

Exhibit No.:
Witness: Rick Earnheart
Type of Exhibit: Direct Testimony
Issues: Noranda Economic Impact
Sponsoring Party: Noranda Aluminum, Inc.
Case No.: ER-2010-0036

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

**In the Matter of Union Electric
Company, d/b/a AmerenUE's
Tariffs to Increase Its Annual
Revenues for Electric Service**

Case No. ER-2010-0036
Tariff Nos. YE-2010-0054
and YE-2010-0055

Direct Testimony of Rick Earnheart

On behalf of

Noranda Aluminum, Inc.

January 6, 2010

Noranda
Exhibit No. 420
Date 3-26-10 Reporter PE
File No. ER-2010-0036

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OF THE STATE OF MISSOURI

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Revenues for Electric Service

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STATE OF MISSOURI)

SS

COUNTY OF NEW MADRID)


Affidavit of Rick Earnheart

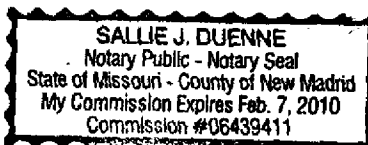
Rick Earnheart, being first duly sworn, on his oath states:

1. My name is Rick Earnheart. I am an employee of Noranda Aluminum, Inc. and the Vice President of the United Steelworkers Local Union 7686. My business address is 391 St. Jude Industrial Park, New Madrid, Missouri.
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. ER-2010-0036.
3. I hereby swear and affirm that the testimony is true and correct.


Rick Earnheart

Subscribed and sworn to before me this 5 day of Jan, 2010.


Notary Public



1 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A Rick Earnheart. My business address is 391 St. Jude Industrial Park, New Madrid,
3 Missouri 63869. I live 29 miles from New Madrid in Malden, Missouri.

4

5 **Q WHERE DO YOU WORK?**

6 A I work for Noranda Aluminum, Inc. as a maintenance mechanic at its aluminum smelter
7 near New Madrid, Missouri. I have been so employed for almost 39 years.

8

9 **Q ARE YOU A MEMBER OF A UNION IN THAT REGARD?**

10 A Yes, I am a member of the United Steelworkers Local Union 7686. Currently, I am the
11 Vice-President of that local union.

12

13 **Q ARE YOU FAMILIAR WITH THE OPERATIONS AT NORANDA?**

14 A I am very familiar with the operations of Noranda, having worked at the smelter for 39
15 years.

16

17 **Q DO YOU UNDERSTAND WHAT THIS PROCEEDING CONCERNS?**

18 A Yes, I think so. I understand that Noranda's electricity supplier, Union Electric Company,
19 seeks to increase Noranda's electric rates by up to 18 percent. That is critical to
20 Noranda, to me, to the other employees at the smelter, and to the communities in which
21 I live and work because Noranda's viability is critical to us and the cost of electricity is a
22 large component of Noranda's production costs.

23

24 **Q DO YOU HAVE ANY COMMENTS THAT YOU WOULD LIKE TO SHARE WITH THE**
25 **MEMBERS OF THE PUBLIC SERVICE COMMISSION REGARDING THE IMPACT**
26 **THAT NORANDA'S OPERATIONS HAVE ON YOU, ON OTHER MEMBERS OF YOUR**
27 **UNION AND ON THE COMMUNITIES IN WHICH YOU LIVE AND WORK?**

1 A Well, I have lived in the Bootheel all of my life. I can't remember a time when our
2 economy was as bad as it is now. The Bootheel has fewer high-paying manufacturing
3 jobs now than in the past and, to the extent that lost manufacturing jobs have been
4 replaced, they have been largely replaced with lower-paying non-manufacturing jobs.
5 As an example, recently, the Federal-Mogul Corporation, a manufacturer of automotive
6 pistons, closed its doors in Southeast Missouri. It employed approximately 600 people
7 with high-paying manufacturing jobs. I understand that it moved its production business
8 outside of our country. Those lost jobs have simply not been replaced with similar jobs.
9 Noranda, with its 900 high quality, high-paying, manufacturing jobs, is a major economic
10 engine driving our local economy. I believe that it would be devastating to me and the
11 other employees of Noranda were it forced to close its doors because it was unable to
12 remain competitive for any reason, but including the reason that its electric rates were
13 too high. There simply are not sufficient high-paying jobs available to us in the Bootheel
14 should we seek replacement employment.

15 It would also be devastating to the communities in which I live (Malden) and
16 work (New Madrid). Noranda pays a large sum in property taxes that support our
17 schools and other government services. Moreover, Noranda purchases from local
18 suppliers who rely on Noranda's business. Last, I and my fellow employees of Noranda,
19 support our local merchants. Were we to be unable to do so, they too would be harmed
20 financially.

21

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

23 A Noranda represents the best of our manufacturing community. It provides 900 good
24 paying jobs with health benefits, including retirement plans, and it pumps millions of
25 dollars into the local and regional economy. It is imperative to me, to the members of my
26 union whom I represent, and to the communities in which we live and work, that Noranda
27 continue to remain viable and that our partnership with Noranda thrive. Please do

1 everything within your power to assure that the electric rates that Noranda pays allow it
2 to continue operations in Southeast Missouri.

3

4 **Q DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?**

5 **A** Yes, it does.

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