

903 East Broadway, Goldendale, WA 98620 • (509) 773-3400 • www.goldendalechamber.org

February 11, 2021

Sage Park Department of Ecology 1250 West Alder Street Union Gap, WA 98903-0009

RE: Scoping comments, Goldendale Energy Storage Project (FFP Project 101, LLC)

I am writing as the President of the Goldendale Chamber of Commerce to both submit the Chamber's scoping comments and to express the Chamber's long-standing and continued support for the Goldendale Energy Storage Project.

By way of background, the project developers have pursued an aggressive outreach and education effort for many years. Chamber members are familiar with large project construction given the multi-generational contact with such projects (John Day Dam, Goldendale Aluminum Smelter, extensive wind projects). Local residents are well aware of the effects the proposed project is likely to have during construction and operation, and there is wide-spread support for the undertaking.

Our support recognizes that many jobs will go to highly specialized contractors, but it also recognizes the role new, large projects offer for local workers during construction and operation. Also, our local school, hospital, fire, and other special taxing districts would receive an influx of new funding that is well beyond the capability of the local economy to generate without such projects as reflected in this table (estimated project cost of \$2 billion used):

| Taxing District | 2019 Dist levy | New construction Value2 | Estimated tax revenue from NC3 |
|---------------------------|----------------|-------------------------|--------------------------------|
| County General | 1.300624583 | 2,000,000,000.00 | \$2,601,249.17 |
| County Road | 1.610842698 | 2,000,000,000.00 | \$3,221,685.40 |
| Goldendale School Dist | 1.5 | 2,000,000,000.00 | \$3,000,000.00 |
| EMS | 0.5 | 2,000,000,000.00 | \$1,000,000.00 |
| Klickitat County Hospital | 0.615283486 | 2,000,000,000.00 | \$1,230,566.97 |
| Fire 7 | 0.846270051 | 2,000,000,000.00 | \$1,692,540.10 |
| Library | 0.363580148 | 2,000,000,000.00 | \$727,160.30 |
| Rec Dist 1 | 0.27 | 2,000,000,000.00 | \$540,000.00 |
| Annual Total | | | \$14,013,201.93 |

The area served by the Goldendale Chamber has the potential to be a major contributor to achieving the Clean Energy Transformation Act's (CETA) aggressive goals. Our area understands and supports clean energy projects, and that is a critically important aspect in meeting CETA's timeline.

We are currently the fourth-largest wind power production area in the Nation (see attached) and also host the largest solar project under construction in Washington State. There is considerable potential for additional renewable energy project construction in our area and our scoping comments reflect our understanding – based on experience with operating.projects – of what it will require for variable renewable energy resources to contribute to achieving the 100% goal by 2045.

One key benefit from pumped storage hydro, as well as other utility-scale storage technologies, is the ability to use what would otherwise be unused curtailed renewable resource generation. Existing projects in our area are subject to periodic curtailment, frequently during periods of peak output, because the existing utility grid needs the kind of support a closed-cycle pumped storage hydro project like the Goldendale Energy Storage Project provides.

Pumped storage hydro's unique position in providing utility-scale storage is that the technology is thoroughly tested in multiple domestic and international facilities, its life-cycle cost is far below available alternatives, and it is free of the need to periodically replace depleted batteries – which should be a consideration in both the alternatives analysis and life-cycle costing analyses of Ecology's EIS.

With this background, and recognizing the obligations placed on Ecology by CETA Section 5 and other citations¹, the Goldendale Chamber's main scoping recommendations are to incorporate the following points in the Alternatives Analysis as described in Section 3.3.2 of the SEPA Handbook:

| CETA-Related Considerations | • | The CETA statute and related rulemaking recognize the |
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| | | importance of utility-scale storage in meeting the 100% |

¹ (4) The commission, department, energy facility site evaluation council, department of ecology, and all other state agencies must incorporate this section into all relevant planning and utilize all programs authorized by statute to achieve subsection (1) of this section. (referenced section appears below)

Sec. 5. (1) It is the policy of the state that nonemitting electric generation and electricity from renewable resources supply one hundred percent of all sales of electricity to Washington retail electric customers by January 1, 2045. By January 1, 2045, and each year thereafter, each electric utility must demonstrate its compliance with this standard using a combination of nonemitting electric generation and electricity from renewable resources.

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| | non-emitting electric generation and electricity from renewable resources by 2045 goal. Pumped storage hydro and large battery installations, as the main utility-scale storage technologies, should be treated as alternatives and assessed in terms of their lifecycle costs (reiterated below), including the effects of the need to replace batteries on a regular basis during the project's life; the environmental impact of battery production vs pumped storage hydro components; and the scale and effect of recycled battery waste, which doesn't have a pumped storage hydro counterpart. |
| Location | Renewable energy projects are based on the Second Law of Thermodynamics; they collect and aggregate diffuse energy resources from large areas and concentrate that energy into electricity that is used in the utility grid. Not all areas can support cost-effective renewable energy projects that meet the 2045 target as addressed in the CETA² statute, making it important to favor development of projects in areas – like Klickitat County – that are favorable to the siting and permitting needs of wind and solar. Storage extends the viability and cost-effectiveness of renewable energy projects and, for technical reasons related to grid operations, are best deployed near renewable energy generation projects. It is unusual to have a site such as the Goldendale Energy Storage Project that has both the physical characteristics needed for cost-effectiveness, grid access, and proximity to wind and solar projects. The project location alternatives analysis should include the elements listed above, which reflect both CETA and SEPA Manual criteria. |

² CETA Section 5 (3) In planning to meet projected demand consistent with the requirements of subsection (2) of this section and RCW 19.285.040, if applicable, an electric utility must pursue all cost-effective, reliable, and feasible conservation and efficiency resources, and demand response. In making new investments, an electric utility must, to the maximum extent feasible:

⁽a) Achieve targets at the lowest reasonable cost, considering risk;

⁽b) Consider acquisition of existing renewable resources; and

⁽c) In the acquisition of new resources constructed after the effective date of this section, rely on renewable resources and energy storage, insofar as doing so is consistent with (a) of this subsection.

| Life Cycle Costing | Grid-scale energy storage projects have multi-decade lifespans. Globally, pumped storage hydro projects routinely have 40-60 year operational lives. |
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| | Life cycle costing methodology should be incorporated into any assessment of alternative, grid-scale energy storage technologies. |

Other scoping comments:

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| Use of Existing Documents | Klickitat County, in support of its energy overlay zone decision making process, funded a programmatic EIS (PEIS) addressing wind and solar renewable energy project siting. Included in that PEIS was a comprehensive avian use study. The PEIS should be incorporated into |
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| | Ecology's EIS for the Goldendale Energy Storage Project. |
| Existing Land Use | The project site is on privately owned land that is not open and unclaimed. A large portion of the land is heavily disturbed from past manufacturing facilities. |
| Traditional Tribal Activities | Inaccurate public statements have been made that access and use of ceded land for traditional tribal activities has not been allowed on renewable energy project sites and that the Goldendale Energy Storage Project has the potential to expand this issue. |
| | Renewable energy project land leases in Klickitat County make explicit that traditional tribal activities are allowed. In addition, landowners have the additional flexibility of allowing use of project sites for agricultural, hunting, and other activities – which can include traditional tribal activities. |

In closing, the Goldendale Chamber agrees with the City of Goldendale's observation that:

...the City of Goldendale is in an area that is likely to be key to achieving the Clean Energy Transformation Act's (CETA) aggressive goals. Variable renewable energy resources, especially if the state is to achieve the 100% goal by 2045, need the kind of support a closed-cycle pumped storage hydro project like the Goldendale Energy Storage Project provides.

It is the City's hope that Ecology's Section 5 obligation to incorporate CETA's goals into the department's planning and decision-making process, as stated in the statute, coupled with the statute's repeated reference to pumped storage hydro, will guide the department as it prepares this EIS.

Sincerely,

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Diana Adams President

Windpower Capacity by County Top Counties - 2020 Data

| Counties/State | MW |
|---------------------|-------|
| Kern County_CA | 3,115 |
| Nolan County_TX | 2,097 |
| Gilliam County_OR | 1,307 |
| Klickitat County_WA | 1,248 |
| Benton County_IN | 1,190 |
| Kenedy County_TX | 1,089 |
| Carson County_TX | 1,074 |
| Sherman County_OR | 1,056 |
| Solano County_CA | 1,027 |
| Floyd County_TX | 1,018 |
| Scurry County_TX | 1,001 |
| Sterling County_TX | 991 |
| Lincoln County_CO | 894 |
| Huron County_MI | 871 |
| Webb County_TX | 858 |
| Dewey County_OK | 853 |
| Ford County_KS | 843 |
| Logan County_CO | 818 |
| Starr County_TX | 794 |
| Willacy County_TX | 787 |
| O'Brien County_IA | 750 |
| Oldham County_TX | 743 |
| Pecos County_TX | 683 |
| Glasscock County_TX | 678 |
| Riverside County_CA | 663 |
| Kay County_OK | 658 |
| Adair County_IA | 656 |
| Taylor County_TX | 652 |
| Borden County_TX | 640 |
| Columbia County_WA | 634 |
| Converse County_WY | 621 |
| White County_IN | 601 |
| Mower County_MN | 600 |
| Jackson County_MN | 598 |
| Wilbarger County_TX | 581 |
| Weld County_CO | 580 |
| Castro County_TX | 576 |
| Garfield County_OK | 568 |
| McLean County_IL | 548 |
| Woodward County_OK | 545 |