

Economic impact study on wind energy projects released (October 15, 2002)

ELLENSBURG, Wash. -- The Phoenix Economic Development Group today released an economic study analyzing property values, economic impacts and tax revenues of proposed wind energy developments in Kittitas County. The Washington State Office of Community, Trade and Economic Development and the Energy Foundation provided funding for the study that was conducted by ECONorthwest of Portland Oregon.

Debbie Strand, Executive Director of the Phoenix Group commented, "This study was conducted to provide quantitative data that can be used to make informed decisions related to wind energy development in our community. The raw data shows a significant economic impact to our county."

Key findings of the study were:

Views of wind turbines will not negatively impact property values. Based on a nationwide survey conducted of tax assessors in other areas with wind power projects similar to those proposed, there was no evidence supporting the claim that views of wind farms decrease property values.

Wind plant construction phase will have significant economic benefits. The construction of over 250 turbines will create approximately 185 full and part-time jobs in Kittitas County and will increase total income to the county by over \$12 million during the construction period.

Wind plant operation will provide annual economic benefits. The wind farm operations will require 53 additional jobs and will increase income to the county from salaries and operations expenses by over \$4 million annually.

Property tax revenues will increase. The construction of the wind farm will increase property tax revenues collected in the Kittitas County by approximately \$2.8 million dollars annually -- an increase of 11 percent over current property tax revenues. The majority of this increase is due to the property tax paid on the wind turbines.

Tax revenues to Kittitas County Government will also increase. Tax revenues accruing directly to Kittitas County Government will be approximately \$693,000 annually. This increase results from the County's share of new property tax revenue and from increases in other taxes.

According to the study, potential revenues to schools and to taxing authorities such as fire districts and hospital districts are significant. Funding distribution was based on spending allocations in the 2002 Kittitas County Budget and potential DNR revenues. Projections indicate local schools could receive almost \$900,000 annually with state schools receiving more than \$800,000 annually.

"We invite the public to visit our website to read the complete study. Our aim was to provide unbiased information from an independent source based on what other communities with wind farms have experienced," said Ellen Howe Phoenix chair.

The study analyzed the impacts of the wind farm projects proposed by Zilkha Renewable Energy and enXco. As proposed, the two projects combined would involve the construction and operation of 265 wind turbines with a potential generating capacity of 390 megawatts of electricity.

Copies of the study will be posted on the Phoenix Group website at www.kvalley.com/phoenix. Hard copies can be obtained by sending your contact information to the Phoenix Group at phoenix@elltel.net or calling (509) 962-7244.

The Phoenix Group has been designated by the county as the associate development organization for the county. The group's mission is to provide leadership that stimulates business and promotes economic opportunities to support the needs of Kittitas County. The Phoenix Group focuses on business recruitment, retention and expansion.