

From: [Nathan Baker](#)
To: [Shiley, Alex \(EFSEC\)](#)
Cc: [Thompson, Jonathan C \(ATG\)](#); [Steve McCoy](#); [Rick Aramburu](#); [Owens, Joan \(EFSEC\)](#); [Grantham, Andrea \(EFSEC\)](#)
Subject: FW: Whistling Ridge Energy Project - Transfer Application
Date: Wednesday, June 19, 2024 9:51:26 PM
Attachments: [image001.png](#)
[Project-Steelhead Teaser.pdf](#)
Importance: High

External Email

Friends of the Columbia Gorge requests that EFSEC staff, **prior to June 20 at 12:30 p.m.**, complete the following four actions:

1. Share the May 15, 2022 email below and the attachment to this email with the Council,
2. Place the May 15, 2022 email below and the attachment in the administrative record for the pending Transfer Application for the Whistling Ridge Energy Project,
3. Post the May 15, 2022 email below and the attachment on EFSEC's website, and
4. provide confirmation by email to Friends of the Columbia Gorge (at nathan@gorgefriends.org and steve@gorgefriends.org) that the first three actions have been completed.

For more information, please see the email correspondence below.

Thank you very much.

Nathan Baker, Senior Staff Attorney
Friends of the Columbia Gorge
nathan@gorgefriends.org
(503) 241-3762 x101

From: Nathan Baker <Nathan@gorgefriends.org>
Sent: Wednesday, May 29, 2024 11:45 AM
To: Joan Owens <joan.owens@efsec.wa.gov>; Andrea Grantham <andrea.grantham@efsec.wa.gov>
Cc: Jonathan Thompson <jonathan.thompson@atg.wa.gov>
Subject: FW: Whistling Ridge Energy Project - Transfer Application

Neither this email nor its attachment, which were submitted for the Transfer Application matter, appear on EFSEC's website.

This material should be posted on EFSEC's website, included in the administrative record, and shared with the Council.

Thank you.

Nathan Baker, Senior Staff Attorney
Friends of the Columbia Gorge

nathan@gorgefriends.org

(503) 241-3762 x101

From: Nathan Baker <Nathan@gorgefriends.org>

Sent: Wednesday, May 15, 2024 9:51 AM

To: comments@efsec.wa.gov

Cc: Rick Aramburu <rick@aramburulaw.com>

Subject: Whistling Ridge Energy Project - Transfer Application

To Whom It May Concern:

Friends of the Columbia Gorge submits the attached document for filing in the administrative record for EFSEC's review of the Transfer Application involving the Whistling Ridge Energy Project.

This document shows that S.D.S. Co., LLC (dba Stevenson Land Company) and S.D.S Lumber Co. (SDS Lumber) are two distinct companies. The exact nature of the relationship between these two companies is unknown.

According to numerous representations made by Whistling Ridge Energy, LLC ("WRE") during the site certification proceedings for the Whistling Ridge Energy Project, WRE was a wholly owned subsidiary of S.D.S. Co., LLC, *not* of SDS Lumber Co.

The Council's Order No. 869 reflects that ownership status: "Whistling Ridge Energy, LLC is owned by S.D.[S]. Co., LLC, which is also considered to be a Site Certificate Holder as defined in the Site Certificate Agreement, SCA, Sec. III.A.1." (Order No. 869 at 12.)

The pending Transfer Application makes no mention of S.D.S. Co., LLC, and mysteriously asserts that "Twin Creeks Timber, LLC ("TCT") acquired ownership of [WRE] from *SDS Lumber Co.* ("SDS") in November 2021." (Transfer Application at 1 (emphasis added.)) The Transfer Application goes on to reference "SDS Lumber" three additional times, without a single reference to the actual (former) certificate holder, S.D.S. Co., LLC.

The Transfer Application does not explain whether, when, and how ownership of WRE was transferred from S.D.S. Co. LLC to SDS Lumber Co., which are (or were) two different corporations.

These inconsistencies, ambiguities, and omissions in the Transfer Application will need to be resolved through an adjudicative proceeding, unless the Council confirms that the SCA expired by operation of law, thus mooting all other issues.



Nathan Baker
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SDS
Lumber Company

Project Steelhead – Summary Overview

Spring 2021

P / W / P

/ PERELLA WEINBERG
PARTNERS

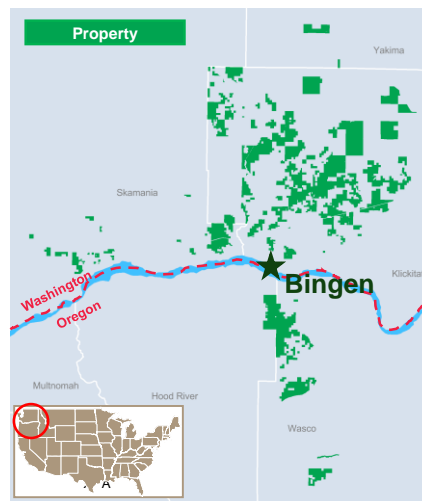


Introduction to Project Steelhead

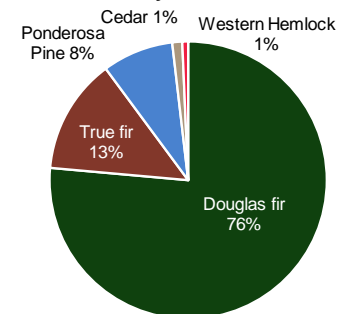
Overview

- The shareholders of S.D.S. Lumber Co. (SDS Lumber) and S.D.S. Co., LLC (dba Stevenson Land Company), (collectively, SDS), are offering for sale SDS' timberlands, lumber & plywood mills and ancillary assets
- SDS Lumber and Stevenson Land Company are available together or standalone
 - Preference for a combined sale of SDS Lumber and Stevenson Land Company
- SDS' timber holdings comprise prime, well-managed timberlands in central Washington and Oregon
 - Over 96,000 acres of high value timberland within a 50-mile radius of SDS' mill site
 - 81% commercial forest area of which 60% is plantation
 - Timberlands comprised primarily of second rotation Douglas-fir with a high percentage in mature ages
 - Conservatively managed timberlands with opportunity to increase harvest level
- Lumber and plywood mills located in Bingen, Washington
 - Potential for ~120 MMBF production stud mill and ~80 MMSF production plywood mill when operating at full utilization
 - Current underutilization of stud mill (operating on one shift) resulting in production levels below potential
 - Mill-site is fully integrated including maintenance, engineering and construction capabilities
- Ancillary company assets complement current operations and include a marine transport business and logging / trucking operations
 - Timberlands package includes various leases, wind power licenses, a rock quarry and residential, office and potential HBU properties

SDS Timberlands⁽¹⁾



Inventory Overview



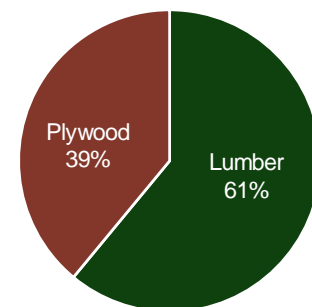
Commercial Forest	752
Total Stands	883

(MMBF)

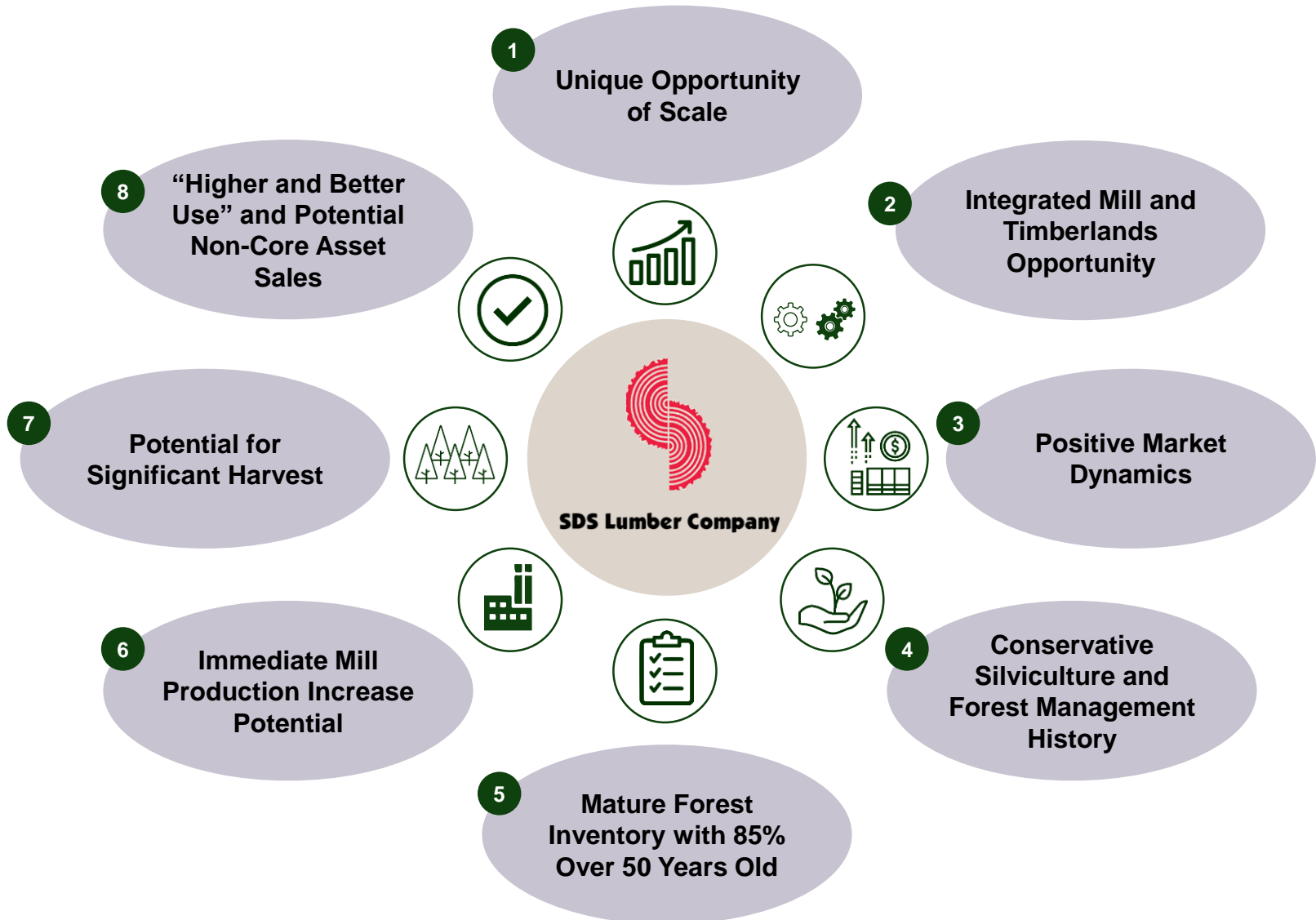
SDS Mills

	Ann. Capacity ⁽¹⁾ (MMBF / MMSF)
Lumber	120
2020 Production	71
% Capacity	59%
Plywood	83
2020 Production ⁽³⁾	65
% Capacity	78%

2020A Revenue by Type⁽²⁾



Key Investment Highlights



Contact Information & Disclaimer

Perella Weinberg Partners (“PWP”) is advising on the sale of SDS. If you are interested in learning about the opportunity, please contact a member of the transaction team below:



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Perella Weinberg Partners (“Perella Weinberg Partners”) has been retained by S.D.S Lumber Co. (“SDS Lumber”) and S.D.S. Co., LLC (“SDS Timber”), collectively described herein as “SDS”, to serve as financial advisor in connection with a potential transaction with SDS. This Presentation is being provided subject to the terms of the Confidentiality Agreement entered into by you in connection with the potential transaction and the information contained herein (the “Information”) constitutes Confidential Information thereunder. By accepting this Information, you agree that you and your directors, officers, employees, attorney(s), agents and representatives agree to use it solely for purposes of deciding whether to proceed with your investigation of SDS in accordance with the procedures established by SDS and Perella Weinberg Partners and will not divulge any such Information to any other party except as permitted under the terms of the Confidentiality Agreement. Reproduction of this Information, in whole or in part, is prohibited. These contents are proprietary and a product of Perella Weinberg Partners and SDS. The Information contained herein is not an offer to sell or a solicitation of an offer to buy any security. This Presentation does not purport to contain all of the information that may be required or relevant to a recipient’s evaluation of a potential transaction and recipients are responsible for conducting their own evaluation and analysis. Any decision to pursue an acquisition of SDS or any potential transaction with SDS should be made after, as applicable, reviewing the requisite information, conducting such investigations as you deem necessary and consulting your own financial, legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of a potential acquisition.

This Presentation includes certain estimates, projections and forward-looking statements provided by SDS, including with respect to the anticipated future performance of SDS. Such estimates, projections and forward-looking statements reflect various assumptions made by SDS, which are subject to business, economic and competitive risks, uncertainties and contingencies which are difficult to predict and, in many instances, beyond the control of SDS. We caution that all estimates, projections and forward-looking statements are inherently uncertain and that actual results may differ materially from the expectations reflected or implied in such estimates, projections and forward-looking statements. In addition, the methodology employed in the model used to produce certain of the projections relies on analyses, empirical data and assumptions and as such no representation or warranty, either express or implied, is provided by PWP, or SDS as to the accuracy, completeness, appropriateness or reliability of the methodology, the analyses, the empirical data or the assumptions in this Presentation. Perella Weinberg Partners assumes no responsibility for independent verification of such information and has relied on such information being complete and accurate in all material respects. Neither SDS nor Perella Weinberg Partners nor any of their respective directors, officers, partners, employees, affiliates or representatives (collectively, “Representatives”) makes any representation, warranty or guarantee of any kind, express or implied, as to the accuracy, completeness or reasonableness of the information contained herein or any other written or oral communications transmitted or made available to any recipient. SDS and Perella Weinberg Partners and their respective Representatives expressly disclaim any and all liability based on or arising from, in whole or in part, such information, errors therein or omissions therefrom. The only information that will have any legal effect will be that specifically represented or warranted in a definitive agreement relating to a transaction involving SDS and executed on behalf of SDS and a purchaser. Nothing contained herein should be construed as tax, accounting or legal advice.

Except as otherwise expressly indicated herein, the information contained in this Presentation speaks as of the date hereof, and SDS and Perella Weinberg Partners have no obligation (express or implied) to update any or all of the Information or to advise you of any changes. All communications or inquiries relating to SDS or this Presentation should be directed to the representatives of Perella Weinberg Partners listed above.

You acknowledge that SDS is free to conduct a process regarding the potential transaction and reject any and all offers or proposals regarding the potential transaction in its sole discretion and terminate discussions and negotiations with you at any time and for any or no reason, with or without notice. You further acknowledge that SDS, Perella Weinberg Partners or any of their respective Representatives reserves the right to negotiate with one or more prospective counterparties at any time and to enter into definitive transaction documents in relation to the potential transaction or any components thereof without prior notice to you.

