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RICK LARSEN
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Congress of the United States
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March 9, 2022

The Honorable John Hairston
Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Dear Administrator Hairston:

I urge Bonneville Power Administration (BPA) to work in good faith with the prospective ownership and labor at Intalco Works to reach an agreement on energy costs in order to restart aluminum smelter operations in Ferndale, Washington. In mid-2020, Alcoa idled operations at the Ferndale plant, and more than 600 Washingtonians lost well-paying union jobs. Since then, market conditions have significantly increased demand for aluminum. Alcoa has signed a letter of intent to sell the smelter to new owners, who are ready to restart operations and put my constituents back to work.

Since the idling of operations in Ferndale, the price of aluminum has increased more than 130%—from less than \$1,500 per metric ton to more than \$3,500. A reliable domestic supply of aluminum is essential for national security, including military hardware and critical infrastructure sectors. Given challenges like global overcapacity and aging U.S. aluminum infrastructure, ensuring a domestic supply of aluminum requires collaboration between industry and federal, state and local government.

Because aluminum production is energy-intensive, ensuring a long-term supply of affordable electricity is the biggest challenge to re-starting operations at Intalco Works. I am hopeful BPA and the new ownership group can reach an agreement on the electricity rate BPA charges, even as the plant's operators work with state and other federal partners to make the smelter more energy efficient.

A fair long-term energy purchase agreement and investments in energy efficiency will make it possible for the women and men at Intalco Works to have careers that protect national security and make the U.S. a leader in green aluminum. I encourage you to work together with federal, state and local partners to help bring these jobs back to Northwest Washington.

Sincerely,



Rick Larsen
U.S. Representative
Washington State, Second District