Exhibit No.: Witness: Type of Exhibit: Issue: Sponsoring Party: Case No.:

Senator Doug Libla Direct Testimony Noranda Economic Impact Noranda Aluminum, Inc. EC-2014-\_\_\_\_

### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Filed June 23, 2014 Data Center Missouri Public Service Commission

In the Matter of Noranda Aluminum, Inc.'s Request for Revisions to Union Electric Company d/b/a Ameren Missouri's Large Transmission Service Tariff to Decrease its Rate for Electric Service

Case No. EC-2014-

### **Direct Testimony of Senator Doug Libla**

On behalf of

Noranda Aluminum, Inc.

December 2, 2013

Noranda Exhibit No. Date b-16-11 Reporter KF File NO.EC-2014-0224

#### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Noranda Aluminum, Inc.'s Request for Revisions to Union Electric Company d/b/a Ameren Missouri's Large Transmission Service Tariff to Decrease its Rate for Electric Service

Case No. EC-2014-01\_\_\_\_

STATE OF MISSOURI

COUNTY OF Cole

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#### Affidavit of Senator Doug Libla

Senator Doug Libla, being first duly sworn, on his oath states:

1. My name is Doug Libla. I am a Member of the Missouri Senate representing the 25th District. My address is 5287 Hwy 67 North, Poplar Bluff, MO 63901.

2. Attached hereto and made a part hereof for all purposes is my direct testimony, which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No.

I hereby swear and affirm that the testimony is true and correct.

Subscribed and sworn to before me this  $2^{nel}$  day of December, 2013.



LAURIE NOWACK My Commission Expires January 26, 2017 Cole County Commission #13659152

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Notary Public

| 1   | Q   | PLEASE STATE YOUR NAME AND ADDRESS.   |
|-----|-----|---|
| 2   | А   | Doug Libla, 5287 Hwy 67N Poplar Bluff, Missouri 63901.                        |
| 3   |     | · · · · · · · · · · · · · · · · · · ·   |
| 4   | Q   | WHAT ELECTED POSITION DO YOU HOLD?  |
| 5   | А   | I am a member of the Missouri Senate, and I represent the 25th District.      |
| 6   |     |   |
| 7   | Q   | HOW LONG HAVE YOU BEEN A MISSOURI STATE SENATOR?                              |
| 8.  | Α.  | I was first elected to the Missouri Senate in 2012.                           |
| 9 · | . ' |   |
| 10  | Q   | WHERE IS THE 25th DISTRICT?   |
| 11  | А   | My district includes eight (8) counties in Southeast Missouri.                |
| 12  |     |   |
| 13  | Q   | DOES NORANDA ALUMINUM, INC. OPERATE A PLANT IN YOUR                           |
| 14  |     | DISTRICT?   |
| 15  | А   | Yes, Noranda operates an aluminum smelter in New Madrid County, which is a    |
| 16  | ·   | part of the district I represent in the Missouri Senate.                      |
| 17  |     |   |
| 18  | Q   | WHAT IS THE PURPOSE OF YOUR TESTIMONY?  |
| 19  | А   | To provide information concerning the impact of the Noranda smelter on my     |
| 20  |     | constituents in Southeast Missouri.   |
| 21  |     |   |
| 22  | Q   | ARE YOU FAMILIAR WITH THE OPERATIONS AT THE NORANDA PLANT IN                  |
| 23  |     | SOUTHEAST MISSOURI?   |
| 24  | A   | Yes. I am familiar with the operations at the Noranda plant. The employees of |
| 25  |     | the plant live throughout Southeast Missouri. I have known employees of the   |
|     |     | 1.  |

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plant over the many years the plant has been in operation. These jobs have transcended several generations of my constituents with good paying family sustaining jobs.

4 Q DO YOU HAVE ANY COMMENTS THAT YOU WOULD YOU LIKE TO SHARE 5 WITH THE MEMBERS OF THE PUBLIC SERVICE COMMISSION 6 REGARDING THE ECONOMIC IMPACT OF NORANDA'S OPERATIONS IN 7 SOUTHEAST MISSOURI?

Noranda employs 970 people, and its operations have a major impact on the 8 А 9 economy of Southeast Missouri. Noranda's employees are some of Southeast 10 Missouri's leading citizens, and enjoy a high rate of pay and benefits. This 11 enables them to make a positive impact on the communities where they live-12 both economically, and as leaders contributing to the overall quality of life. 13 Noranda also provides almost 18 percent of the property taxes paid in New 14 Madrid County and just over 28 percent of the taxes paid for the New Madrid 15 County Central R-1 School District, so not only do they provide excellent paying 16 jobs, but the company also shoulders a large part of the tax burden in New Madrid County which provides a benefit to everyone who lives there. Noranda is 17 18 very important to our region, and it is important that the company remain 19 profitable and continue to operate.

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21 Q HOW HAVE NORANDA'S CONTRIBUTIONS TO THE TAX BASE IN NEW 22 MADRID COUNTY BENEFITED THE COMMUNITY?

A The property taxes paid by Noranda make a big impact. Because of these taxes,
we have an excellent public school district in New Madrid County, with some of
the best facilities and educators in the state. The quality of our schools has a far

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reaching impact on our citizens and their ability to prepare for jobs and contribute to society.

Q HAVE YOU BEEN INVOLVED IN ECONOMIC DEVELOPMENT IN YOUR ROLE AS A STATE SENATOR?

Yes. I have worked on legislation designed to foster economic development. I also have experience working with economic development professionals. I have learned through these experiences that attracting manufacturing jobs to the state of Missouri is challenging. Advances in technology have eliminated many manufacturing jobs, and many manufacturers have moved their operations overseas. Job creation and retaining the jobs are both essential to the quality of life in Southeast Missouri. If the Noranda smelter were to close, it would be very difficult to replace the lost jobs with similar high paying jobs. Losing these jobs would have an huge impact on this region, and would be felt statewide.

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16 Q HOW IMPORTANT ARE MANUFACTURING JOBS SUCH AS THOSE THAT 17 EXIST AT THE NORANDA PLANT TO THE ECONOMY OF SOUTHEAST 18 MISSOURI?

A Compared to the other jobs available in our area, Noranda's jobs are better paying and provide more benefits. This is generally true of manufacturing jobs. Manufacturing also contributes to job growth in related industries; those that supply products and services needed for production. Over the past 20 years or so, it has become increasingly difficult to attract and keep manufacturers in our area. The jobs at Noranda are extremely important to the economy of Southeast Missouri.

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# 2 Q ARE THERE ANY ADDITIONAL COMMENTS YOU'D LIKE TO SHARE?

The 25<sup>th</sup> Senate District of Missouri faces a number of economic challenges, with 3 А job creation and retention being at the top of the list. Being a part of the 8th 4 Congressional District we are currently the 11th poorest district in the United 5 6 States. New Madrid County and three other Southeast Missouri counties in my 7 district are consistently the poorest in Missouri. When I look out over our community, and consider which companies are making an impact, Noranda 8 9 definitely stands out. Noranda contributes over 900 good paying jobs with health 10 benefits, including retirement plans. Noranda pumps millions of dollars into the 11 regional economy. Noranda's continued operations and profitability are of utmost 12 importance to all of the people of Southeast Missouri.

Yes, it does. Thank you for the privilege of providing my views on this issue.

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# 14 Q DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

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