



May 6, 2015

Ms. Maia D. Bellon, Director
Washington Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600

Re: Economic Impacts of Crude Oil Transport on the Quinault Indian Nation and the Local Economy, Resource Dimensions (Apr. 2015)

Dear Ms. Bellon:

During a meeting between Quinault Indian Nation and Department of Ecology in December 2014, you requested information on the costs and economic impacts of proposed oil shipping terminals in Grays Harbor on Quinault Treaty-reserved fishing and gathering rights and other Quinault businesses. In response, the Quinault Indian Nation retained Resource Dimensions, of Gig Harbor, Washington, to conduct an independent study of the potential impacts, costs, and changes in economic outcomes stemming from these proposed projects. This letter submits that study—ECONOMIC IMPACTS OF CRUDE OIL TRANSPORT ON THE QUINAULT INDIAN NATION AND THE LOCAL ECONOMY—for inclusion in the ongoing environmental impact statement reviews, as well as other work the Department of Ecology is conducting with respect to Grays Harbor oil shipping terminals.

The Report's analysis centers on (1) the proposed projects' inherent risks and impacts to the Quinault's Treaty-reserved rights and (2) defining the potential magnitude of economic impacts to the Quinault in the event of a crude oil spill. The analysis does not place monetary value on the cultural and spiritual aspects of tribal members' exercise of their Treaty-reserved fishing and gathering rights. Nor does the analysis include costs and losses from oil spills on private property owners or non-Quinault businesses.

Under three different scenarios (oil train spill into the Chehalis River, marine vessel oil spill inside Grays Harbor, marine vessel oil spill off Grays Harbor entrance), the long-term economic impact of an oil spill on the Quinault Indian Nation would be devastating. The change in economic contributions by Treaty fisheries-based activities and selected Quinault-owned businesses to the local and regional economies would range from:

- An average three-year **decrease of 79.3 to 161.3 direct jobs** depending on oil spill scenario, with the majority of these direct job losses being Treaty commercial fishers.

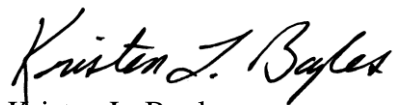
Ms. Maia D. Bellon
May 6, 2015
Page 2

- A **decrease of \$10.3 to \$23.5 million in purchases** made by businesses supplying services to these businesses, depending on scenario.
- **Direct wages and salaries estimated to decline by \$10.3 million to \$19.9 million** for the individuals still employed by these firms.
- Businesses providing services to these firms expected to receive **\$29 to \$70.5 million less** in revenues, depending on scenario.

In your follow-up letter of March 27, 2015, you also asked for specific information on fishing seasons, methods, and locations. The Quinault Indian Nation continues to gather that information and plans to submit it to you within the next couple of weeks; representatives of the Quinault Natural Resources Department can work with your office to set up a meeting to discuss that information.

For the cultural, environmental, and economic future of Grays Harbor and the Quinault Indian Nation, we ask the Department of Ecology to use its resources to ensure a thorough and accurate review of these oil terminal proposals.

Sincerely,



Kristen L. Boyles
Attorney for Quinault Indian Nation

Enclosure

cc: *(Via Email w/ Attachment)*

Paula Ehlers, Southwest Shorelands Section Manager, Dep't of Ecology
Tom Laurie, Executive Advisor for Tribal & Environmental Affairs, Dep't of Ecology
Brenden McFarland, Shorelands Section Manager, Dep't of Ecology
Sally Toteff, Southwest Regional Director, Dep't of Ecology