

FILED³

APR 25 2007

Missouri Public
Service Commission

Exhibit No.:

603

Issue:

Noranda Impact

Witness:

Mark Baker

Type of Exhibit:

Direct Testimony

Sponsoring Party:

Noranda

Case Number:

ER-2007-0002

Date Testimony Prepared:

Dec. 29, 2006

AmerenUE

Case No. ER-2007-0002

Prepared Direct Testimony of

Mark Baker

On behalf of

Noranda Aluminum, Inc.

December 2006

Noranda
Exhibit No. 603
Case No(s) ER-2007-0002
Date 3-28-07 Rptr PF

BEFORE THE
PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)
AmerenUE for Authority to File Tariffs Increasing) Case No. ER-2007-0002
Rates for Electric Service Provided to Customers)
in the Company's Missouri Service Area.)

Affidavit of Mark Baker

State of Missouri)
County of New Madrid) ss

Mark Baker, of lawful age, on his oath states: that he has reviewed the attached written testimony in question and answer form, all to be presented in the above case, that the interest in the attached written testimony were given by him; that he has knowledge of the matters set forth in such answers; that such matters are true to the best of his knowledge, information and belief.

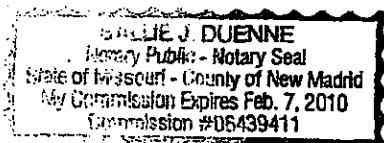
Mark Baker
Mark Baker

Subscribed and sworn before me this 12th day of December, 2006

Sallie J. Duemme
Notary Public

[SEAL]

My Commission expires: 2/7/2010



Before the
Missouri Public Service Commission

AmerenUE

Case No. ER-2007-0002

Prepared Direct Testimony of Mark Baker

1 Q PLEASE STATE YOUR NAME AND YOUR POSITION.

2 A My name is Mark Baker and I am currently a New Madrid County Commissioner.
3 I was formerly Mayor of the City of New Madrid.

4 Q IN NEW MADRID COUNTY DO THEY HAVE JUST A SINGLE COMMISSIONER OR IS
5 IT SEVERAL PERSONS ON A BOARD?

6 A There are three commissioners. There is one from the south end of the
7 County, District 2, and there is one from the north end of the County, District
8 1, which is what I am, and then we have a commissioner that is over the whole
9 County -- that is elected by the whole county. Three all together.

Commissioner Mark Baker
Direct Testimony

1 Q I AM AN OLD MISSOURIAN. IS THIS WHAT WE USED TO CALL THE COUNTY
2 COURT?

3 A Yes. County Court, County Judges, yes, those were the names for them.

4 Q COMMISSIONER BAKER, WHAT DO YOU DO FOR A LIVING BESIDES BEING
5 COMMISSIONER?

6 A I am basically a farmer as my main line of work and in the past I have worked
7 part time for the New Madrid County Health Department.

8 Q COMMISSIONER BAKER, YOU ARE OBVIOUSLY FAMILIAR WITH NORANDA
9 ALUMINUM?

10 A Yes, I am.

11 Q WHAT DO YOU THINK ABOUT THE PLANT AND ABOUT HOW THE PEOPLE
12 THERE OPERATE IT AND SO ON?

13 A I think the plant is vital to not only New Madrid, but to New Madrid County and
14 southeast Missouri as a whole. I think there's about 1,100 people that work up
15 there, I am not sure of exactly the number, but there's a lot of them. And I
16 know some of those people live right here in New Madrid County, but also in
17 every county in the Boot Heel and I am sure there are a few out of state as
18 well. Noranda is a vital employer for southeast Missouri.

Commissioner Mark Baker
Direct Testimony

1 Q HOW WOULD YOU DESCRIBE NORANDA AS A CORPORATE CITIZEN IN THE
2 LARGER COMMUNITY?

3 A I think Noranda is a good corporate citizen. I know that every cause -- worthy
4 causes or whatever you might call it -- approaches Noranda about funding or
5 donations. I don't know what the policy is, but I know they fund lots of
6 activities not only in New Madrid but also Sikeston and other communities in
7 the Boot Heel.

8 Q FROM ALL OF THAT I TAKE IT THAT YOU BELIEVE IT WOULD BE IMPORTANT
9 TO YOU AS A PUBLIC REPRESENTATIVE, A PUBLIC OFFICIAL, THAT NORANDA
10 CONTINUE ITS OPERATIONS THERE IN THE SOUTHEASTERN PART OF THE
11 STATE?

12 A Yes. It is absolutely vital that Noranda be there as an employer in this part of
13 the state. I couldn't even begin to imagine the effect that not having Noranda
14 or losing Noranda would have on the economy for several communities in our
15 area.

16 Q AS COMMISSIONER OF NEW MADRID COUNTY DO YOU HAVE PARTICULAR
17 CONCERNS ABOUT NORANDA?

18 A Well, I would say yes because one of my biggest concerns as Commissioner is
19 the budget that we have to operate our County government off of. That is
20 derived from several sources but mostly sales tax and property tax. I would
21 hate to think about losing Noranda and the revenue that is generated due to

Commissioner Mark Baker
Direct Testimony

1 Noranda being in this area. Especially the County and the County government -
2 - not to mention the payrolls that are taken home by all those employees and
3 the number of dollars that money represents as far as how many times those
4 dollars turn over in our economy in the Boot Heel.

5 Q CAN YOU QUANTIFY THE SIGNIFICANCE OF NORANDA TO THE TAX RECEIPTS
6 IN NEW MADRID COUNTY?

7 A Noranda alone pays 24% of the total taxes in New Madrid County, as well as 33%
8 of the assessed tax paid for the New Madrid County Schools.

9 Yes. It is absolutely vital that Noranda be there as an employer in this
10 part of the state. I couldn't even begin to imagine the effect that either not
11 having Noranda or losing Noranda would have on the economy for several
12 communities in our area.

13 Q DO YOU HAVE ANY COMMENT ON THE ELECTRICITY NEEDED BY NORANDA?

14 A Noranda needs an economical supply of power to remain as an important part
15 of the southeast Missouri economy.

16 Q COMMISSIONER BAKER, IN THIS PROCEEDING AMERENUE HAS FILED AN
17 APPLICATION TO INCREASE THE RATES GENERALLY AND TO INCREASE THE
18 RATE TO NORANDA. IS IT A FAIR STATEMENT OF YOUR POSITION THAT YOU
19 WOULD FAVOR AN APPROACH THAT WOULD AVOID ANY UNNECESSARY
20 INCREASE FOR NORANDA?

**Commissioner Mark Baker
Direct Testimony**

1 A Yes, I would hate to see any unnecessary increase generally and to Noranda in
2 particular. I am in favor of doing whatever that I can do to help Noranda make
3 it where it is possible to keep their doors open and keep going and keep the
4 business going. We just can't afford to have Noranda shut its doors and leave
5 here. And to me that means whatever it takes to help Noranda, to make sure
6 that Noranda is able to operate as efficiently as possible. I am in favor of it.

7 Q **DOES THAT CONCLUDE YOUR TESTIMONY AT THIS TIME, COMMISSIONER**
8 **BAKER?**

9 A Yes it does.