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

Noranda Aluminum, Inc., et al.,	)	
Complainants,	)	
v.	)	Case No. EC-2014-0223
Union Electric Company d/b/a	)	
Ameren Missouri,	)	
	)	
Respondent.	)	
Noranda Aluminum, Inc., et al.,	)	
Complainants,	)	
v.	)	Case No. EC-2014-0224
Union Electric Company d/b/a	)	
Ameren Missouri,	)	
	)	
Respondent.	)	

## **NOTICE OF COMMUNICATION**

Issue Date: September 30, 2014

Chairman Robert S. Kenney hereby files the attached email from Senator Jason R. Holsman along with the American Metal Market article regarding the above captioned cases. Respectfully Submitted,

Robert S. Kenney Chairman

Dated at Jefferson City, Missouri On this 30<sup>th</sup> day of September, 2014

## Eichelberger, Pam

From: Kenney, Robert

Sent: Tuesday, September 30, 2014 11:06 AM

To: Eichelberger, Pam

**Subject:** Fwd: OPC Request for Rehearing

Attachments: image003.png; ATT00001.htm; Ormet - Sept - 2014.pdf; ATT00002.htm

Please file in the Noranda cases. Thank you.

Robert S. Kenney

Begin forwarded message:

From: "Jason Holsman" < <u>Jason.Holsman@senate.mo.gov</u>>
To: "Kenney, Robert" < Robert.Kenney@psc.mo.gov>

Subject: OPC Request for Rehearing

Dear Chairman Kenney,

Attached is a recent article regarding the closure of the Ormet smelter in Ohio. Like many in Missouri I fear that without a lower electricity rate Noranda Aluminum in the Bootheel will be the next smelter to shut its doors or move to a neighboring state.

In light of this potentially devastating economic news, I would urge the commission to grant the OPC's request for a rehearing in this case. The OPC's compromise stipulation was put forward late in the process and I believe a rehearing now will show that this compromise protects ratepayers by keeping Noranda on the system, while at the same time allowing Noranda to operate for years to come.

As you and the other members of the Commission make your decision in Noranda's rate relief complaint case, I hope you will consider fate of Ormet and the importance of Noranda's rate request to its ability to remain in Missouri.

Sincerely,
[cid:image003.png@01CFDC9D.970001D0]
Jason R. holsman
State Senator – 7th District
Jackson County



## Niagara pulls plug, sets auction plans for Ormet

Sep 24, 2014 Nathan Laliberte

NEW YORK — The owner of the former Ormet Corp. smelting facility in Hannibal, Ohio, will auction a majority of its assets and equipment in November, meaning the plant, as it currently stands, will no longer smelt aluminum.

"It's become very clear that there is no way to break through the regulatory components," Eric J. Spirtas, president of Niagara Worldwide LLC, which purchased Ormet's assets in June, told *AMM* in an exclusive interview. "There is no magic sauce here. Despite all we tried to do, I don't have an answer to the power problem. The electricity rate is simply too high."

Spirtas said he made the decision after talking with metals industry experts and government regulators.

"I have to move on with the site. It's discouraging. This plant, in its current state, will not smelt aluminum because power isn't available at the right price."

Niagara, Wis.-based development company Niagara Worldwide purchased Hannibal-based Ormet's assets for \$25.25 million (amm.com, June 27).

Ormet, which shut the Hannibal smelter in October after failing to secure a more favorable power rate from Ohio regulators, had sought a buyer that would resume output at the plant (amm.cam, Feb. 18). Spirtas said that the 20,000 tons of alumina and 25 million pounds of aluminum sitting at the plant are not currently committed for sale. "I will immediately have to start the painstaking process of securing those materials into the market."

"As we prepare for a liquidation and an auction, our goal is to redevelop this property for jobs. We are talking to a myriad of manufacturers who are interested in the property," Spirtas said.

The auction is set to take place Nov. 4-6.

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