

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

In the Matter of Union Electric Company, d/b/a)
AmerenUE's Tariffs to Increase Its Annual) Case No. ER-2010-0036
Revenues for Electric Service)

NOTICE REGARDING EXTERNAL COMMUNICATIONS

Issue Date: July 28, 2009

On July 24, 2009, Layle Smith, President and Chief Executive Officer of Noranda presented the attached powerpoint presentation to the commission during it's agenda meeting.

Respectfully Submitted,



Robert Clayton, II
Chairman



Jeff Davis
Commissioner



Terry Jarrett
Commissioner



Kevin Gunn
Commissioner

Dated at Jefferson City, Missouri,
on this 28th day of July, 2009.

Layle K. "Kip" Smith

President and Chief Executive Officer

Mr. Smith was appointed President, CEO, and director in 2008. He is a thirty-year veteran of specialty and commodity industrial products companies. Mr. Smith started his career in 1977 with The Dow Chemical Company, enjoying nearly a twenty year career that included international, financial and general management assignments, as well as general management of two of Dow's key businesses. He left Dow to join the high-tech side of the power business and thereafter joined Resolution Performance Products, an Apollo portfolio company that is now part of Hexion Specialty Chemicals. Mr. Smith holds a B.A. of Chemistry and an M.B.A. from Harvard University.



noranda

Issues For Consideration Regarding Electricity Rates For Noranda's New Madrid Smelter

We Are Noranda



\$1.3 billion integrated aluminum supplier headquartered in Franklin, TN



6 world-class manufacturing locations with 2,600 employees



Service various end-markets (incl. building and construction, transportation, food packaging, automotive, wire and cable)



Total assets of \$1.9 billion including smelter and value-added manufacturing plants located in New Madrid, MO



Strategic locations near major markets and efficient supply routes supporting world-class customer service

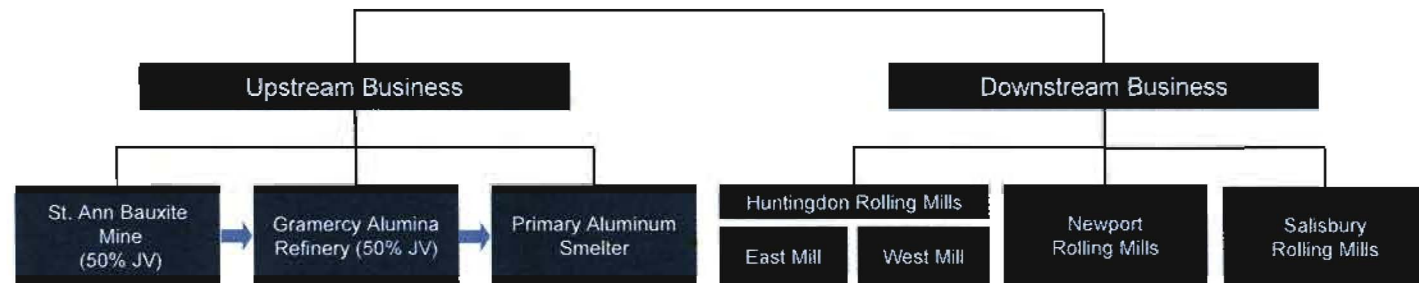


Noranda Overview



2008 Revenue of \$1.3 billion

noranda
Aluminum



Products	<ul style="list-style-type: none"> ■ Bauxite 	<ul style="list-style-type: none"> ■ Alumina 	<ul style="list-style-type: none"> ■ Aluminum Primary Metal 	<ul style="list-style-type: none"> ■ Fin Stock (HVAC and Auto), Semi-Rigid Container Stock, Flexible Packaging, Transformer Windings
Location:	<ul style="list-style-type: none"> ■ Discovery Bay, Jamaica 	<ul style="list-style-type: none"> ■ Gramercy, Louisiana 	<ul style="list-style-type: none"> ■ New Madrid, Missouri 	<ul style="list-style-type: none"> ■ Huntingdon, Tennessee ■ Newport, Arkansas ■ Salisbury, North Carolina
Annual Capacity:	<ul style="list-style-type: none"> ■ 4.9MM tonnes of ore annual capacity 	<ul style="list-style-type: none"> ■ Refinery capacity of 1.2MM tonnes 	<ul style="list-style-type: none"> ■ 260,000 tonnes annual capacity 	<ul style="list-style-type: none"> ■ Huntingdon West 106,000 tonnes ■ Huntingdon East 59,000 tonnes ■ 16,000 tonnes ■ 43,000 tonnes ⁽²⁾
Employees:	496	464	903	586



New Madrid Smelter Is An Economic Engine For Missouri

New Madrid Smelter



Noranda is committed to its employees, communities, customers, suppliers and shareholders

Source: Noranda data, BEA RIMS II multipliers

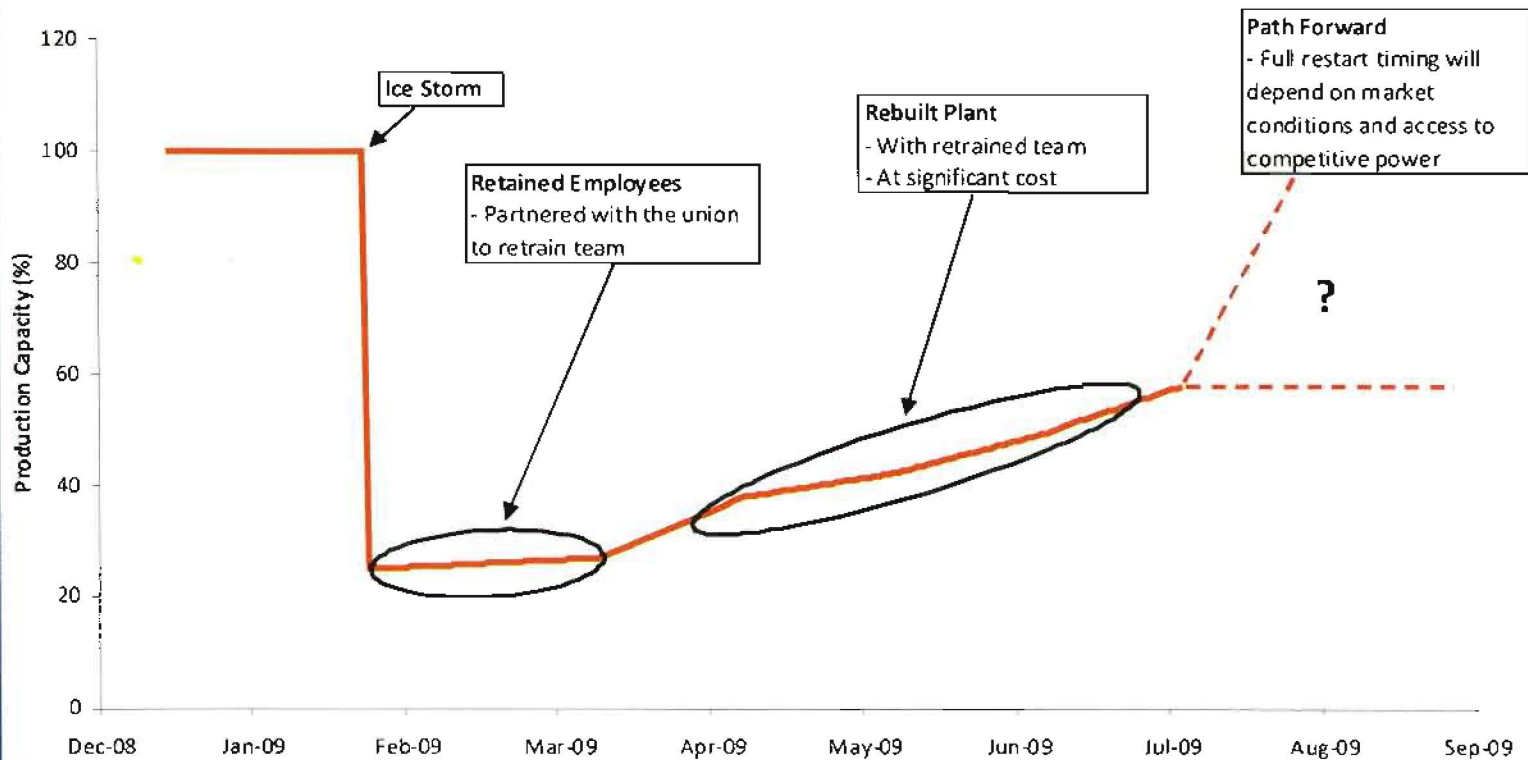
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Noranda Impact

- Employs over 900 people who reside in over 40 local communities
 - ▶ Average annual compensation per employee is \$96,000
- Annually contributes over \$1.1 billion to the Missouri economy
 - ▶ Direct impact of \$280 Million
 - ▶ Payroll of \$86 million
 - ▶ Indirect compensation of \$111 million
 - ▶ Indirect jobs > 4000
 - ▶ Purchases (excluding electricity) of \$55 million
 - ▶ Largest single purchaser of electricity; annual purchase of \$140 million
 - ▶ Property/real estate tax of \$3.3million
 - ▶ New Madrid schools of \$2.3 million
 - ▶ Community outreach (e.g., Community Sheltered Workshop) of \$120,000
 - ▶ State and regional economic development (e.g., St. Jude Industrial Park)
- Smelter investments over the last decade in excess of \$300 million
 - ▶ More expansions and upgrades planned with 2009 investment in equipment of \$40 million



New Madrid Smelter: Rebuilt And Retained Employees After The Storm



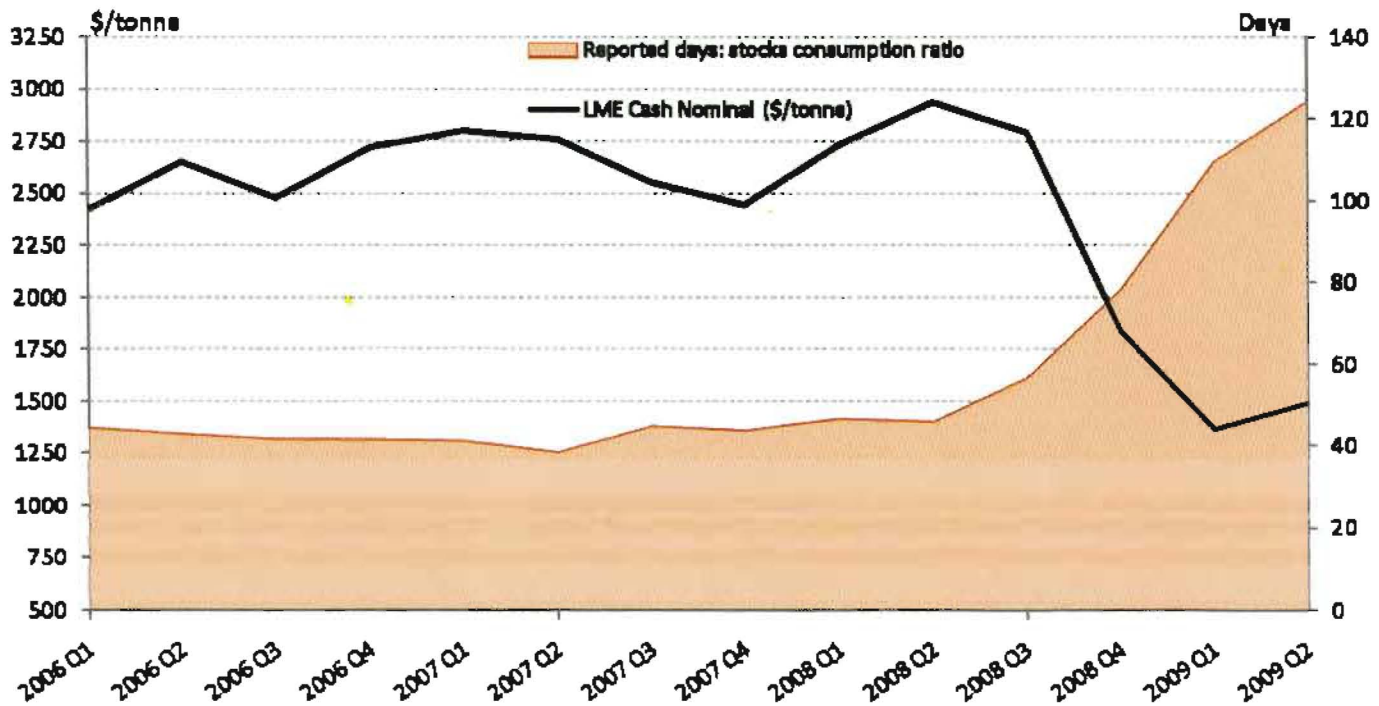


Economic Stability Of Noranda

- Skilled workforce
- Geographical location
- Integrated through downstream operations
- Backward integrated into bauxite and alumina
- Strong value-added business driven by the highest standards for quality and service
- Over 99% on-time delivery



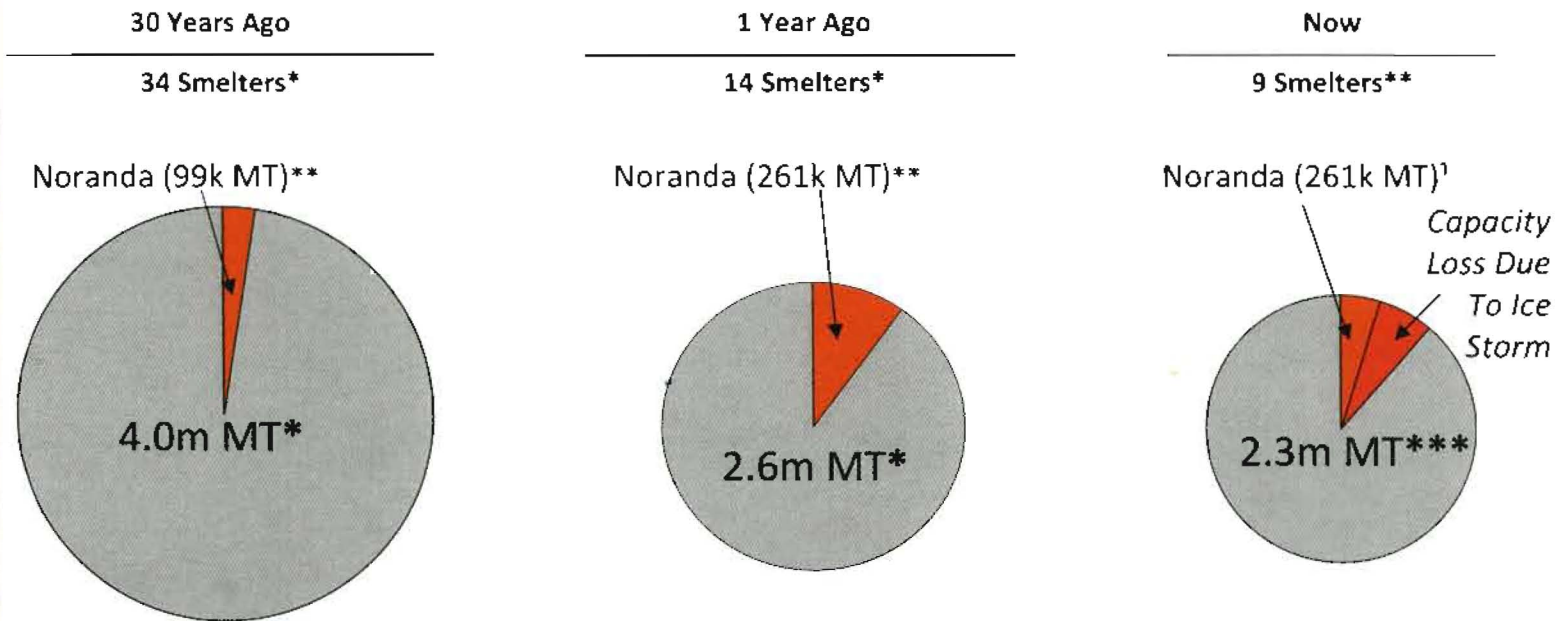
Global Aluminum Market Experienced Unprecedented Decline Since Mid-2008



Data: CRU, IAI, LME

Long term demand is still strong – recovery timing will be key

Pressure On U.S. Aluminum Companies Is Real



Uncompetitive electricity costs primary driver of smelter closures

Notes & Sources: MT = metric tons.

¹Noranda's production was disrupted in 2009 by ice storm damage. Its temporarily reduced capacity is 113k MT

*From Direct Testimony of Henry W. Fayne before the Public Service Commission of Kentucky, January 25, 2008, at 4 The Aluminum Association reported 2.7m MT for 2008.

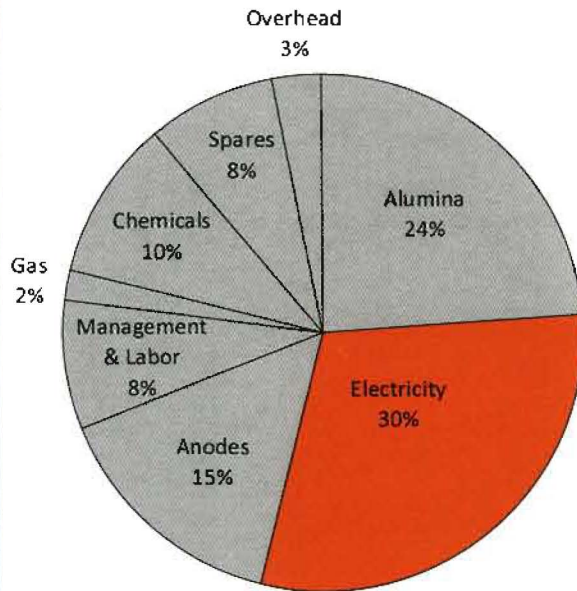
**From Noranda company data.

***Represents annualized January 2009 production. From The Aluminum Association.

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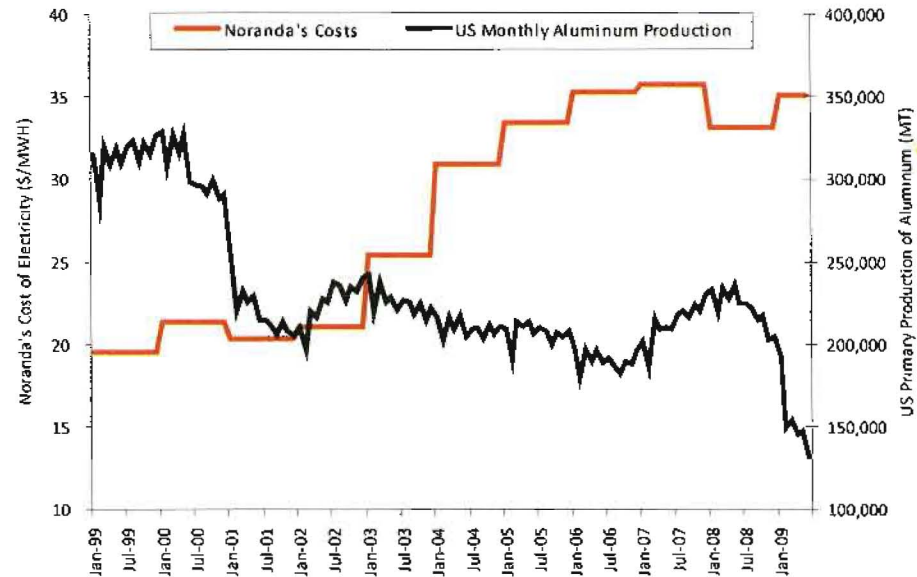
Electricity Costs Are Critical To Aluminum Production

Aluminum Cost Composition



Source: "Cost Build Up Model for Primary Aluminum Ingot Production," Metal Miner, 2/27/09; "Northwest Smelter Operating Outlook, A Report Prepared for Alcoa," CRU Strategies Ltd. (May 2006), p. 2-3; and Noranda data.

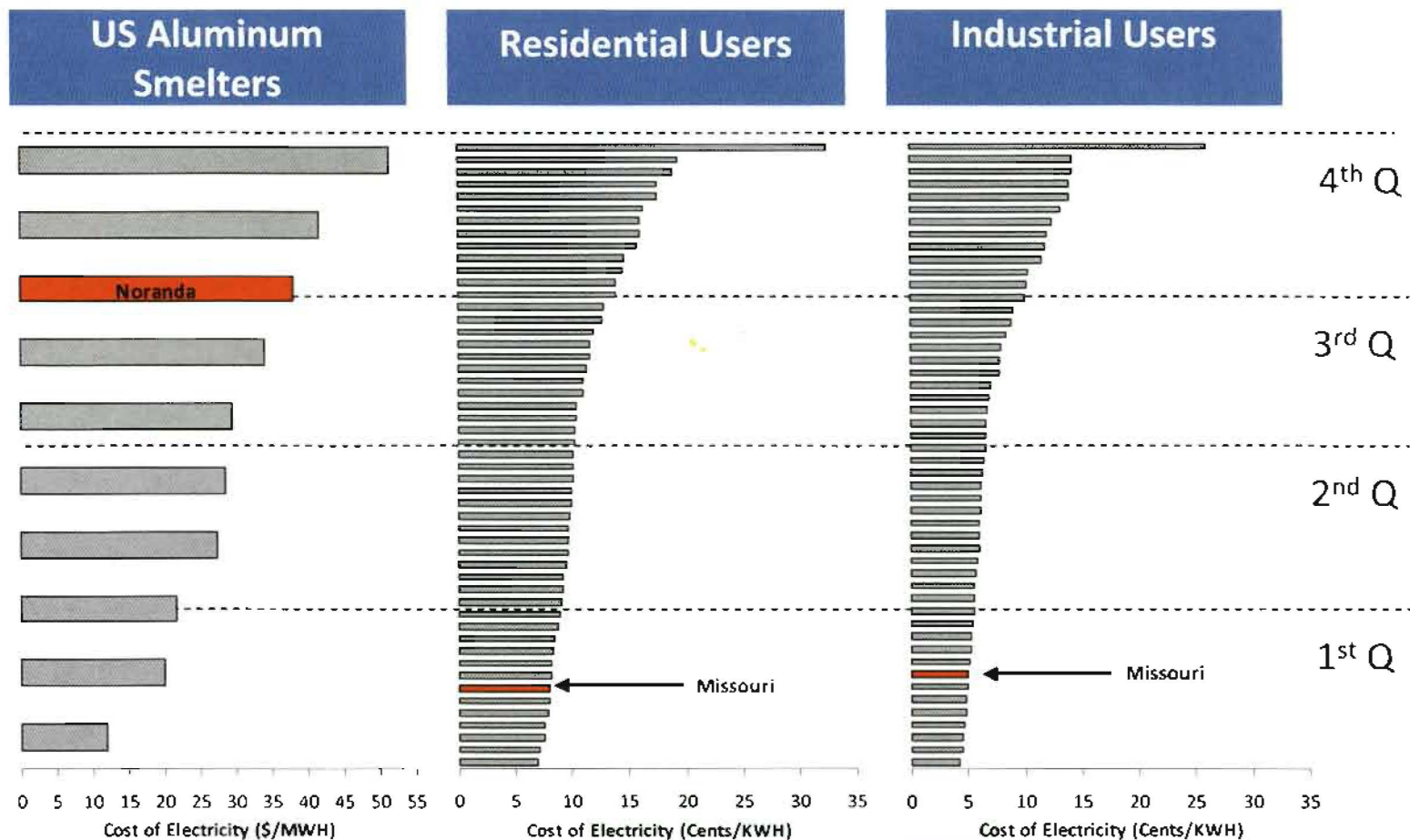
Historical US Aluminum Production And Noranda's Cost of Electricity



Source: US Primary Aluminum Production data from The Aluminum Association. Noranda's 2009 Estimated Cost of Electricity is 35.1 \$/MWh based on data provided by CRU (www.cruanalysis.com)



Missouri Residents And Industry Receive 1st Quartile Power

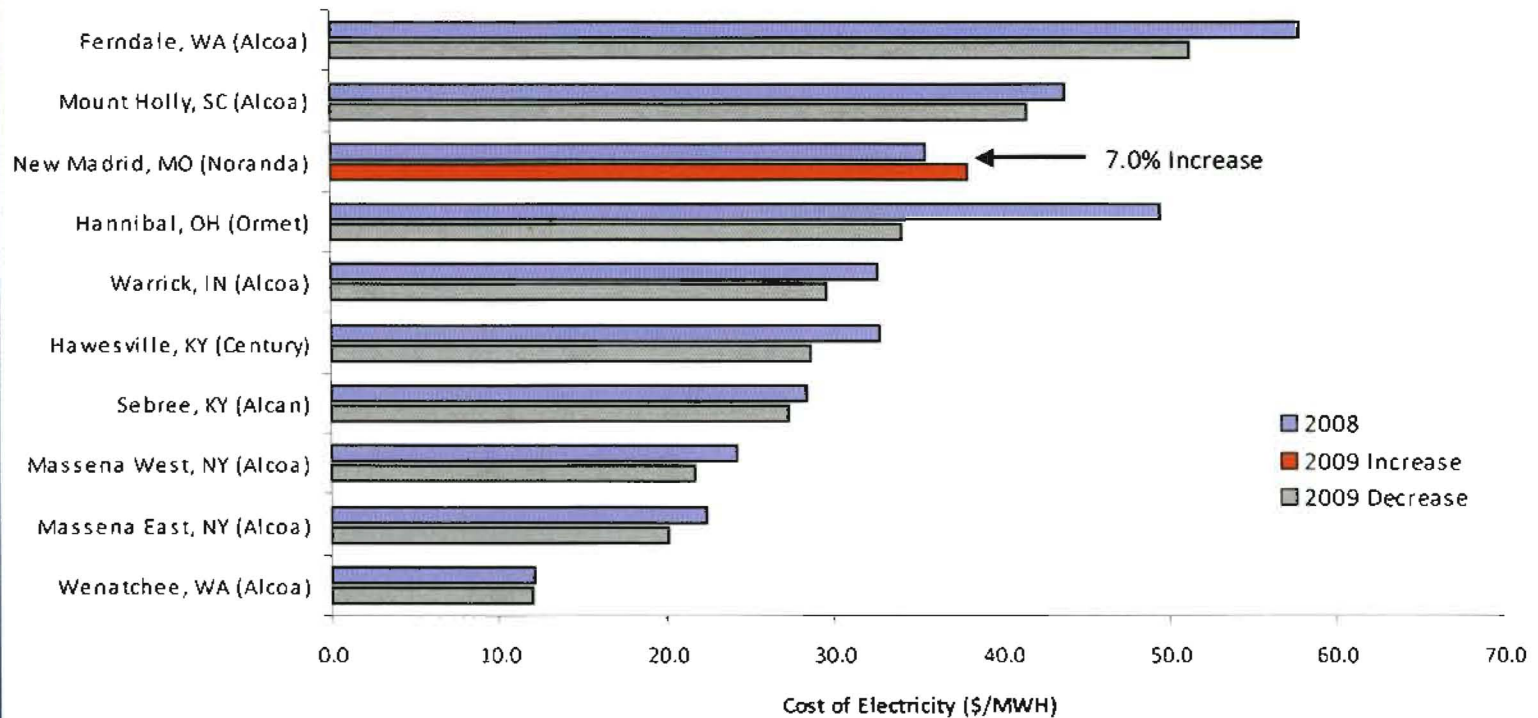


Source. Smelter data are 2009 Estimated Cost of Electricity data from CRU, shown in real 2008 dollars, local currency (www.cruanalysis.com). The data were adjusted using the percent change in the CPI-U All Items measure for the twelve months ending June 2009. The 7.0% increase for New Madrid is from the Ameren IRP; the 2009 rate for Hannibal is from the Public Utility Commission of Ohio's Decision of July 15, 2009. 2008 average residential and industrial electricity costs from the EIA. Includes U.S. Aluminum Smelters (based on USGS 2007 Minerals Yearbook, Aluminum, Table 2) that are not completely closed.



Noranda Faces High Electricity Costs Compared To Competitors

Estimated Smelter Electricity Costs: 2008 Versus 2009



Source: Data are 2008 and 2009 Estimated Cost of Electricity from CRU, shown in real 2008 dollars, local currency (www.cruanalysis.com). 2009 data were adjusted using the percent change in the CPI-U All Items measure for the twelve months ending June 2009. The 7.0% increase for New Madrid is from the Ameren IRP; the 2009 rate for Hannibal is from the Public Utility Commission of Ohio's Decision of July 15, 2009.

Includes U.S. Aluminum Smelters (based on USGS 2007 Minerals Yearbook, Aluminum, Table 2) that are not completely closed.

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Noranda's New Madrid Smelter Is Aligned With Missouri's Economic Aims

Missouri Goals

- **Low cost power state**
- **Retain and develop industries**
 - ▶ "I know times are tough but none of this will be solved if we give up on the manufacturing base of America."
Governor Jay Nixon

Noranda Goals

- **Industry competitive power**
- **Build sustainable business and contribution to Missouri**
 - ▶ Survive short-term economic crisis
 - ▶ Sustainable platform for growth
- **Build sustainable relationships**
 - ▶ Employees: Preserve
 - ▶ Grow contribution
 - ▶ Supplier: Reliable demand
 - ▶ Customer: Competitive
 - ▶ Shareholders: Return on Equity

Source: The Kansas City Star, February 9, 2009; rate case # ER 2009-09: Noranda data; CRU data


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Working Together, Missouri And Noranda Can Achieve Mutual Objectives



- Achieve cost competitive power within the aluminum industry
- Develop long term alternatives
 - We want to be part of the solution

Win-Win

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- Noranda remains the driver of the SE Missouri economy
 - Noranda continues as a critical cornerstone for Missouri's energy future
 - Competitive power insures Noranda remains in Missouri