

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 2<sup>nd</sup> day of  
March, 2016.

In The Matter of Noranda Aluminum's Possible       )  
Material Default in a Condition Necessary to       )  
Remain on the IAS Rate Schedule Established in       )  
Case No. ER-2014-0258                                        )

**File No. EO-2016-0203**

**ORDER DISMISSING PETITION**

Issue Date: March 2, 2016

Effective Date: March 12, 2016

On February 3, 2016, the Commission's Staff filed a petition asking the Commission to determine whether Noranda Aluminum, Inc. has materially failed to comply with the workforce level condition required to access the reduced cost Industrial Aluminum Smelters (IAS) rate class. Noranda responded to Staff's petition on February 9, by filing a verified pleading that confirms that it has reduced its workforce, but explaining that it has been forced to do so by forces beyond its control, thus triggering the *force majeure* exception to the condition.

The Commission established February 23 as the deadline for the filing of any replies to Noranda's response. Ameren Missouri replied in support of Noranda's position. Public Counsel initially replied by urging the Commission to remove Noranda from the IAS rate class. But, on February 25, Public Counsel withdrew that reply and now takes no position on the matter. United for Missouri replied and urges the Commission to remove Noranda from the IAS rate class. Staff also replied and advises the Commission to convene an

evidentiary hearing at which Noranda would be required to prove why its default should be excused.

The Commission's Report and Order in Ameren Missouri's last rate case – ER-2014-0258 – established the IAS rate. A provision in that Report and Order allows Staff, or any other party, to file a petition asking the Commission to determine whether the IAS customer has failed to materially comply with any term or condition required to access the reduced rate structure. The provision indicates that when such a petition is filed, "the Commission shall hold a hearing or make a determination based on verified pleading within 30 days of the filing of the petition." Ameren Missouri's IAS tariff, under which Noranda takes service, states that the IAS rate will remain in effect until the Commission issues an order finding that Noranda failed to comply with the terms and conditions established by the Commission.

After considering the verified response of Noranda, the Commission finds that, through application of the *force majeure* exception, Noranda has not materially failed to comply with the workforce condition established by the Commission for the IAS rate. Thus, there is not a sufficient basis to remove Noranda from the IAS rate at this time.

**THE COMMISSION ORDERS THAT:**

1. The Petition of the Staff of the Commission is dismissed.

2. This order shall be effective on March 12, 2016.



**BY THE COMMISSION**

*Morris L. Woodruff*

Morris L. Woodruff  
Secretary

Hall, Chm., Stoll, Kenney, Rupp, and  
Coleman, CC., concur.

Woodruff, Chief Regulatory Law Judge