

Century Aluminum Says WV Plant Still Priority

The Associated Press

RAVENSWOOD, W.Va. (AP) — Restarting a shuttered plant in Jackson County remains a priority for Century Aluminum as it seeks a special electricity rate for the facility.

Century Aluminum spokeswoman Lindsey Berryhill said the company is committed to working with Appalachian Power Co. and the state Public Service Commission to determine an electricity rate for the plant in Ravenswood that will allow it to resume operations.

The California-based metal producer has asked the PSC to approve a special power rate that would be adjusted quarterly based on the global price of aluminum. That would allow the plant to operate economically over a wide range of aluminum prices, Berryhill told the Parkersburg News and Sentinel (<http://bit.ly/Ks7R3k>).

During a special session this year, the Legislature approved a tax credit program to help Century Aluminum restart the plant. The program will provide up to \$20 million in tax credits annually for 10 years, to help the utility provide power to the plant at special rates when aluminum prices are weak.

"When aluminum prices are high, Century would pay a higher rate and these additional revenues would be used first to repay any financial support previously provided by Appalachian Power or its customers," Berryhill said. "Any further revenues would be used to reduce the current amount of the tax credit needed and to provide a credit against the power costs of other customers."

Berryhill said the annual cost of electricity has risen substantially since the plant was closed in February 2009 but aluminum prices haven't improved enough to pay that cost.

"Century is seeking a sliding scale of rate support, to help bring its power costs to a level that will allow it to restart and compete with other aluminum manufacturers until such time as aluminum prices allow Century to pay a higher rate for its electricity," she said.

About 650 workers were laid off when the plant closed. Century stopped health care benefits for retirees in 2010. Earlier this year, the company offered to restore at least some of the benefits after retirees and their families lobbied lawmakers, spoke out at Century stockholder meetings and held pray vigils and protests, among other actions.

Retirees accepted the company's deal March 15, which cleared the way for the special session. The agreement is tied to restarting the plant.

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"Century believes that the special rate fairly balances the interests of Century, Appalachian Power, Appalachian Power's other customers, Century employees, Century retirees, and the community of Ravenswood," Berryhill said. "The special rate as proposed is necessary for the restart of the Ravenswood plant and Century believes that it would fulfill the expectations of the many supporters of the 2012 legislation."

The PSC said last week that it will have to determine how much Appalachian Power will charge Century Aluminum for electric service for the plant.

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