STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

4601 N Monroe Street • Spokane, WA 99205-1295 • 509-329-3400

July 23, 2018

Pend Oreille County Board of Commissioners PO Box 5025 Newport, WA 99156-5025

Re: Request for Transfer of Lead Agency status on the PacWest Silicon project

(formerly HiTest)

Dear Commissioners:

We received a project proposal from PacWest Silicon to build a silicon smelter in Pend Oreille County near the City of Newport on June 5, 2018. The proposed project must follow the provisions outlined in the Washington State Environmental Policy Act that assigns a government as the lead agency responsible for environmental review.

In October 2017, you requested to transfer lead agency to the Washington Department of Ecology. According to WAC 197-11-940, Ecology must accept the transfer of lead agency status because of the County's population size and because Ecology has jurisdiction over one or more permits required for construction and operation of the project.

Our goal is to ensure a fair, transparent, and thorough environmental review of the proposed project. We also are committed to consulting with Tribal governments in all aspects and at all stages of the process. We will also ensure that the public has opportunity to provide input.

The County, the City of Newport, the Pend Oreille PUD, Bonner County, the town of Oldtown, the City of Priest River, and the State of Idaho, the Washington Department of Health and other state agencies will have important roles throughout the process.

The company requested to move directly to an Environmental Impact Statement (EIS) for the proposed project and we agree it is appropriate. We hope to begin scoping later this summer or early this fall.

We look forward to working with the County and the community on EIS scoping.

If you have any questions please contact Project Manager Meg Bommarito at 425-649-7128 or meg.bommarito@ecy.wa.gov.

Sincerely.

Grant D. Pfeifer

Eastern Regional Director