

# Nuclear fuel plant seeks tax breaks for \$39M expansion with new jobs in Richland

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Richland, WA

Framatome Inc. is seeking property tax breaks from the city of Richland as it considers investing \$39 million to expand its nuclear fuels facility at Horn Rapids.

The expansion would add 20 family-wage jobs to the plant, according to an application seeking a break on its property tax bill it submitted in late November.

Framatome is seeking a waiver of part of its tax bill under a new Washington state program that rewards manufacturers who create new jobs in so-called “Targeted Urban Areas” or TUAs.

The Richland City Council will consider Framatome’s request when it meets at 6 p.m., Jan. 2, at Richland City Hall. The request was included on the council’s agenda, which was published late on Friday, Dec. 29. It is part of the consent agenda, routine items that are approved by a single vote.

## NEW NUCLEAR VENTURE

Framatome is partnering with Ultra Safe Nuclear Corp. on a joint venture to manufacture commercial quantities of fourth generation reactor fuel for advanced reactor designs.

It would include [fuel for the Micro-Modular Reactor](#), which is being licensed in Canada and the United States and is expected to be the first commercially available “nuclear battery.”

The city previously linked the joint venture to Richland in a 2024 Legislative agenda published last fall.

The project, referred to in planning documents as “Project Eagle Phase 1,” would expand the Framatome facility at 2101 Horn Rapids Road by 15,852 square feet. It is asking the city to waive its share of the property’s tax bill for 13,469 square feet.

Framatome previously completed a [\\$20 million expansion in 2020](#).

That project is used to recover scrap uranium that has picked up contaminants in its nuclear fabrication operation but occurred before the Washington Legislature created TUAs to encourage new manufacturing.

The program awards property tax breaks to companies that add family-wage jobs with benefits and meet other criteria.

## BREAKS ARE WORKING

Richland designated much of the Horn Rapids area as a TUA in early 2023 and has enjoyed success in its first year of existence.

If approved, Framatome will be the second manufacturer to take advantage of the new tax incentives.

The first was ATI Inc., a specialty metals company that is building [a \\$28 million addition](#) to its titanium melt plant.

Richland hopes TUA incentives will convince Cenate, based in Norway, [to build an advanced battery parts factory](#) in Horn Rapids and not in Butte, Mont., its rival for the company's first U.S. factory.

In November, the city agreed to property near Framatome for the potential plant.

### **NEED MORE TIME**

It is not clear if awarding tax breaks will cement Framatome's investment. The state requires participants to build their projects within five years, which may not be feasible for a company regulated by the Nuclear Regulatory Commission.

The city of Richland plans to press the 2024 Legislature to extend the deadline for companies such as Framatome that face lengthy approvals under the NRC.

Without an extension, it said, Framatome and Ultra Safe will build in another state.

### **\$250K TAX BILL**

Benton County values Framatome's Horn Rapids property at \$25 million for tax purposes. The company paid more than \$250,000 in property taxes in 2023.

Richland's share was about \$51,400. The city cannot waive the property tax obligation to other entities, such as schools.

Framatome has produced nuclear reactor fuel in Richland for more than half a century and employs nearly 600. It supplies fuel to commercial pressurized water and boiling water reactors.

The Richland council's first agenda of the year includes swearing in new and returning council members and choosing a member to serve as the city's honorary mayor for two years.

Tri-City Herald reporter Annette Cary contributed to this report.