

Exhibit No.:
Witness: Emil Ramirez
Type of Exhibit: Direct Testimony
Issue: Noranda Economic Impact
Sponsoring Party: Noranda Aluminum, Inc.
Case No.: EC-2014-_____

Filed
June 23, 2014
Data Center
Missouri Public
Service Commission

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

In the Matter of Noranda
Aluminum, Inc.'s Request for
Revisions to Union Electric
Company d/b/a Ameren
Missouri's Large Transmission
Service Tariff to Decrease its
Rate for Electric Service

Case No. EC-2014-_____

Direct Testimony of Emil Ramirez

On behalf of

Noranda Aluminum, Inc.

December 17, 2013

Noranda Exhibit No. 20
Date 6-16-14 Reporter KF
File No. EC-2014-0224

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of

Case No. EC _____

STATE OF MISSOURI)

) SS

JACKSON COUNTY)

Affidavit of Emil Ramirez

Emil Ramirez being first duly sworn, on his oath states:

1. My name is Emil Ramirez. I am a Member of, and employed by, the United Steel Paper and Forestry Rubber Manufacturing, Energy, Allied Industrial and Service Workers International Union ("Union"). I am currently assistant to the Director of District 11 of the Union. Effective March 1, 2014 I will become the District Director, having been elected to this position in November 2013. My address is 3675 S. Noland Road, Suite 310, Independence, Missouri 64055.

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. _____.

3. I hereby swear and affirm that the testimony is true and correct.

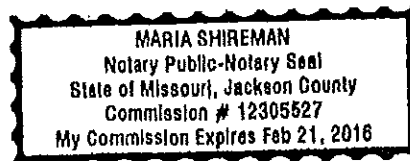
Emil Ramirez

Emil Ramirez

Subscribed and sworn to before me this 17th day of December, 2013.

Maria Shireman

Notary Public



1 Q PLEASE STATE YOUR NAME AND ADDRESS.

2 A Independence, Missouri.

3

4 Q BY WHOM ARE YOU EMPLOYED AND WHAT POSITION DO YOU HOLD?

5 A The United Steelworkers Union. I am currently serving as assistant to the Director,
6 District 11 of the Union. Effective March 1, 2014, I will take over as District 11 Director,
7 having been elected to this position in November 2013.

8

9 Q PLEASE DESCRIBE YOUR EMPLOYMENT HISTORY AND YOUR INVOLVEMENT
10 WITH THE UNITED STEELWORKERS UNION.

11 A I have been a member of the Union since 1986 and have held numerous positions of
12 responsibility with the Union, including local union president and sub-district director. As
13 District Director, I have the responsibility of overseeing in excess of one hundred labor
14 agreements, covering 34,000 members in a nine state area. Having spent greater than
15 15 years in Missouri in District 11, I am very familiar with the Noranda operations and its
16 importance to our membership and to the Union.

17

18 Q WHAT IS THE PURPOSE OF YOUR TESTIMONY?

19 A My testimony will explain the importance of the Union jobs at the Noranda smelter in
20 New Madrid County.

21

22 Q HOW MANY EMPLOYEES OF THE NEW MADRID SMELTER ARE REPRESENTED
23 BY THE UNION AND WHAT KIND OF JOBS DO THEY PERFORM?

24 A Noranda employs 800 individuals who are represented by the Union's Local 7686 at the
25 Company's New Madrid smelter. The jobs performed by Union employees at the New
26 Madrid smelter include the manufacture of primary aluminum products. The smelter
27 produces approximately 263,000 metric tons of primary aluminum annually, at full

1 capacity, accounting for approximately 15% of total 2009 United States primary
2 aluminum production. The smelter, which is located near the midpoint of the Mississippi
3 River, also includes a fabrication facility that converts molten aluminum into value added
4 products such as rod, extrusion billet and foundry ingot.

5
6 **Q WHY ARE THESE JOBS IMPORTANT?**

7 A The jobs we hold at the smelter are manufacturing jobs, and are the kind of jobs that are
8 becoming harder and harder to find in this country. This is because the United States is
9 losing manufacturing jobs to other countries. This is especially true with respect to the
10 manufacturing of primary aluminum (smelting). Due to the contract negotiated by our
11 Union, our members receive a level of pay and benefits that most non-union workers in
12 Southeast Missouri do not enjoy.

13
14 **Q WHAT KIND OF MANUFACTURING JOBS DOES THE NEW MADRID SMELTER
15 PROVIDE?**

16 The manufacturing jobs at the New Madrid smelter are stable and relatively high paying
17 jobs. Unlike some plants, that frequently shut down for various reasons, the smelter
18 operates 24 hours a day, seven days a week and 365 days a year. The smelter is in
19 continuous production, which provides steady employment for the Union workers
20 employed there.

21
22 **Q WHEN YOU SAY "RELATIVELY HIGH PAYING" WHAT DO YOU MEAN?**

23 A The jobs at the Noranda plant pay better and provide greater benefits than other jobs
24 that are generally available in Southeast Missouri and many other areas in District 11.
25 The contract that the Union has negotiated with Noranda provides for standard hourly
26 wage rates that range from \$20.85 to \$25.91 per hour. This is considerably greater than
27 the average wage in Southeast Missouri which is currently around \$17.48 per hour

1 based on the 2012 Missouri Economic Research and Information Center Survey. The
2 Union has also negotiated a competitive benefits package that includes excellent health
3 insurance, and both a defined benefit plan and defined contribution plan.

4

5 **Q WHAT KIND OF HEALTH INSURANCE BENEFITS DO THE UNION EMPLOYEES OF**
6 **NORANDA RECEIVE?**

7 A Members have the option of including their whole family on a plan. The members'
8 percentage contribution of the PPO medical rate is 10% of the total premium costs. The
9 employee's percentage contribution of the HSP rates are 6% of the premium.

10

11 **Q WHAT KIND OF RETIREMENT BENEFITS DO YOUR MEMBERS EMPLOYED BY**
12 **NORANDA RECEIVE?**

13 A As noted above, the retirement benefits include both a 401k plan and a defined benefit
14 pension plan.

15

16 **Q WHAT OTHER BENEFITS ARE PROVIDED TO THE UNION EMPLOYEES OF**
17 **NORANDA?**

18 A The labor contract provides for paid vacation time, beginning with 2 weeks per year for
19 employees who have worked between 1 and 5 years, up to 5 weeks of paid vacation for
20 workers who have been employed 20 years or more. Members are also eligible to
21 receive pay for 10 holidays. The contract also includes "Variable Compensation" which
22 rewards our members with extra pay based on the company's performance.

23

24 **Q WHAT ROLE DO THE WORKERS REPRESENTED BY THE UNITED**
25 **STEELWORKERS LOCAL 7686 PLAY IN THE COMMUNITY?**

26 A The Union plays an important role in our community. For example, our members
27 support local charities like the Kenny Rogers Center in Sikeston, Missouri. Local 7686

1 has been one of the top donors to the center for years. The Kenny Rogers Center
2 serves over 300 children in Southeast Missouri with therapy services at no cost to the
3 parents. Our members also contribute to the local United Way Campaign each year.
4 Without our jobs, the local economy would suffer. Our members live in this area, own
5 homes, pay taxes, shop at local stores, and support the local schools. The stable, high
6 paying jobs at the New Madrid smelter attract people to this area and allow our members
7 to remain there and provide for their families.

8

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

10 **A** Yes, it does. Thank you for giving me the opportunity to present this information.

11