

Ohio Senate

Senate Building 1 Capitol Square Columbus, Ohio 43215 (614) 466-6508 Committees:

Reference

Agriculture - Ranking Member Public Utilities - Ranking Member Transportation Insurance & Financial Institutions Energy and Natural Resources

Finance - General Government Subcommittee

Lou Gentile State Senator 30th District

September 5, 2013

2013 SEP 10 AM 9: 24

Ms. Barcy McNeal Secretary, Public Utilities Commission of Ohio 180 E. Broad Street, 11th Floor Columbus, OH 43215

Re: Ormet Primary Aluminum Corporation, Case No. 09-119-EL-AEC

Dear Chairman Snitchler and Commissioners Lesser, Haque, Slaby, and Trombold:

I am writing to request that the PUCO act quickly and decisively to protect the 1,000 direct living wage jobs at Ormet Primary Aluminum Corporation and the thousands of supplier and service jobs which depend on Ormet. Ormet has requested an amendment to the Commission's previously issued Unique Arrangement in order to permit it to come out of bankruptcy this month.

Recently, I had the opportunity to attend a rally in support of the workers and families who are employed at Ormet. The future of 1,000 workers, their families and the entire region is at stake. Eastern Ohio has faced many economic challenges; our steel industry has been all but decimated and the recent recession forced plant closures throughout the Ohio Valley. If the state of Ohio is unable to retain the 1,000 jobs at this plant the impact to the workers, their families, the local school district and the entire regional economy will be devastating.

As you know, the gating issue that prevents Ormet from coming out of bankruptcy as a going concern is the price of power under the Unique Arrangement. The only offer to acquire Ormet required a competitive price per MWh. Ormet has developed a sound business plan that includes construction of an onsite gas fired electric generating facility that will meet its future energy needs, but economic development assistance is required now to bridge the gap. Providing this manufacturer emergency relief is critical in the short term so they are able to enact their long range business plan. Furthermore, in the event that Ormet were to liquidate, because it is such a large user of power, the loss of Ormet could have the effect of raising power costs to the remaining ratepayers.

This administration is focused on retaining and creating jobs in Ohio. I feel strongly that preserving manufacturing jobs in Ohio is essential to having a robust and diverse economy. I trust that the PUCO commissioners share the same feelings as I do when it comes to protecting manufacturing jobs in our state.

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Thank you for your time and attention to this very important matter. I look forward to working with all of the stakeholders to ensure an outcome that will keep 1,000 workers on the job.

Sincerely,

Lou Gentile

Ohio Senate

District 30