

Exhibit No.:  
Issue: Noranda Impact  
Witness: Neil Priggel  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Noranda Aluminum, Inc.  
Case No.: EC-2014-0224  
Date Testimony Prepared: May 30, 2014

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

\_\_\_\_\_)  
**In the Matter of Noranda** )  
**Aluminum, Inc.'s Request for** )  
**Revisions to Union Electric** ) **Case No. EC-2014-0224**  
**Company d/b/a Ameren** )  
**Missouri's Large Transmission** )  
**Service Tariff to Decrease its** )  
**Rate for Electric Service** )  
\_\_\_\_\_)

Surrebuttal Testimony of

**Neil Priggel**

On behalf of

**Noranda Aluminum, Inc.**

May 30, 2014

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

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<b>In the Matter of Noranda</b>	)	
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<b>Missouri's Large Transmission</b>	)	
<b>Service Tariff to Decrease its</b>	)	
<b>Rate for Electric Service</b>	)	

**STATE OF MISSOURI**                    )  
  )       **SS**  
**COUNTY OF NEW MADRID**        )

**Affidavit of Neil Priggel**

Neil Priggel, being first duly sworn, on his oath states:

1. My name is Neil Priggel. I am the Superintendent, Pot Line 3 at Noranda Aluminum, Inc., PO Box 70, St. Jude Industrial Park, New Madrid, MO 63869
2. Attached hereto, and made a part hereof for all purposes, is my surrebuttal testimony, which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. EC-2014-0224.
3. I hereby swear and affirm that the testimony is true and correct.

\_\_\_\_\_  
NEIL PRIGGEL

Subscribed and sworn to before me this 30<sup>th</sup> day of May, 2014.

\_\_\_\_\_  
Notary Public

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Rate for Electric Service	)	
	)	

**Surrebuttal Testimony of Neil Priggel**

1    **Q    PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2    A    My name is Neil Priggel. My business address is PO Box 70, St. Jude Industrial  
3    Park, New Madrid, MO 63869

4

5    **Q    WHAT IS YOUR OCCUPATION?**

6    A    I am employed by Noranda Aluminum, Inc. as the Superintendent of Potline 3.

7

8    **Q    PLEASE DESCRIBE YOUR PERSONAL BACKGROUND AND EDUCATION.**

9    I am a lifelong resident of Portageville, Missouri. I have been employed by  
10    Noranda Aluminum for 19 years. My family members have been residents of  
11    Portageville since 1911, after we moved from the lead mines of Fredericktown to  
12    pursue the occupation of farming. Agriculture was the primary employment in  
13    Southeast Missouri since this time, but the need for physical labor has continued  
14    to decrease with advancements in equipment and technology. As a young man I  
15    wanted to graduate from high school and pursue the occupation of farming.

1 But after graduating from high school in 1988, I felt that this goal was  
2 unattainable due to the continued increase in farm size. I decided my best option  
3 was to pursue engineering, and I obtained my degree in mechanical  
4 engineering from the University of Missouri. After graduation, I returned to  
5 Southeast Missouri and took a job as Engineer at Noranda Aluminum.

6

7 **Q WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?**

8 A The purpose of my testimony is to address and respond to matters raised in the  
9 rebuttal testimony of Mr. Chriss on behalf of Wal-Mart and Sam's Club, and the  
10 rebuttal testimony of Mr. Davis and on behalf of Ameren Missouri. I will  
11 explain what the New Madrid Smelter means to the economic well-being of the  
12 regional economy, me and my family.

13

14 **Q MR. CHRISS DISCUSSES THE IMPORTANCE OF THE NEW MADRID  
15 SMELTER TO THE LOCAL ECONOMY. WHY IS THE NEW MADRID  
16 SMELTER SO IMPORTANT TO THIS REGION, AND WHAT EVENTS CAUSED  
17 IT TO BECOME SO CRUCIAL TO THE ECONOMY?**

18 A To understand the importance of the New Madrid Smelter to the economy of the  
19 Bootheel region and my family, I think it is important to review our history.

20 In the late 1960s Sam Hunter, a local small town banker, realized that the  
21 Southeast Missouri economy could not survive on agriculture alone. Mr. Hunter  
22 understood that advancements in technology were gradually removing the need  
23 for farm labor, and that some other type of occupation must be introduced if

1 Southeast Missouri was ever going to be able to improve its economy. Mr.  
2 Hunter helped spear head the effort in the search for a large manufacturing  
3 company to establish a facility in the Bootheel. He experienced many setbacks  
4 in his endeavor, and spent many hours in prayer that somehow his vision would  
5 be made a reality. Many residents of the Bootheel considered his endeavor a  
6 “lost cause” that could never be achieved. In December of 1967, Noranda  
7 Aluminum announced that they would establish an aluminum smelter in New  
8 Madrid. In recognition of his answered prayers, the industrial park where  
9 Noranda Aluminum is located is named “St. Jude Industrial Park”, the patron  
10 saint of “lost causes”.

11 I personally feel that Noranda is the best thing that has ever happened to  
12 Southeast Missouri.

13

14 **Q AMEREN’S WITNESS MR. DAVIS INDICATES THAT THE ECONOMIC**  
15 **IMPACT OF THE NEW MADRID SMELTER IS NOT SUFFICIENT TO JUSTIFY**  
16 **THE REQUESTED RATE RELIEF. WHAT IS YOUR VIEW OF THE**  
17 **SMELTER’S SIGNIFICANCE?**

18 **A** Noranda is such a vital part of the Southeast Missouri area many local and state  
19 citizens think that it is impossible for the plant to close. I once found myself in  
20 this category, only to have my eyes opened after I graduated from college and  
21 starting work at Noranda. My attitude drastically changed as I visited the  
22 aluminum smelters that had been shut down in search of upgrading our cast  
23 house equipment. As I visited these plants I was able to see firsthand that

1 aluminum smelters twice our size closed. I could not believe that something like  
2 this could happen.

3 Since the New Madrid Smelter was built, most of the aluminum smelters in the  
4 United States have shut down. Many employees of these closed smelters  
5 have come to Noranda seeking jobs. As I have talked to these people, they  
6 tell me that they also thought that their plant would never close, but then one  
7 day they came to work and got a pink slip. These people are champions of  
8 communicating to our employees that we cannot let this happen to the New  
9 Madrid Smelter.

10

11 **Q WHAT ARE YOUR CONCERNS FOR THE NEW MADRID SMELTER'S**  
12 **FUTURE, AND WHAT WILL BE THE IMPACT ON YOU AND YOUR FAMILY IF**  
13 **IT CLOSES?**

14 **A** Despite our hard work to cut costs, innovate and make the New Madrid Smelter  
15 more efficient, we have not been able to ensure that the smelter will be here as a  
16 good place for my kids to work.

17 I currently have a son in high school who is interested in pursuing a mechanical  
18 engineering degree from the University of Missouri and he would like to return to  
19 Southeast Missouri to work as an engineer in our new rod mill. I would like to  
20 see him make this career choice, but I am concerned for the New Madrid  
21 Smelter's future.

22 I have discussed this situation with my father who has been a resident of  
23 Portageville for 78 years. In our discussion we contemplated how the Southeast

1 Missouri area would survive the closure of the plant and what would life be like.  
2 The removal of 900 jobs and a payroll of \$95 million would be devastating to the  
3 local economy. We also discussed how the local farm economy could not  
4 support this workforce reduction. Most of the land in Southeast Missouri is  
5 owned by “absentee” landowners. Farming can’t provide the income that the New  
6 Madrid Smelter provides.

7 As we finished our conversation he made a profound statement that has kept me  
8 awake many nights. He stated “Son – make sure that my grandkids get a good  
9 college degree. If that plant closes, Southeast Missouri will not be a good place  
10 to raise a family.” It brings me great concern that a man whose family has been  
11 deeply rooted in Southeast Missouri for over 100 years is concerned that it may  
12 not be an acceptable place to raise a family in the future if the smelter should  
13 close.

14 I would like to close with a request that you consider the impact on the New  
15 Madrid Smelter’s employees as their families when making your decision. The  
16 New Madrid Smelter is not a “lost cause” and can continue to be a viable  
17 manufacturing facility providing good jobs to the area.

18 I will pray to St. Jude that he may give the Public Service Commission guidance  
19 to make a wise decision and give the citizens of Southeast Missouri hope.