

TransAlta Update

February 10, 2021

1 p.m.

Present: Commissioner Stamper, Commissioner Pollock, Commissioner Swope, County Manager Erik Martin, Brian Calkins, Cody Duncan, Lucas Dini, Mickey Dreher, Ruth Peterson, Rebecca Staebler, Rep. Peter Abbarno, Cynthia Wilkerson, Lee Napier, Rep. Ed Orcutt, Sandra Jonker, Scott Brummer, Kessina Lee, Richard DeBolt, Chris Panush, Frank DeVaul, Steve Wohld, Eric Eisenberg, Jonathan Meyer, Lara McRea, Tailor Albright and others, Lori Schmitt, Lucas Dini, Lewis County Assessor Dianne Dorey

Guests: Edna Fund, Frank Corbin, Ron Averill, Nic Scott, Cynthia Swift, Susan DeLaire and others

Recorder: Rieva Lester

Kessina Lee of the WDFW discussed outreach that took place regarding the Washington Department of Fish and Wildlife (WDFW) proposed acquisition of 9,600 of former mine land from TransAlta.

Cody Duncan said the proposed project would not affect Skookumchuck River water rights. He said a consultant evaluated the property and recommended TransAlta consider the transfer. Cody noted that reclamation requirements would remain unchanged under the proposed land transfer.

Cody said surrounding the Industrial Park at TransAlta with wildlife area would not affect the area the county has spent \$10 million to develop.

Cody said TransAlta sees two options:

- Reforest and sell to timber companies
- Transfer the land to WDFW

Commissioner Swope said introducing wildlife to the area would hamper future industrial use.

Kessina said WDFW has not yet performed a comprehensive study on what species reside on the property. She said WDFW feels the various species would not relocate near the IPAT land. She said any possible species reintroduction processes would include mechanisms to safeguard the IPAT properties.

Erik noted that the WDFW's website specifically mentions that the area would be considered as future habitat for endangered species of larks, turtles and frogs.

Kessina said reintroducing a species in one site could lead to the de-listing of that species, easing restrictions everywhere.

Scott Brummer said the existing species' current habitats at the site are isolated and very small.

Erik asked Mickey Dreher to clarify a statement that the area is not suitable for industrial development. Mickey said he based his comment on the results of a study TransAlta commissioned. Cody said the area would require too steep of an investment to develop the area.

Cody said the widespread study, spearheaded by the consulting firm O2 Consulting, took place in 2018-19 and focused on everything from solar radiation, wind and infrastructure to population density, rail access, etc.

Erik asked if the county could have a copy of the Office of Surface and Mining (OSM) reclamation plan. He also asked if it had been updated.

Cody said OSM would provide the document through a records request. He said the plan has not been revised to incorporate the proposed land transfer. Cody said OSM is excited about that proposal.

Cody discussed a possible timeline, noting that TransAlta is months away from having a plan that outlines specifics for the proposed transfer.

Jonathan Mayer asked for clarification regarding reclamation requirements to close the mine vs. requirements to transfer the land to the WDFW. Cody said TransAlta's scope could change but that the reclamation requirement would not.

Erik asked if any of the reclamation responsibilities would fall to WDFW. Cody said all reclamation requirements would remain TransAlta's responsibilities.

Erik asked if TransAlta would realize cost savings with the proposed transfer. Cody said there would be cost savings associated with leaving ponds, not being required to replant trees, etc. In response to a follow-up question from Erik, Cody said no estimate exists.

Cody said TransAlta's list of OSM contacts would be available through a records request.

Cody said dredging the final pond, as required, likely wouldn't be complete until 2035, meaning the proposed transfer would be delayed until then.

Cody said habitat restoration could happen before the process is complete but that public access likely would take place in stages.

Cody said the consultant's report was complete around June 2019, and that the consultant concluded that the best use of the property would be as wildlife habitat.

Cody said he reached out to IPAT, including Frank DeVaul, about the proposal in January 2020. He said the group met with IPAT around August 2020. He said TransAlta reached out to Lewis County in December 2020.

Cody said TransAlta asked WDFW to do water quality tests in 2013/14 to determine whether the property would support endangered frogs.

Erik noted that in 2011, TransAlta announced plans to convert to natural gas. Cody said TransAlta plans to stay in Lewis County but that it needs customers in order to proceed. He said there is no definite timeline until / unless end-users are identified. Cody said he doesn't know of any plans to expand beyond its current boundaries. Mickey said TransAlta is looking at plans to move beyond 2025. He said solar is on the radar.

Erik asked for details about the proposed land transfer.

Kessina said it would be a land donation and that there would be transaction costs for a land donation would be minimal.

Eric Eisenberg asked for a cost estimate to create the wildlife habitat.

Kessina said WDFW manages over 1 million acres of land statewide and would review whether it would be worth investing in the property. She said the proposal would require a significant investment from WDFW.

Jonathan Meyer asked when the last time WDFW de-listed anything. Kessina said the question falls outside the WDFW's authority. Sandra Jonker discussed a recent deer delisting.

Cynthia Wilkerson said WDFW is exempt from paying property taxes. However, she said, the WDFW pays counties that opt in to such agreements through Payment In Lieu of Taxes.

Assessor Dianne Dorey said the county receives \$1,100 annually for the 243 acres for which it receives PILT payments. Dianne said other counties have complained that they do not receive their full PILT amounts.

Cynthia said the Legislature is paying the full PILT amounts based on Open Space rates.

Dianne said the county receives more from TransAlta now than it would if the WDFW would provide. She said the county also would lose out on future timber taxes, among other future opportunities.

Cynthia discussed the Feb. 12 deadline for comment is for the WDFW's internal process to determine whether the project would make sense to explore. She said the group will use the information to brief the group on Feb. 26. Approved projects would then move to a funding stage to determine how to proceed with the transaction.

Commissioner Pollock noted that TransAlta has indicated that a portion of IPAT lands was identified as being difficult to develop. She asked if the county could partner to reap the potential benefits of the reclamation process. Cody said IPAT has the ability to also be included in the potential land transfer.

Commissioner Swope asked for a copy of the water quality studies that had taken place indicating that the environment would sustain the endangered species.

Erik left at 2:11 p.m.

Meeting adjourned at 2:13 p.m.