't believe that. I don't think they can prove that.

A better example would be -- someone said have you talked to any of the homeowners. That
was a good question. They won't talk to home
owners, okay; I do. They're scared to death.
They've made significant investments.

I have sold one house already prematurely
because they were frightened about this coming.
And that sacrificed from what a normal market
price would be so they could get out of town
early. That's occurring, okay?

But the investments have already been made,
and they said that we can't track anybody that's
lost any money. Well, there's not a wind tower
up yet. But we will stop the development, we
will stop significant investment.

Ask Bend, Redmond, and Sisters if they want
windmills. And if you look at our county with
Suncadia, the investment that's made all the way
from the pass that's been going on and in
Ellensburg right now, we can't jeopardize the
quality of life that we have or the values that
we've committed to the people that live here and
what they hope to attain by staying here.

Our biggest industry, gentlemen, I'm sorry,
is real estate. That's our biggest business, is
real estate. And that (indicating) is going to
destroy it, as far as I'm concerned.
And any questions? In fact, I will submit to you the article that I wrote in reference to their only document that quantifies what they think is something that has nothing -- their argument that it does not affect land values, okay.

COMMISSIONER McClAIN: Yeah, I do have --

CHAIRMAN BLACK: Mr. McClain, please.

COMMISSIONER McClAIN: Thank you.

The questions I have and I've asked currently are tell us about the land that's developing in this area. What are we seeing in terms of the real estate market in this area? Is this the area that we're seeing homes developed, or is this an area that we're seeing more light industrial or other sort of development?

MR. ROGER WEAVER: Well, unfortunately we don't have enough resource land that's currently zoned to handle light industrial. The other thing that we don't have that we hope to have is retail soon. And that's another current argument that's taking place.

But most of the real estate development that's occurring right now is residential. In regard to second homes, recreational homes,
future retirement homes.

COMMISSIONER McCLAIN: I'm talking specifically about this area. What is -- in your experience, you said 20-some years experience, what's your experience with this exact area that we're talking about?

MR. ROGER WEAVER: Recreational, residential.

COMMISSIONER McCLAIN: Any quantitative sense of how many homes are we seeing developed there, that sort of thing?

MR. ROGER WEAVER: Bettas Road is a bad example because that's, you know, down in an area that's not going to be affected, because they very astutely hid where they were going to put them on the ridges there.

But as soon as you get up a little bit -- and every -- most people prefer to build up, you know, and Bettas Road is a beautiful valley but it's low. And most of construction's going to take place on the higher hills going up and down from there around it.

You could go to the west side right now where I have a couple projects, and you'll be able to see these from across I-90. You will.
You'll see them from over there. And it's going to change -- it's going to change our trademark. Because how many pictures have you seen of the Stuart range that we do in this valley? How many people have bought their house and built them facing the Stuart range? Okay?

Now, the appraiser mentioned about persons' perceptions, perspective, personal taste and everything else. Much of those things will be changed with the onslaught of these. And like I said, if I had anything to do with other one, I feel twice as strongly about this one.

And I would recommend that maybe we get, you know, a situation where we appraised a piece of property with and without a windmill.

But you got to remember, the investments in this area -- to get back to your point -- the investments in this area are a quarter of a million dollars and up. Minimum. You go down around the corner where Kenny Hartman's ranch was and count the houses through there.

My old ranch, which was 400 acres, go ask that fellow what he's planning for that property, which is at the other end of the Hayward Hills section, okay. There's damages that we can
absolutely identify if we had to, okay?

CHAIRMAN BLACK: Thank you. Any other questions?

Are you Number Last?

MR. TROY GAGLIANO: Yeah, I raised my hand up first. I have to drive back in the morning.

CHAIRMAN BLACK: Because people are starting to sneak in, you know, and I'm starting to lose track.

MR. TROY GAGLIANO: Thank you, Chairman and commissioners.

I've got just a couple of maps I'd like to maybe perhaps pass out to the commissioners. I'll reference these in a few moments.

My names is Troy Gagliano. I'm with the Renewable Northwest Project. Business address is 917 Southwest Oak Street, Suite 303, Portland, Oregon, 97205.

Thank you -- first of all, thanks to the commissioners and the members of the public for allowing me to step up from about 87th on the list to 6th. I greatly appreciate that.

My organization, Renewable Northwest Project, is a renewable energy advocacy group. We promote the responsible development of
renewable energy in the four northwestern states. To us that means you work with the community, you get input, and you also do your environmental assessments. We don’t believe in just renewable energy development for the sake of it.

My comments tonight will be brief and they’re focused on two areas. One, I’ll explain why we support this project. Essentially the answer to that is it’s consistent with the Comp Plan of the county as well as some state standards.

And in the second part of my comments, which will reference to the maps I’ve just passed out, I’d like to say a few words on some of the local, regional, and the national benefits of renewable energy projects such as this and explain how that fits in to larger, I guess more broad regional and national energy issues. And again, the maps will apply there.

First of all, let me say one quick thing about avian issues. I’m sorry I can’t stay for the whole couple of days here, but you’ll probably hear a lot about bird kills with wind turbines. I don’t have the study with me; I wish I did.
The national average is two birds per turbine per year, and that’s in states across the country. There are some projects in California which, quite frankly, they couldn’t have chosen a worse place to put them, and a project in West Virginia that maybe is having some issues. But those are two projects. And there’s bigger effects, but the number is two birds per turbine per year nationally.

The first part of my comments, we would encourage you to approve the project because, one, it meets the county and some state standards.

This project is compliant with the rules of the Washington Department of Fish & Wildlife. You’ve heard tonight that you’ve got two letters in the record. One from January 20, 2004, from regional habitat manager Ted Clausing, saying that the project is consistent with the Department’s wind power siting guidelines. Those wind power siting guidelines require rigorous pre-project assessment and mitigation for potential impacts to wildlife and habitat.

The other letter from Mr. Clausing, again with Washington Department of Fish & Wildlife,
dated September 17, '03, states that the WDFW approves the project's proposed habitat and environmental -- habitat and wildlife mitigation plan.

So two letters from your Washington Department of Fish & Wildlife agreeing that this project is -- the possible effects are mitigatable and it fits within the siting guidelines.

In 2002 my organization, the Renewable Northwest Project, worked with the Department of Fish & Wildlife as well as the Governor's office to craft those -- the WDFW wind siting guidelines. So we commend the applicant for adhering to them and also in some areas even exceeding the requirements of those guidelines.

Another reason we would agree with -- we would encourage you to approve is that we've heard this project complies with the state noise regs.

Three, you know, critically it's consistent with the county's Comp Plan. That plan, as I've read, there's pieces in there that call for a diverse use of rural lands and encourages projects that conserve rural character.
I’ve been to a number of wind farms like this across the country, and I would argue that they protect rural landscapes much more than the likely proposed alternative use of this land, that being sprawling residential development.

So secondly I’d like to talk a bit about some of the benefits, both local, regionally, and nationally about projects like this.

One, you’ve heard a lot of economic development in this project and others. States and counties use taxes different ways. We’ve heard about bringing down the tax burden for others, the tax payers in the county.

Counties also use it like the Klondike farm in Sherman County. The first phase of that was only 16 turbines, 24 megawatts, and it’s added 10 percent to the tax base of the county. We did a study on that last summer.

So there are examples of these projects providing very valuable revenue across the country.

Also you’ve heard about royalties, and the number nationwide there is landowners receive between $2000 and $5000 for each turbine that’s on their land.
So then moving to sort of regional issues here, and this'll get you to the first -- the first -- actually both of these maps. When thinking about regional impacts of renewable energy projects like this, the question to ask is, If we're not going to use wind to get our electricity, what are we going to use?

And the answer to that is coal. A few years ago it was natural gas plants that were planned across the country because gas was a lot cheaper and it burned a lot cleaner, a lot of good environmental things compared to coal. But gas is volatile and the price has really gone high. So coal is coming to our region.

If you look at this first page, this shows you the two dozen newly proposed coal plants in the west. All of these are using old pulverized coal technology. This is not new clean coal technology or IGCC.

You see a couple of projects there in southern Idaho. I do some work in Idaho too, and I know that some of the dairy farmers there are really opposed to the expansion of the coal plants because they're concerned about the emissions of mercury, in particular, getting into
the drinking water for their cattle and then
impacting their dairy businesses.

The second page here I'll ask you to look at
shows you natural gas prices. And as I said,
natural gas was the fuel of choice several years
ago. You could see that -- the top graph
there -- the average price for natural gas per
million BTU, how it's measured and consumed or
bought and sold, was about $2.25 around '01.

And April of '03 that spiked four-fold to
about $10. And then the bottom graph shows you
September '04 through September '05 and how those
prices are now at -- were at $5 and peaked to
$14.

In the last two months natural gas prices
nationwide still are above $10, so a four-fold
increase. So it's not -- it's no longer gas;
it's coal that's going to meet our demands if we
don't use renewable energy project -- renewable
energy in our region.

And then finally here just an idea or an
issue about national security. The winds
resource that you have in Kittitas County is a
renewable resource, but it's also domestic, okay?
Every amount of renewable domestic energy that we
use for our needs is coal we don't have to buy
and send money to other states and natural gas
that we don't have to rely on from Russia,
Venezuela, Indonesia.

The more domestic renewables we use, that's
more money and jobs that we keep in our economy,
and that truly puts us on a path to national
energy independence. So I would argue that not
only is renewable energy and energy independence
in the county, the state, and the region's
interests, it is a matter of national interest to
tap our domestic renewable energy resources.

So in conclusion, I'd like to just encourage
you to approve this application because the
project is consistent with the county Comp Plan,
it adheres to and in some cases even exceeds the
requirements of the Washington Department of
Fish & Wildlife wind siting guidelines.

As we've heard tonight, there's been
extensive environmental, cultural resource,
noise, and visual studies that indicate the
impacts of this project are minimal and can be
mitigated.

And the County, EFSEC, and the applicant
have solicited extensive community input over the
last three years. And I think it's obvious how
the applicant has responded to that input and cut
this project significantly.

So thank you.


MR. TROY GAGLIANO: Thank you, Mr. Chair --

CHAIRMAN BLACK: Thank you very much.

It's ten o'clock. Mr. Bowen, what's your
preference? Do you want to go to 10:30?

AUDIENCE MEMBER: Do you want to listen to
one more? I had my hand up --

CHAIRMAN BLACK: Yeah. We won't miss you.
Okay?

CHAIRMAN BOWEN: I've got about five minutes
to 10:00.

CHAIRMAN BLACK: We can take a break. You
want to go to 10:30?

CHAIRMAN BOWEN: Is this the last
gentlemen --

CHAIRMAN BLACK: This was the last one that
had his hand up.

CHAIRMAN BOWEN: That's what I was afraid
was going to start happening, it would continue
to grow as we got along here.

CHAIRMAN BLACK: Let's take a five-minute
break and then we’ll run until 10:30. Is that all right, Dave, or would you rather --
Mr. Bowen?

CHAIRMAN BOWEN: That would be fine.
CHAIRMAN BLACK: Okay, we’re going to take a five-minute break.

(A break was taken.)
CHAIRMAN BLACK: Our plan, if the chairman of the Board of County Commissioners agrees, is we will run until 10:30 and at that time continue the hearing until tomorrow evening at seven o’clock in the same room.

CHAIRMAN BOWEN: That would be the current thought process. We’ll do that by motion.
CHAIRMAN BLACK: Right, that would be. So if we’re all set, ready to go, we will run until 10:30. No crowders, okay?

Go ahead.

MR. MERLE STEINMAN, JR.: My name is Merle Steinman, Jr. I live up -- or I have property in Section 14 up Tricklewood Lane northeast of Highway 97 and more east of Bettas Road. I have had that property for about 19 years.

Back in the ‘80s, I was working out there and -- I mean, you could hardly keep a hat on. I
mean, that wind just blows and blows and blows.

At one time I was thinking of recreation
property there, and I have -- you know, I had 700
acres in there and I've sold off most of it. I
still have 70 acres in there.

At that time it was kind of a joke that the
best thing for this land is a wind farm. You
know, I never pursued it; I didn't know a lot
about wind farming or anything else, you know.

And then back in 1999 I was on a trip down
to Phoenix and came back through Palm Springs;
and driving up the freeway there in Palm Springs
and I looked at that wind farm as we were driving
by there and said, Man, that looks like a heck of
a project. We kind of stopped and looked and,
you know, I just said, Man, that looks real nice.

Because it's, you know, all the turbines
going, you got the -- the cows were underneath
and all the natural resources were still there
and, you know, it looked like a nice little
project. And I, you know, just kind of moved on
and never really thought about it again.

Back in 2001 Horizon approached me about
putting in some turbines on my land, and I said,
you know, that looks like a heck of a good deal.
So I went down and I got and looked at the wind farms. My wife and I, we -- you know, we went and touched the turbines, looked at the, you know, overall project and says, yes, we'll sign on to that project. So at that time, you know, we kind of signed on for it.

So -- but you know, this -- the other thing on this is this is a private venture; we are not asking the government for money to put this thing in. You know, Horizon is putting up most of the money.

It is, you know, I mean, this project will give the county back tax dollars; it isn't taking away tax dollars. This project is not asking for extra infrastructure. It is putting in roads and servicing some of the properties around the area.

So -- you know, it is good for some of the landowners. These turbines will reduce the overall effect of property taxes on the overall county. Because they do pay extra taxes for that property for these turbines.

This, the turbines, these are using renewable energy that is not polluting. I mean, all our other sources -- I mean, if we were to go out and get alternate resources, you know, it's
the hydropower -- I mean, we got a few fish
kills, et cetera.

You know our coal and gas, it's, you know,
it doesn't burn as clean. I mean, this stuff,
that wind is natural, and it -- what's happening
is that wind is hitting the base of those hills,
coming up those hills, and concentrating that
load on to those turbines, and that's why they
are siting them on the top of the hills. I mean,
it -- I mean, if you guys go up there and walk
that land, you will notice that it will blow your
hats off, literally. I mean, it just naturally
goes up there.

It would be one of the best things about
this whole thing, is this project is located next
to the power grid. Some of the projects, the
wind projects that get built, they may be
20 miles from a power grid, and they've got to
run that power from over the mountains and
through the valleys in order to get to a power
grid where they can run it.

This project is right on that power grid;
they don't have to run these powers anywhere.
You know, power lines. And the power lines that
they are running are all underneath the ground.
So I mean there is, you know, they don't have all the telephone poles and everything else for the power grid.

So in the short, I am very much for this project and think that it would be very good for the county. And now, Mr. Chair, if you have any other questions?

COMMISSIONER CRANKOVICH: I do. Alan Crankovich, Commissioner District 2.

You said you started out with -- originally with approximately 700 acres and you've sold off --

MR. MERLE STEINMAN, JR.: Yes, I did say that. Originally I owned 1680 acres with a partner. So there was two of us had 1680 acres. I took that and divided, and I really had 840 acres, I think. Or thereabouts. I'd have to go back and do my math again. But it's 1680 acres, about two and three-quarter square miles.

COMMISSIONER CRANKOVICH: Okay, so of that land that you sold, what are the uses that it falls under right now; what's it being used for by the people that you sold it to?

MR. MERLE STEINMAN, JR.: There are a few recreationalists on there. Some of them are pro,
some of them are con. There are -- there's 800 acres that is a pro property.

And you know, this stuff is -- you know, I've sold it off in different deals, and some of it's -- oh, I've sold off twelve 50s in the partnership and I've sold off one 800-acre parcel. Actually I'll back up; I still own a 50 and a 20. So I sold eleven 50-acre parcels.

COMMISSIONER CRANKOVICH: Okay, thank you.

CHAIRMAN BLACK: Any other questions?

COMMISSIONER McCCLAIN: Recreationalists?

And you said pro and con; I'm sorry, could you clarify that?

MR. MERLE STEINMAN, JR.: There are -- I really don't know exactly how many cabins there are on the property. I think there's, let's say, probably one, two, three -- I would probably guesstimate about three to four cabins on the property. One of them I know is full-time or mostly full-time. He does commute back and forth to Seattle and stay there at times.

The others I'm not sure exactly how often they come.

And you know, I would probably say that three-quarters are pro that I've sold to, and
I've probably got about a quarter against the project.

COMMISSIONER McClain: And when you say you sold that, when did you sell that off?

MR. MERLE STEINMAN, JR.: Well, I bought the property in '86, about 19-plus years ago, and we sold off some of it in the -- around 1990, '91. I've sold land in there as recent as, I don't know, probably '97.

And I have -- to be honest with you, I did repurchase a 20-acre parcel in, I don't know, '01.

COMMISSIONER McClain: And home -- little cabins were developed on those? You said four or five of those, or three or four of those?

MR. MERLE STEINMAN, JR.: Yeah, I've never been to any of them so, you know, I mean, there are cabins and there would probably be three cabins, maybe four. I can't -- I really haven't been there, so I don't know.

CHAIRMAN BLACK: Thank you.

MR. MERLE STEINMAN, JR.: Thank you.

CHAIRMAN BLACK: With that we will start at the top of the list.

Susan?
MS. BARRET: Jeff Howard.

MR. JEFF HOWARD: My name is Jeff Howard. 21 Fawn Road in Cle Elum, and I'm representing myself and my wife as homeowners.

After nearly four years of renewable hearings, newspaper articles, letters, applications to and by different entities, I find myself once again speaking on behalf of protecting the western valley, its property values, and its way of life.

The proposed project has no place sited among homes, recreational and ranch properties, and along one of the most scenic routes in the western United States.

If approved, it will not only indelibly mar the countryside for decades to come, but it will also open this entire area to many additional efforts to create similar installations from Ellensburg to Easton. There will be a never-ending stream of applicants. They'll be coming out of the cupboard like Willard's bats, using the wedge issue that this project was approved and therefore you're going to be asked to approve theirs.

Now, these applicants first tried to get
approval for siting by saying flatly that no other site in the entire county would work for their project. Period, exclamation point. None were feasible except this particular one.

When this project got bogged down a couple of years ago, whoopieola. Miracle of miracles, they found a place east of Kittitas that would work after all. They have since obtained county approval and are beginning construction. The applicants have demonstrated by their actions that other locations in this county will work for them.

We opponents of this particular project have demonstrated that we do not object to siting these wind farms where they will do the least harm. How many ways can the word "no" be spelled and stated before these applicants understand what it really means?

This idea got bogged down at the county level in years past. The applicant decided to seek state preemption in an effort to railroad Kittitas County into accepting their plan. Now they're back at the county level again because the State is looking a bit soft on possibly overriding county preferences.
Let us make it clear that such installations do not, should not, and will not ever be sited in areas where the long-term damage to the county, its residents, its commerce, and property values will be so adversely affected.

Please preserve our valley and our way of life by disapproving this application. Thank you very much.

CHAIRMAN BLACK: Questions, anyone? Thank you.

MS. BARRET: Sorry for the last name. Michael Ptaszynski?

Sandy Sandall?

MR. SANDY SANDALL: My name is Sandy Sandall. I reside at 8560 Elk Springs Road. I represent my wife and myself and a gentleman by the name of John Philips and his wife Shelly, Steve and Lori Flute, and Mark and Linda Hampton.

What I passed out there is the map of Section 35. And I noticed the gentleman when he pointed out Section 35 up there, he had my neighbor's property. And they cut down the wind towers.

Now, I've got a view from Highway -- or Milepost 93 on I-90 across the valley all the way
over to Kittitas. If I can see those wind
towers, are they going to remove those from me?
Are they going to buy my property?

There are 37 parcels of land up there and
four full-time residents. We're looking at about
6 to 8 million dollars' worth of property up
there that's going to be destroyed or damaged by
these wind towers.

We have to drive Elk Springs Road on a daily
basis. If you go down to get the mail or get the
paper, people at work have to drive through
there. There's also other people in Section 1,
which is right adjacent to that, that have to
travel through these towers every day.

The -- they talk about the views. For
crying out loud. I got magazines here that says
view, watching wildlife, stunning views, every
direction. One acre. Territorial views. The
Daily Record, their little magazine, you go
through there. We don't own the views, right,
but it sure increases the property value. As you
look at Suncadia, as you look at the, what is it,
Sapphire Skies over there in Cle Elum? I looked
at 20 acres over there. 300-some-odd thousand
dollars. I don't know, I just -- it blows my
mind.

The test towers that they've got up right now, they're running roughly 155, 165 feet. There's two of them on Elk Springs Road. We see both of them.

We bought our property in '89 for retirement. We invested our time, our money; we built and retired over here in '97. We loved it and we don't like the idea of having to put up with these wind farms. I dare any one of these gentlemen, any one of these folks that have one of these damn things in their place where they're looking. They wouldn't like it; they'd cry like you -- a banty rooster. I'm sorry, I get kind of carried away.

Now, the wind farm people, they don't care about us. They want their tax credit and they're going to move on.

It's not about siting. If you look on the second page here -- I'll get carried away, excuse me.

CHAIRMAN BLACK: You're fine.

MR. SANDY SANDALL: BLM guidelines. Get more wind farms going. That's in the western part of the United States. It's open. There's
other places in Ellensburg. You go over here to
the -- and these articles came out of the Yakima
Herald, by the way.

Over here where it talks about economy.
Talks about Kittitas County. Not a thing said in
here about the wind farm that's in here right
now, but yet in Klickitat they're talking about a

21,000-acre wind farm project. That's where the
money's at. We've driven all around Klickitat
and I have not seen any wind farms over there.
They must be hidden somewhere.

Also they're talking about the wind. That
wind don't blow all the time. Last winter we had
about seven to eight weeks of fog. We call it
Lake Ellensburg when we look out over the top of
that. Just the other day, looking at it coming
across the valley, it was just low enough you
could see the river running -- outlet going down
the canyon road. It's beautiful. I mean, I defy
any of you to come up there and say it isn't.

The gentleman that spoke up there, all the
views, there's a bunch of people up there that
got views. Mr. Philips lives on the top of a
ridge. He's got just about a 360-degree view.
Yes, the wind blows up there; he said it himself.
There's other people that have got views over there. This year so far we've got about 34 days of fog. The wind don't blow all the time. What are we going to do, set down -- or sit down with those wind farms four months out of the year that don't operate? That's not being productive.

Then what about the rights of the landowners that are opposing this? I have some rights too, just as well as anybody else, as those people that have got the right to do what they want with their property. I've got a right to complain, I've got a right to fight for them.

And then in the last -- in a letter from Mr. Philips, if you -- I've got it marked on the last three items here, those are things he wanted to be brought out. I won't read them. I'm too uptight.

Is there any questions? I'm sorry.


MR. SANDY SANDALL: Okay, thank you.

CHAIRMAN BLACK: Thank you very much.

MS. BARRET: Preston Shugart?

Ann Gabrielson?

Gordon Gabrielson?
Tracy Frame?

Skip Littlefield?

Joe Brown?

CHAIRMAN BOWEN: Mr. Chairman, I would suggest people have decided we -- they're not going to get up today, so maybe we should --

CHAIRMAN BLACK: I agree with you. I think that with that, we will make a continuation of this public hearing until 7:00 p.m. in this building tomorrow evening. January 11th --

COMMISSIONER McClAIN: Point of order, Mr. Chairman. I think we need to have a motion.

CHAIRMAN BLACK: Just a moment.

Mr. Slothower?

MR. JEFF SLOTHOWER: Yes, I'm signed up to speak and my turn is coming up fairly soon. I will be late tomorrow night; there's a Board of Adjustment meeting that I have to be at. I'd also remind you that on Thursday night the City of Ellensburg Planning Commission has its first study session on the Comprehensive Plan amendment. So there's going to be a fairly substantial scheduling conflict with that, as I believe there will be a number of people that are interested tonight, some of who have probably
left, that will want to attend that City of Ellensburg Comprehensive Plan Planning Commission study session. I just wanted to make you aware of that conflict.

CHAIRMAN BLACK: Thank you.

COMMISSIONER McClellan: Move to adjourn to tomorrow to continue the hearing.

COMMISSIONER Harris: I’ll second that.

COMMISSIONER McClellan: Seven o’clock here.

CHAIRMAN BLACK: This building?

COMMISSIONER McClellan: This building.

CHAIRMAN BLACK: January the 11th. With that, we’ll turn it back to the chairman of the Board of County Commissioners. Mr. Bowen?

CHAIRMAN Bowen: Did you get it moved and seconded and voted on, Mr. Chairman?

MR. McClellan: Moved and seconded.

CHAIRMAN BLACK: Moved and seconded. All in favor?

COMMISSIONER Harris: Aye.

COMMISSIONER McClellan: Aye.

COMMISSIONER Pernaa: Aye.

COMMISSIONER Clark: Aye.

COMMISSIONER Williamson: Aye.

CHAIRMAN BLACK: Opposed?
The motion carries. Continuation until tomorrow.

CHAIRMAN BOWEN: Thank you all for attending tonight. We'll go ahead and I'm going to --

COMMISSIONER HUSTON: Mr. Chairman, I might suggest that we go ahead by motion and vote to continue our segment of the public hearing, just to make sure our record's clean.

To that end, I would move to continue this public hearing to July 11th, 7:00 p.m., Kittitas County Arts Center.

CHAIRMAN BLACK: January 11th.

COMMISSIONER HUSTON: Excuse me, January 11th would be -- well, somewhere in there.

January 11th at 7:00 p.m., Kittitas County Events Center.

COMMISSIONER CRANKOVICH: Seconded.

CHAIRMAN BOWEN: It's been moved and seconded to continue this public hearing to Wednesday, January 11, 2006, 7:00 p.m. here at the Kittitas County Events Center, Home Arts Building. The record will remain open for written and verbal testimony.

Any discussion to the motion?

Hearing none, all those in favor indicate by
saying aye.

COMMISSIONER CRANKOVICH: Aye.

COMMISSIONER HUSTON: Aye.

CHAIRMAN BOWEN: I too will vote aye, and

the motion carries.

(The proceeding was adjourned at

10:23 p.m.)
CERTIFICATE

STATE OF WASHINGTON )
) ss.
COUNTY OF YAKIMA )

This is to certify that I, Louise Raelene Bell, Certified Court Reporter and Notary Public in and for the State of Washington, residing at Yakima, reported the within and foregoing hearing; said hearing being taken before me as a Notary Public on the date herein set forth; that said hearing was taken by me in shorthand and thereafter under my supervision transcribed, and that same is a full, true and correct record of the hearing.

I further certify that I am not a relative or employee or attorney or counsel of any of the parties, nor am I financially interested in the outcome of the cause.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this 10th day of January, 2006.

LOUISE RAELENE BELL, CCR
CCR No. 2676