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October 1, 2011
VIA FEDERAL EXPRESS

PUCO

Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, Ohio 43215-3793

Re: Enclosed Document for Filing in Case No. 09-119-EL-AEC

Dear Sir or Madam:

Enclosed on behalf of Ormet Primary Aluminum Corporation ("Ormet") please find an original and seven (7) copies of Schedule A for 2012, as permitted under section 5.03 to the power agreement between Ormet Corporation and Columbus Southern Power Company and Ohio Power Company (collectively "AEP Ohio") submitted in Case No. 09-119-EL-AEC. Two additional copies are enclosed to be date-stamped and returned to me in the enclosed, self-addressed Federal Express envelope.

The Power Agreement between Ormet and AEP Ohio requires Ormet to submit its Schedule A by October 1, 2011 for calendar year 2012. Schedule A contains a Target LME of \$2,846 per metric tonne, as compared to the 2011 Target LME of \$3,392 per metric tonne. The decrease of \$546 per metric tonne, a 16.1% reduction, is due to several factors, both positive and negative.

The Target LME Price was decreased by several factors. Recent LME prices for aluminum, as indicated by the forward curve, are less optimistic than the forecasters' projections, but the anticipated market price for aluminum in 2012 is still sufficient to support Ormet's current plan to operate all six lines for the entire year. The impact on free cash flow of increasing the operating configuration from four to six lines resulting in full employment at Hannibal, decreased the Target LME by \$433 per metric tonne. The alumina market is constrained and we saw significant increases in the price of alumina in 2011 which resulted in Ormet restarting the Burnside Refinery which had been idled since 2006. This submittal is based on transferring alumina at cost from Burnside to the Hannibal facilities, which reduced the Target LME by \$183 per metric tonne. The operating configuration significantly reduced the Working Capital build in 2012 which contributed an additional \$165 per metric tonne.

There were several factors that somewhat mitigated the decrease in the Target LME. The first factor adversely affecting the Target LME Price is the change in AEP's estimated blended GS-4 Rate delivered to Ormet being \$51.17 per MWh for 2012 compared to the estimated 2011 rate of \$48.02 per MWh, which increases the Target LME by \$49 per metric tonne. Other unfavorable items include increased costs for anodes \$39 per metric tonne, increased investment

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for capital required for operating at capacity \$146 per metric tonne and higher pension and VEBA contributions \$37 per metric tonne.

The combination of all of these factors resulted in the net decrease of the Target LME Price of \$546 per metric tonne.

Thank you for your assistance in this matter. If you have any questions please contact me at the telephone number above.

Sincerely,

A handwritten signature in cursive script that reads "Emma F. Hand".

Emma F. Hand

Enclosure

**ORMET ALUMINUM
ELECTRICITY RATES
For the Calendar Year 2012**

LME PRICE (If the LME Price (\$/tonne) is)	ORMET RATE (Then Ormet shall pay (\$/MWh))
Less than the Target LME Price	AEP Ohio Tariff Rate minus \$0.05081/MWh for each \$1/tonne less than the Target LME Price
Target LME Price = \$2,846	AEP Ohio Tariff Rate = \$51.17/MWh
Greater than the Target LME Price but not more than \$300 above the Target LME Price	AEP Ohio Tariff Rate plus 4% = \$53.22
Greater than \$300 above the Target LME Price	AEP Ohio Tariff Rate plus 8% = 55.26

NOTES:

1. The AEP Ohio Tariff Rate reflects the amount Ormet would pay based on a 98.5% load factor if 50% of its load were billed based on the Ohio Power Company Schedule GS-4 Transmission Bundled Service and 50% of its load were billed based on the Columbus Southern Power Company Schedule GS-4 Bundled Service.
2. In the event that the AEP Ohio Tariff is modified prior to or during 2012, this schedule shall be modified as follows to reflect a new Target LME Price consistent with the revised AEP Ohio Tariff Rate:

$$TP_1 = TP_0 + (TR_1 - TR_0) / 0.05081$$

Where:

TP_1 = Revised Target Price

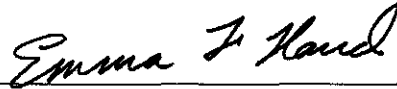
TP_0 = 2012 Target LME Price (i.e., \$2,846/tonne)

TR_1 = Revised AEP Ohio Tariff Rate based on a 98.5% load factor

TR_0 = Anticipated 2012 AEP Ohio Tariff Rate based on a 98.5% load factor
(i.e., \$51.17/MWh)

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing filing has been served upon the below-named persons via regular U.S. Mail Service, postage prepaid, this 30th day of September, 2009.



Emma F. Hand

Attorney for Ormet Primary Aluminum Corporation

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