

### **Prosper or Harm: HiTest Silicon in Pend Oreille County**

Hopes and worries have caused an emotionally charged situation around the possibility of HiTest Silicon building in Pend Oreille County. Property south of Newport, WA has been purchased by a Canadian company to produce silicon metal to be used mostly for solar panels. To many people this came out of the blue only to hear that they had been looking for property for over a year.

As the board of county commissioners, we hope to present the process for an industry to become operable as well as what has happened so far. We also want to share our respect for your concerns and our apology for not foreseeing where communication beyond what is required would have benefitted. From the county court system to the county roads budget we see the impacts of reduced revenues on county services. We also see businesses closing and poverty related problems. If we can have safe industry here which does not harm human health or environment but provides security to our economic base, then some of the social and economic problems could improve. We are willing to let the process unfold.

### **Separation of powers**

People have asked us to “vote against the smelter”. It doesn’t work that way. The application process for approval to build and operate would require three separate permits. These include an operation plan approval based on an environmental assessment from Washington State Department of Ecology (ECY), a PUD line extension agreement and a power sales agreement, and lastly a Conditional Use Permit CUP from the county. This separation of powers provides for the specific agency to work on their respective areas of expertise and according to the law. This process affords a business the opportunity to try – but it is not a guarantee of approval. The regulations and the process are meant to protect the environment, the power grid, and the people, as well as afford a fair opportunity for a business.

### **Project specific and site specific plans**

There is a lot of information on the Internet about smelters. This can be helpful for general information but it cannot be used in decision making on a specific project. We have heard comments that it is a “done deal” because the company has purchased land. Ownership of land is not a guaranteed use of land. The county can not issue a Conditional Use permit before environmental and energy standards are met. There is also a public hearing process that includes comments from the public.

### **Findings of fact and conclusions of law**

It is not against the law to build a smelter in Washington state. Most people around here are not fans of more government regulation. Pend Oreille County does not have zoning, meaning areas where certain uses are permitted and not others. The County received an environmental assessment planning grant for the Usk area, which was an area HiTest was initially looking. Industry is not a banned use in the county. If a final county approval is granted it must be made based on the facts and outcomes from the Ecology studies, PUD determination, and based on our locally adopted Development Regulations and state law.

### **Follow the money: grants**

There is some confusion on grant money and how it was used. With that came some speculation of personal benefit to commissioners and others. The answer is no; not now or as a promise in the future. HiTest received a Project of Statewide Significance grant from the State of Washington as the project aligns well with

Department of Commerce's goals of strengthening underserved and rural communities. They also recognized that the proposed project furthers Washington's Clean Technology sector, deepens the solar manufacturing supply chain, and supports value-added manufacturing and offers a significant economic benefit.

Pend Oreille county was awarded an environmental assessment planning grant for a sub-area plan near Usk. This is completely independent of whether or not HiTest would actually locate there or not. We had been planning to start our first sub-area plan in another area when this opportunity for planning money arrived. We had no guarantee or expectation that HiTest would be able to work out private land transactions and contracts. Our motive to do the sub-area planning was to be ready for more industry. We are currently winding up that planning process. Going through that process was important for other possible sub-area zoning in the county. Grant documents are posted online here: [pendoreilleco.org/hitest-information/#toggle-id-2](http://pendoreilleco.org/hitest-information/#toggle-id-2)

### **Motives and Benefits: economy and jobs**

Pend Oreille County is recognized as an underserved population with lower wages and higher unemployment. Over half of the county is public lands and only a portion of typical taxes is received (payment in lieu of taxes). Only 7% of total land in Pend Oreille County generates property tax at full value. Counties are finding rising expenses and reducing revenues have made it harder to provide services. Pend Oreille County has already had to cut solid waste services due to state funding cuts.

We value our tourism and retirement community status but it isn't a broad enough and stable enough base to our economy to provide long term sustainability. Currently we lack the family wage jobs needed to attract families and keep our young graduates here. Downtown businesses without a local customer base can find the cycles of tourism difficult to weather.

We have no idea if HiTest will pass the permitting requirements and be able to build here. But if not them then we need another anchor employer in the area. Eventually, so we hear, Ponderay Newsprint in Usk will close its doors and Tech Cominco in Metaline Falls, as a mine, will reach its natural lifespan. Not only do these manufacturers provide healthy incomes to locals they also benefit surrounding businesses, service industries as well as generate tax revenues for roads, schools and so on.

If HiTest were to pass all requirements and open near Newport, the job market would stretch to North Idaho as well. If HiTest fails to meet all requirements we remain committed to developing a more stable economic base.

### **Notices, Comments and Appeals: It's not a done deal**

We have been asked how this has gone under the radar. We respect that frustration. When a large private business is looking for land it is big news. The county is not a news agency. We don't want to speak for the company because it is not a county project. However, to help answer questions people have we have taken public questions about the project and forwarded those on to HiTest. A Frequently Asked Questions page is located on the Pend Oreille Economic Development Council site [pocedc.org/hitest-faq/](http://pocedc.org/hitest-faq/). This page also has an interactive form where you can submit additional questions to HiTest. Other information and links can be found at the EDC [pocedc.org/hitest-silicon/](http://pocedc.org/hitest-silicon/) and Pend Oreille County websites [pendoreilleco.org/hitest-information/](http://pendoreilleco.org/hitest-information/)

The power is in the people and your engagement created communication. The county is under no current obligation to send legal notices to the public, local adjoining governments and agencies because HiTest has

not made any permit applications. Official notices are made when there is an application to review. Currently none have been submitted. Should we receive an application for land use we will follow the public process that will publish notices in newspapers and on our website.

Department of Ecology has a SEPA page that explains how they publish notices and how to comment. [ecy.wa.gov/programs/sea/sepa/e-review.html](http://ecy.wa.gov/programs/sea/sepa/e-review.html)

Citizens have the right to appeal a process and would contact the respective agency whose decision they wish to appeal.

**Not For or Against: It's a process**

Thank you for your passion and your concerns. Our hope is for a more secure future for the people of our county. We also want a safe, healthy and prosperous home. If HiTest starts the permitting process, our plan is to send representatives to see another smelter that is similar in operation to the draft facility plans for the Newport location. We want to know what the local government, employees, residents and health department can tell us about living with a silicon smelter in the community.

We believe that decisions must be made on facts. The facts show that our prosperity is at risk and that the current trajectory of our local economy does not have much hope. It is with prayer and humility we seek a better future that has prosperity and not harm.

PEND OREILLE COUNTY  
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