



HOT TOPICS

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DIRECTOR'S PERFORMANCE REVIEW

The plan for 2006 is to deliver on results, focusing on safety and reducing costs.

Plans for 2006

My expectation this year is for all organizations to deliver on results by involving employees. We must accomplish what we have said we will do and get things done on time and on budget. You'll repeatedly hear our theme is to 'deliver on results'.

Deliver on results

Our key performance indicators are no different than last year, as we continue to focus on *EHS FIRST* objectives and Maximizing Value in hot metal, cold metal and calcined coke production.

We must improve our production targets by managing our costs better – respecting our budgets, through better workforce planning, by reducing our inventory and by selecting and planning our maintenance and capital expenditures (CAPEX) projects.

Safety

Reduce our lost time injuries and illnesses by at least half of last year's targets. It is unacceptable that our employees suffer



Paul Henning

from injuries while at work. Employees have the right to work safely and go home safely, injury free to enjoy their families and social aspects of life.

Our target is 0.31 per cent compared to 0.6 last year or no more than five

cases of lost time injuries, although zero lost times continues to be the ultimate target we want to achieve. The target for recordable injuries is 1.24 compared to 2.7 last year, which means we can only have two recordables per month to meet this target by the end of the year. I am confident we can achieve this by everyone increasing their focus and awareness of your surroundings to prevent injuries.

One way management can support reducing injuries is through our 'Leadership in Action' tours. My expectation is that supervisors and superintendents are out on the floor, talking with their employees, taking time to assess risks and getting feedback and suggestions from employees to correct conditions.

We can also work together to achieve results by continuing to focus on improving our pedestrian / vehicle separation issues across the plant. We were successful last year. The focus is to continue identifying and improving hotspot zones this year.

continued on page 2

Plans for 2006 ...continued

Production

Our hot metal production target is 246,556 Mt (metric tonnes), an increase from our final results of 242,508 at the end of December 2005. We intend to optimize this target by focusing on Continuous Improvement projects to decrease pot turnaround time, stud setting accuracy and metal level and bath level controls. At the same time increase amperage to 122.4 kA and improve our current efficiency to 87 per cent.

Our value added cold metal production target is 211,600 tonnes, a decrease from our results of 245.6 Kmt last year. This is to accommodate the shutdown and modernization of DC-4.

Our target for value added sheet is 128 Kmt and for billet 83.6 Kmt. Delivering on these targets will be tough, as we continue to face a challenging billet market. As a result, DC-3 will only operate at about 50 per cent of the time, yet we expect to fully utilize DC-3 to full advantage during DC-4 modernization.

Our target for calcined coke production is 266 Kmt, a slight decrease from last year's final tally of 270.3. We still face challenges with an ever-changing coke supply.

Managing costs

Maintenance projects will revolve around selecting priority work with a focus to reduce and optimize our vehicle fleet and get a handle on crane damage in the potrooms. Our CAPEX target is about \$29 million to support the DC-4 modernization, continuation of KHALE and to buy more new diesel crubreakers.

As for overtime, our target remains at 6.5 per cent. We ended 2005 at 10.10 per cent, primarily due to collective bargaining and workforce planning, retirements and vacation scheduling. We must respect the target of 6.5.

Absenteeism on the other hand improved last year with a result of 5.1 per cent versus our target of 5.2 per cent. Our absenteeism target this year is once again 5.2 per cent.

Conclusion

As external pressures and conversations about power and smelter expansion become 'lively', our internal business pressures are to deliver on results.

We must deliver on our targets and objectives and we can only do this by being aware of the challenges. By reading this business issue of *ingot*, you'll learn more about the targets and the many initiatives that each organization is working on this year. The theme for 2006 is 'deliver on results'.

EHS Score Card for February 2006

BY AREA:	ORG. 6	ORG. 8	ORG. 9	ORG. 10			ORG. 12			ORG. 15	ORG. 17	ORG. 18	ORG. 20		
	Plant Services & Reduction Mtce.	Reduction Services	Eng.	APP, ESD & Utilities	Lines 1-2	Lines 3-5	Lines 7-8	A Casting	B Casting	Wharf	Finc/ Proc/IT	HR & LR	EHS	Power Kemano	Power Ops.
# Recordables (LTI, RWII, MTII)	1	0	0	0	0	1	0	4	0	0	0	0	0	0	0
# Days LTI Free (2000 - YTD)	104	131	2,222	2,222	520	187	512	319	2,222	732	2,222	1,106	2,222	530	2,222
% of Leadership Tours Completed Mo. / YTD	93/93	94/94	100/100	--/--	100/100	100/100	67/67	100/100	100/100	100/100	--	100/90	--		100/100
% of Corrective Actions Completed on Time	56	74	100	63	37	52	38	59	61	78	60	33	58	85	75
# Days in Compl. Environment (2000-YTD)	2,222	478	2,222	296	519	519	519	2,222	1,128	2,222	2,222	2,222	132	266	2,222

(* -- " No Corrective Actions Initiated)

(* -- " Not Required)

10 February 2006

ALCAN BRIEFS



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On February 9, 2006 – 13 extraordinary employees received the highest corporate recognition conferred by Alcan at the fourth edition of the Nathanael V. Davis Award presentation ceremony held in Puerto Rico. This year's winners were recognized for their outstanding and extraordinary contribution to our Company. They are shining examples of what can be accomplished when passionate, determined and creative people put their talents and hearts into their work. Winners were: Alcan

Packaging Dublin (Ireland); Alcan Primary Metal Group at Dunkerque; Saint-Jean-de-Maurienne and Voreppe, France, and Travis Engen, Alcan Inc. Details were published internally for employees to review.

On February 7, 2006 – Alcan Inc. reported operating earnings from continuing operations of \$0.54 per common share in the fourth quarter compared to \$0.30 a year ago and \$0.53 in the third quarter of 2005. Commenting on the results for the fourth quarter, Travis Engen, President and CEO said the sharp year-over-year improvement in operating earnings reflects strong

market fundamentals and solid performances across all businesses. For the year as a whole, he noted good progress offsetting significant pressures from currency movements and input costs. After adjusting prior year results for the effects of the spin-off, operating earnings increased by about 40 per cent year over year; an excellent performance in a challenging environment. Over the last two years, currencies and rising input costs have pushed the industry smelter cost curve substantially higher. Alcan's relative position on that curve, however, has strengthened even further; bringing to the forefront the Company's unique

competitive advantage of low-cost, wholly owned power generation. With the benefit of the strongest aluminum market in nearly 20 years and with the value of the Pechiney acquisition clearly affirmed, Alcan Inc. is well placed to take full advantage of prevailing market conditions and take significant steps toward achieving corporate and business group targets.

On February 2, 2006 – Alcan Inc. announced its selection of best-in-class in the metals and mining industry for the second year in a row on the "2006 Global 100 Most Sustainable Corporations in the World" listing. The

list recognizes the best companies' exceptional capacity to address sector-specific environmental, social and governance risks and opportunities. To truly be sustainable, a company must lead by and set an example for businesses around the world. Being recognized as best-in-class every year since the Global 100's launch is a credit to the hard work Alcan and its employees are doing everyday in addressing economic, social, and environmental challenges and making sustainability a leading priority, said Travis Engen, President and Chief Executive Officer, Alcan Inc. Launched in 2005, the

Global 100 is compiled annually by Corporate Knights Inc. and Innovest Strategic Value Advisors and makes its selection from 1800 publicly-traded companies on the MSCI World Index.

LME PRICES **uss** for 02/17/2006 [Previous Month]

CASH: ▼ \$2296 [\$2404]

3 MONTH: ▼ \$2319 [\$2415]

Managing people

The human resources organization adopted a personalized approach to strengthen delivery of results.

Managing the human resources for an organization of this size and complexity is challenging but the rewards were significant this past year, as the organization supported employees and line management to successfully achieve operational results.

Reviewing 2005 human resources manager Josey Girard was pleased with the progress made throughout the year.

Of major success was the signing of a new collective labour agreement with the CAW, 32 hours ahead of deadline. The stability of smelter operations, the workforce and the economic viability of the community were achieved. "This set the tone for the second half of the year, allowing us to personalize and strengthen our initiatives to deliver on our business results," explained Josey.

Improvements in the communication process were concentrated on raising employee safety awareness with the installation of plant safety signs at each of the entrance gates and on Eurocan's overpass. Safety news also became a critical topic of director of operations Paul Henning's e-newsletter. As well, the plant's e-internal bulletin board systems were reorganized to improve the flow of information to employees on status of investigations, general information, Info Alerts, root tree analysis, safety awareness and statistical information.

On training, 40 employees used the new e-learning tool to refresh their knowledge on Alcan's *Worldwide Code of Employee and Business Conduct*. Over 500 employees will take advantage of this opportunity in 2006. The



Josey Girard

Human Rights committee also offered refresher training to 365 employees during 2005.

The attendance management committee adopted a personalized approach with employees during 2005, which saw a reduction in the plant's absenteeism rate to 5.1 per cent. The management team recognized this achievement by sending personalized letters to 404 employees with perfect attendance.

The occupational health and hygiene department along with the B.C. Cancer Control Agency presented the results of the 12-year update on the *Kitimat Cohort Health Study on Aluminum Workers* to employees and retirees at two community meetings. The new Alcan smoking policy was also announced providing smoking cessation aids to employees wishing to quit smoking.

Some initiatives for 2006

- *Leadership in Action* – supervisors on the floor getting feedback and closing the loop with employees.
- Attendance management and return to work committee – continue to emphasize and maintain consistency and rigour to support and follow up with people to reduce absenteeism due to injury and illness.
- Training initiatives – *EHS FIRST*, Human Rights and Code of Conduct training for all employees and the rollout of the Supervisor Development Program.
- Plant protection will participate in developing and improving mobile equipment traffic safety.
- Global employee survey – communicate and follow up on the action plan. Josey asks for employee input: "What should we do to increase the rate of response?"

Do you have suggestions?

What should we do to increase the participation rate of Alcan's Global Employee Survey? Answer our 'We want your feedback' questionnaire on page 12.

BUSINESS REVIEW: CONTINUOUS IMPROVEMENT

Integrating CI tools

Continuous Improvement project successes and new objectives are outlined.

Topping the 10 most successful Continuous Improvement (CI) projects during 2005, were Kaizen projects – stud segregation and the generator rebuild and optimization projects, and the Blitz on maintenance projects late in 2005.

Huge successes were also gained on the environmental front – anode effect reduction (greenhouse gas) and on safety – vehicle / pedestrian separation across the plant and in 'A' area parking lot. The stud blast project in lines 7&8 was also completed.

"The first part of the year revolved around environment, health and safety projects, while the latter part of the year we refocused our energy to the areas where we were struggling – maintenance costs and hot metal production, which is our strategy for 2006," noted CI champion Jacques Brassard.

This strategy reflects the management team's determination to deliver on results in 2006. "So far, we are making good progress from the maintenance



Jacques Brassard

perspective while hot metal production is proceeding slower, therefore we will shift some of our CI resources from maintenance to hot metal production," said Jacques.

Integration of CI 2006

Continuous Improvement was introduced in 2004, as a strategic objective. "CI and everyone who is involved – Black Belts, Green Belts and sponsors should now be comfortable with the process. Integration is about delivering results. Tools such as Kaizen and Blitz will be used routinely to support line management to achieve organizational objectives," explained Jacques.

Maintenance projects will revolve around improving the way we select the 'right work' and how to be more effective with employees on projects. Priority projects are vehicle fleet optimization and crane damage in the potlines.

Hot metal production projects will focus on optimizing pot turnaround time and



'leftovers' in lines 3 to 5, stud setting accuracy and metal level and bath level controls.

People perspective

The challenges this year will be replacing transferring Black Belts and certification of Green Belts.

"As for the Gung Ho Award, it will be presented to individuals or teams who deliver results," stated Jacques.

Another initiative is the introduction of CI to the new Supervisor Development Program. Supervisors will become more aware of CI and better able to advise their employees, who may have CI ideas, where it could be slated in amongst the priorities.

Maintenance ready for 2006

The maintenance organization looks for good results in 2006.

As maintenance superintendent Mike Long looked back on 2005, he noted the organization had a poor start but a strong finish. This year, maintenance is better positioned to have good results throughout the year.

"Last year, by the end of March we had seven near misses and accidents that had the potential to be fatalities; it quickly changed the focus of our OHS&E committee," he recalled.

Despite efforts to avoid a serious injury, one occurred on May 23 when a tradesman suffered a disabling hand injury, changing people profoundly.

"We needed to impact everyone in our organization. This meant more time at prestart meetings, more time with people as they worked and enlisting help from all OHS&E representatives on the new agenda," he explained.

Following the accident, the organization saw a decrease in injuries and an increase in near miss reporting; two positive outcomes.



Mike Long

Other highlights included safety training packages and the development of safety coordinators for maintenance shutdowns; the completion of four ergonomic improvement projects and the achievement of zero overdue safety work orders.

"Although we need systems to manage safety, in the end it's how individuals assess risk and adjust their actions to ensure their safety and the safety of others," stated

Mike. He encourages everyone to take the time to assess the risks and to put controls in place as required.

As a business, maintenance had cost overruns in March that it never recovered from but on a positive note, the organization met the budget from April to December so it's starting 2006 in a much better position.

With better planning, equipment performance has improved, including production at DC-4, coke calcining and dry scrubbers, as has the reliability of the ore trucks, the stubblast centers, lines 7&8 cranes, stud friction welder and the alumina unloader.

These production and reliability improvements could not be achieved without the effort of everyone. Maintenance demonstrated its ability to react quickly to issues; 2006 will be a year to challenge its ability to change and foresee issues beforehand.

What's ahead:

- *Leadership in Action* tours – more visibility on the shop floor.
- Kitimat Works will be taking a leading role in the Alcan-Asia

Pacific Hazardous Energy Control directive.

- Continue education efforts to reduce the incidence of hand and finger injuries by the maintenance OHS&E committee.
- The continuation of zero safety work orders over 30 days.
- Identify and integrate environmental improvements into maintenance's health and safety program.
- Complete the warehouse amalgamation.
- Meet budgetary objectives and continue cost control initiatives.
- Offer eight new apprenticeships.
- Coordinate the shutdown of DC-4 to minimize the impact on the rest of the smelter's maintenance needs.

BUSINESS REVIEW: ENGINEERING

Projects aligned with APM-BC objectives

The capital expenditure budget for projects is about the same as in 2005. What's different is the way projects are evaluated.

The project engineering organization spent \$29.3 million on capital expenditures last year. Projects of significance included:

- Preparatory work for the DC-4 shutdown.
- The Kitimat High Amperage Low Energy pot project (KHALE).
- The purchase of new diesel cranes for potroom operations.

In Kemano, high water levels in the reservoir had an impact on KAIP, the Kemano Asset Improvement Program. As a result, a project to replace breakers on generators 7 and 8 had to be delayed.

To ensure Alcan's contractor safety program was adhered to, project engineers increased their presence on construction worksites last year. The higher visibility contributed to improvements in contractor safety performance.

The budget for capital expenditures in 2006 will be around \$29 million and to ensure that Alcan's money is spent



Louis Laganieri

effectively, all projects were reviewed by the management team. Only projects that were aligned with APM-BC's 2006 objectives received approval. Projects that came under review related to safety initiatives, production increases, efficiency improvements and environment.

"This ensures that Alcan's money will be spent on the projects that deliver the best value for the company," said capital investment superintendent Louis Laganieri.

The challenges that lay ahead for engineering include:

- The project engineering team will continue to deliver projects that meet *EHS FIRST* standards, respect budgets, and are delivered on schedule and scope (fulfilling customer's requirements).
- The organization will look at ways to streamline the process used to manage projects.
- Meet project management standards as defined by Alcan's global engineering

network. The goal is to ensure that Kitimat Works processes are aligned with Alcan's global practices. This will be achieved through periodic project audits in addition to a review by external auditors.

- Engineering will begin reviewing major project status on an ongoing basis similar to the way safety and production statistics are reviewed.
- A major challenge will be to accomplish the same or more with fewer people working in the organization. Engineering staff will be asked to review their work processes with the objective to improve overall efficiency.

"The engineering team is a strong one and I'm convinced it will meet the challenges of the coming year," Louis concluded.

CONTRIBUTED BY DAVE DHALIWAL

2005 accomplishments and 2006 challenges

Team efforts by power operations and maintenance employees saw a number of records achieved in 2005, while exceeding safety and budget targets.

Safety achievements

With a 40 per cent reduction in first aid visits from the previous year, power operations had zero loss time accidents. A remarkable safety record and one that all employees should be proud of due to their efforts.

Power operations

During 2005, amperage deliveries were increased to all potlines with the exception of potline 5 to meet a request from reduction operations. Reliability of DC power supply to potlines of 99.989 per cent was well above the target of 99.95 per cent.

Generation availability was a record at 97.6 per cent and Kemano's gross annual average generation was also a record achievement at 850 MW. The previous annual Kemano generation was 829 MW in 1979. The generation targets for 2006 are set at 818 MW and the generator availability target is set for 94.9 per cent.

Our transmission line maintenance crew managed to safely change out 6,000 insulators on the transmission line by using live-line methods. This initiative is a five-year



Dave Dhaliwal

program and plans are in place to change out 12,000 insulators in 2006.

Rectifiers

The sub-station and rectifier maintenance crews successfully repaired the 287 kV main transformer for potline 4. This transformer was diagnosed with a hot spot through predictive methods using dissolved gas-in-oil and was taken to the transformer pit for timely repairs.

This repair was carried out in a very professional manner through team efforts by rectifier and transmission line maintenance, major maintenance, mobile equipment, shops, technical and operations crews.

We also saw successful implementation of improved rectifier control system on PL7 to deliver increased amperage.

Nechako reservoir

Inflows into the reservoir during 2005 were second highest on record, which required proactive management of inflows through judiciously timed pre-spilling at the Skins Lake Spillway throughout the year starting in late April.

By employing modern hydrological models for inflow forecasting and optimization of the tools we were successful in preventing downstream flooding while ensuring the reservoir was filled at the end of the freshet period.

Continuous Improvement

On Continuous Improvement, optimal loading of Kemano

generators was successfully implemented to achieve best efficiency for the overall smelter. Another achievement included 5-S certification in Kemano at the maintenance center, electrical shop and the *M.V. Nechako*.

Due to high reservoir inflows, a number of projects related to Kemano Asset Improvement Program (KAIP) had to be deferred. This will be a challenge to complete the remaining upgrades over the next three to four years.

People

In January this year, the Kemano crews have started their changeover in Kemano, rather than in Kitimat to ensure adequate crew coverage at all times. To accommodate this, a new boat was purchased to cut down on travel time.

During 2006, optimum utilization of various modes of transportation involving boats, helicopters, and barges for transporting personnel and cargo will be key challenges this year.

BUSINESS REVIEW: STRATHCONA WORKS

CONTRIBUTED BY DOUG BURTON, MANAGER

Calciner sees challenges ahead

Changes in green coke supplies puts pressure on Alcan's Strathcona coke calciner.

Challenges and changes at Strathcona Works forced employees to dig deeper and push harder to maintain "business as usual."

The oil industry is changing rapidly as refineries change to heavy 'tar sands' crude rather than the conventional crude oil used historically. The result for calciners like Strathcona is that supplies of low sulphur, high density coke are disappearing.

In 2005 one of Strathcona Works' major green coke suppliers converted to run more heavy coke with a corresponding increase in sulphur content. As a result, a significant effort was made to change the operation to deal with deteriorating coke quality and finding alternate suppliers.

Strathcona green coke supplies now appear to be stable for the next two years. Good process control remains key for the facility to adapt to the changing coke market and continuing to meet the needs of its potroom customers.

The Strathcona kiln is 175 feet long and 11 feet in diameter. It rotates 2.5 revolutions per minute supported on two large steel rings called 'tires'. Last February, the upper tire started to tear itself apart and the kiln had to be shutdown for emergency repairs.

Everybody contributed to getting the kiln back in operation and the plant recovered the lost operating



Strathcona Works

days by modifying planned maintenance schedules for the balance of the year. As a result calcined coke production was on plan at 186,000 metric tonnes.

The effectiveness of the calcining operation also improved over the year with increases in both real density and Lc (which is a measure of the average molecular spacing of the calcined coke). The new pyroscrubber and wet scrubber started in December 2003 have given good environmental results but it has taken time and effort to fine tune their operation to get the best out of the kiln.

The investment in new scrubbing equipment also set the stage for a successful renewal of the plant's environmental permit. The new, revised permit expires in 2015. With reasonable coke supplies and good operation, the plant can meet its environmental obligations well beyond that date.

Strathcona Works employs 17 people and the risks of the job are very real. They unload and load nearly 450,000 MT of material in rail cars and work with material that reaches 1,400 degrees Celsius in weather that can be as cold as -30 Celsius. Given this and all the distractions that 2005 threw at them safety remained a priority.

"By taking care of themselves and the people working with them," said Doug, "the crew has achieved more than 15 years without a lost time injury. I congratulate all of them for a job well done."

Casting and Wharf face challenges

The road ahead has some curves in it for the casting and wharf organization.



Bob Chow

According to casting technical leader Bob Chow, market conditions for billet continued to be weak in Japan, Korea and North America. "There is increased pressure on Kitmat billet since our competitors are lowering their prices to maintain market share. We were forced to sell some remelt to accommodate this weak market."

Conversely, the sheet ingot market remains strong in Japan and Korea, which is why DC-4 initiatives, DC-4 operations and technical staff achieved 10 years LTI free in August and the wharf operations achieved two years LTI free in December.

Casting, ingot finishing and wharf employees achieved 96.8 per cent compliance while casting visitors reached 98.5 per cent compliance for hearing protection use.

There were no environmental non-compliances; a significant achievement considering the wharf dredging project was completed last year.

The following represent key *Maximizing Value* highlights during 2005:

- The organization continued to improve its economic nature and EVA rating for its sheet products. Kitmat sheet products have the highest EVA rating for cast products across all of Alcan Primary Metals global operations.
- A billet recovery rate (percentage of saleable metal from DC-1 and DC-3) of 88.1 per cent set a new record for this product.
- Despite high mid-year levels, cold metal inventory finished at 7,274 metric tonnes versus a plan of 9,000 metric tonnes.
- Resident Green Belts and CI processes/tools were phased into the day-to-day operations.

The safe and timely completion of the DC-4 modernization. Commission the equipment to achieve the increased operating rate of 140,000 metric tonnes per year. This project will improve the plant's EVA and meet the growing demand for Kitmat sheet ingot.

- The DC-4 expansion will force a change in the overall operation. Flexibility to handle the remaining hot metal in a continuous manner will be a key to success.
- Reduce inventory levels to 10 days for the DC-4, which will be particularly difficult in light of the DC-4 shutdown.
- Expand the use of CI techniques/tools into day-to-day operations to reduce costs, waste and improve EHS performance.
- "On the customer side, product quality demands are increasing due to the growing use of aluminum in automotive and electronic applications," concluded Bob. "We must continue to focus on improving quality and reducing the number of complaints and concerns to 'world class' standards."

In terms of *Maximizing Value*, the following objectives/Value, the following objectives/

Alcan supports Ec-Dev

Alcan's sphere of influence on economic development in the communities where it operates is one of support.

It isn't a spur of the moment decision that Alcan became involved in economic development; it's been an ongoing business objective for years, supporting the communities where it operates.

What is different than before is the formalizing of partnerships, working together to promote Ec-Dev. Alcan's role has been and will continue to be one of providing support. "One of my objectives is to assist interested parties through connections and networking, for example, introducing them to regulatory or licensing officials or professional expertise," said Don Timlick.

This year, Alcan's business development consultant Mario Feldhoff joins Alcan's Ec-Dev team working on initiatives and providing financial expertise.

Partnership Agreements Early in the spring of 2005, the Regional District of Bulkley-Nechako and Alcan signed a protocol agreement and commissioned a regional economic study. The report will be available this year for review, along with developing an action plan.



Don Timlick

The partnership between the Bulkley-Nechako Regional District and Alcan also saw the opening of a regional industrial development center at the Kitmat Valley Institute (KVI).

"This is a unique partnership and a business opportunity for us to work together facilitating and promoting Ec-Dev initiatives," said Don.

Alcan values the expertise of the directors of KITIDS; "they are the main drivers, strong business savvy and knowledgeable about the region. This year they plan to take on more initiatives and projects, with working groups devoted to advertising the region, port development,

new aggregate mining and exporting business in Kitmat. There's been a tremendous amount of work done. Alcan is reviewing its road use agreement and has extended Cascadia's option to purchase until May 2006.

Alcan, Triton and Cheslatta tested prototype underwater logging equipment in the Nechako Reservoir and were very successful concluding this phase. There are about eight million cubic meters of submerged wood available to be harvested. This year Triton will review the process of logging, the value of the wood and determine if there is potential to establish a manufacturing plant in the region.

The establishment of a Regional Economic Center at Kitmat Valley Institute for Haskia Business Development Corporation, KITIDS and Alcan, which is proving to be a valuable tool in providing synergies and efficiency of effort.

Wayfare identifiers and Alcan signed a two-year MOU in 2005, where Alcan will provide aluminum material to develop and pilot test Wayfare's patented cargo securing system. Support is ongoing.

Alcan and the Three First Nations Forest Stewardship Initiatives saw about 200,000 cubic meters of pine beetle infested timber harvested from the Nechako Reservoir area and sold. Silviculture practices were initiated on the harvested areas. A legacy fund was created from the sale of timber and is being used for needed services in the Southside community. This exciting project continues this year.

Arthon Construction Ltd., Cascadia Materials Inc., Haskia and Alcan continue to support the development of a

Reduction meets challenges

The reduction organization made progress in 2005 and readies itself for a challenging year ahead.



Frederic Larocche

There were tremendous improvements made in environmental, health and safety (EHS) related matters in 2005. Environmentally, the amide effect (AE) reduction program lowered hydrogen fluoride roof emissions from 1.9 kg HF/tonne of aluminum in 2004 to 1.5 kg HF/tonne aluminum. The Pollution Prevention (P2) Program target for 2005 was 1.6 kg HF/tonne aluminum.

The AE reduction program also reduced AE minutes from 5.9 in 2004 to 4.08 minutes in 2005, finishing the year with a low of 3.15 AE minutes in December. As a result, there were zero non-compliances for roof emissions in 2005 – a remarkable achievement.

On safety, the lost time frequency in 2005 was 0.3 with recordables at 3.4. By comparison, lost time frequency in 2004 was 2.7 and recordables 6.9.

"We saw a step change in 2005," explained reduction manager Frederic Larocche. "The superintendents initiated their *Leadership in Action* tours, which raised safety awareness and increased the correction of unsafe situations."

The leadership tours complemented the good work by reduction safety to achieve a 100 per cent eliminated injury trend, which it comes to safety. Vehicle/pedestrian separation, improvements made in lines 3-8 stubblast, the floor slab replacement program, and OHS&E representatives who worked hard to solve problems are examples of this.

On raw material use, amide consumption rates continued to drop. Measured by kilograms of carbon consumed per kilogram of aluminum produced, the rate dropped from 5.21 kg in 2004 to 5.14 kg in 2005. "This was significant because we switched to new coke suppliers. The team at APP and coke calcining can

be proud of the consistency of their product," noted Fred.

For 2006, the following will take place:

- Efforts to eliminate lost-time accidents and lower the frequency of recordable injuries will continue.
- New crane cabs and seats for lines 7 & 8 cranes will eliminate ergonomic issues.
- Thirty-two potroom vehicles (timbers, ore trucks, wheelies) will see installation of micro-environment filtering systems.
- Starting in 2006, the cleanup of steel spills in the basement will be completed, eliminating shorting hazards. A new procedure will ensure metal spills from pot bursts are cleaned as soon as possible.
- The potroom technical group will continue their efforts to reduce amide effects.
- Use Continuous Improvement techniques to reduce pot turnaround time. In 2005, reduction was (on average) six pots below the target for number of pots out. This needs to improve to meet hot metal production targets.
- Improve potroom current efficiency across the operation.

As I review the progress made by reduction employees, the men and women have made remarkable progress and as I depart Kitmat for a new role, I am convinced this group will continue to maximize the value of these assets for Alcan."

Frederic Larocche

New manager



Tino Pereira

New reduction manager Tino Pereira replaces Frederic Larocche.

'Four states of mind'

Occupational health and safety representative Reg Roy shared his health and safety ideas at a two-day WorkSafeBC symposium.

If you ever needed an advocate for worker health and safety, Alcan's 10-year, casting fabrication operator and occupational health and safety representative Reg Roy fits the bill.

This man's enthusiasm, passion and dedication to health and safety led to a personal invitation from the Board of Directors of WorkSafeBC to participate at a two day 'Workplace Health and Safety' symposium to share his ideas.

Prior to the symposium, Reg was also e-mailing his ideas and met with the Board of Director's among many other stakeholders from across British Columbia to participate in a survey to gather feedback on the current and future state of workplace health and safety.

One suggestion

Reg values his friend Reg Barnes' mentoring and believes his concept about the 'four states of mind', whether at work or off the job, demonstrates a person's mental state of mind while carrying out a task.

What are the four states of mind that Reg is alluding to? They are rushing, frustration, fatigue and complacency.

Reg supports this concept and feels that health and safety should be introduced to elementary grade school students to raise the awareness level about health and safety sooner rather than later in life when a person enters the workforce.

"If you find yourself in these states of mind – rushing, frustration, fatigue and complacency, which is a natural state at some point during a person's life, then there is the risk you could put yourself in the position of four fatal errors," he suggested.

These errors: If your eyes are not on the task, your mind is not on the task. You put yourself in the line of fire. You could slip, trip or fall or really injure yourself.

As for the symposium

Over 150 people from all walks of life, from the private sector to the government sector, from small industry to large, attended the symposium. Reg felt it was a humbling and exhilarating experience. "It was exciting to feel the intensity and frankness of the individuals who are as passionate about health and safety as I am," Reg said.

The ideas and suggestions raised were documented and distributed to participants. "There were many common issues, for example,



Fabrication operator **Reg Roy** is a member of several committees in the casting organization: occupational health and safety; ergonomics; review; explosion; risk awareness and vehicle pedestrian separation. He was recently elected Chairperson of the Canadian Society of Safety Engineers (CSSE) Skeena Chapter.

communication and complacency were huge discussions during the breakout sessions. On complacency – many of us could relate to the differences between offering advice to a new worker versus an experienced worker. It's a whole different ball game to communicate the risks or raise awareness," Reg commented.

"I personally feel, WorkSafeBC is attempting to develop a whole new set of values by involving stakeholders – government, industry, unions and employees. The status quo is just not working anymore, so we need to develop a fresh outlook about workplace health and safety," Reg said.

Talk to Reg

If you don't know Reg, a busy man, with a healthy and safety appetite, take a moment to talk with him about his health and safety ideals. "I got involved to keep myself safe. Now, I want to keep others safe. My advice: safety first, don't

take short cuts or put yourself or others at risk, there's enough excitement in the workplace without taking risks. Live life safely, walk the talk, expand your horizons by making safety first – this is key!" Reg concluded.



WorkSafeBC distributed Reg's evaluation about the symposium to participants. Here's what he said:

"The unique experience of being able to interact with so many knowledgeable health and safety professionals from all walks of life was both a humbling and exhilarating experience. The passion for safety I felt all around me, the intensity and frankness in the breakout groups, the unbelievably hard work done by everyone from WorkSafeBC made this event a once in a lifetime experience for me. I came back home with a better understanding and a renewed dedication for the path I've chosen, the health and safety of my fellow workers."

– Reg Roy

Nechako Reservoir at-a-Glance



Current elevation

As of February 9, the reservoir elevation was 2796.16 feet above sea level.

Long-term average

The long-term average for this time of year is 2793.26 feet above sea level.

Inflows

The inflow into the reservoir during January was 101.6 per cent of the long-term average.

The reservoir storage at present is at 147.9 per cent of the long-term average storage.

Spillway discharge

Spillway discharge is currently set at 55 cubic meters per second.

A-casting shutdown success

Two shutdowns in A-casting went smoothly owing to a couple of key factors: shutdown training and expertise of the crews.

The 'Safe and Effective Shutdown Training' sessions held with the crews prior to the DC-3 pit cylinder repair and the Saw-6 project reinforced the safety aspects of a shutdown. (Read about the shutdown training on page 11.)

DC-3 pit cylinder repair

Damage to a valve on the DC-3 pit cylinder was cause enough to schedule a shutdown. Fortunately, casting millwright Ian Berrisford caught the problem before there was critical damage. As an interim measure, Ian constructed temporary filters to catch the debris floating in the valve so that a shutdown could be scheduled.

"Through Ian's efforts and ingenuity we avoided something major from happening. The shutdown got scheduled and thanks to the training and the casting maintenance crews for their professionalism and expertise, the shutdown went smoothly and safely," said maintenance supervisor Ken Rutsatz.

Working in an environment of co-activity, the crews safely performed the prep work to pull the 25-foot cylinder, send it out for repair, and then put it back into service. At the same time, resources were also working on the Saw-6 shutdown and moving from one job site to the other.



Millwrights **Paul Quinn**, pictured, and **Rob Rowlett** worked above ground directing the crane driver on placement to install the repaired 25-foot cylinder at DC-3. Meanwhile resources were also working 30-feet below in the pit to ensure the cylinder was positioned correctly.

Saw-6 rewiring project

The primary purpose of the Saw-6 shutdown was to install the latest programmable logic controller (PLC) and new control room technology.

This meant removing the outdated PLC, panels and literally pulling out thousands of meters of wire and then installing the new PLC, panels and again running all the new wiring.

Considering the amount of co-activity on two simultaneous shutdowns, with 30 people working at various job sites, the safety network worked extremely well and hazardous free, thanks to Bob Dugdale's safety coordinating efforts between DC-3 and Saw-6.

"On the Saw-6 shutdown, there were even more job sites with experienced electricians and apprentices working simultaneously. Though we had one minor incident with a console panel falling on the arm of one of the apprentices, it could have been much more serious," said Ken.

The two-week shutdown went extremely fast and efficiently. "If it wasn't for the crews and their diligence for watching out for each other, these kinds of shutdowns could set us up for failure. But because the men work so well together, know the risks and hazards and pay attention to the details, we end up celebrating very successful shutdowns," Ken concluded.



Apprentice electricians **Aron Clement**, left, and **Braden Lamb** worked on the new programmable logic controller (PLC) and harnesses. One can't imagine the thousands of meters of old wiring they pulled and new wiring they re-ran from the PLC to the motor control center (MMC).

"The men work so well together, know the risks and hazards and pay attention to the details, we end up celebrating very successful shutdowns." – Ken Rutsatz



Electrician **Duncan Peacock**, foreground, and electrician apprentice **Chad Stevenson** work in extremely cramped and restricted quarters to first extract the old wires and control console and then install the new wires and control console.



Laurie Bater

After 31 years of service with Alcan millwright journeyman **Laurie Bater**, left, retired from the reduction maintenance group. His contributions to the company were recognized at a party held in his honour on December 31, 2005. Supervisor **Glen Sevigny**, center, and superintendent **Mark Annibal**, right, offered their congratulations on presenting the company retirement plaque.



Stephen Boys

After 28 years of service with Alcan casting operator **Stephen Boys**, right, retired from the casting services group. His contributions to the company were recognized at a party held in his honour on December 30, 2005. A-casting principal coordinator **Joe Dias**, left, presented the company retirement plaque, as he congratulated Stephen on his retirement.



Ray Foster

After 25 years of service with Alcan, garage mechanic **Ray Foster**, right retires. Maintenance and engineering superintendent **Mike Long**, left, congratulated Ray and presented the company retirement plaque. Representing the CAW president Rick Belmont and retiree representative Bill Garvin passed on their best wishes. Co-worker Dale Maitland and supervisor Danny Baker presented several gifts and congratulations were also extended by Gary Warren, Ray Raj and Rolf Mullens.



Wayne Kusch

After 28 years of service with Alcan senior cell operator **Wayne Kusch**, right, retired from lines 3 to 5. His contributions to the company were recognized at a party held in his honour. Lines 3 to 5 superintendent **Kerry McDonald**, left, congratulated Wayne as he presented the company retirement plaque.



Marshall Wilson

Mobile equipment operator **Marshall Wilson**, left, retired. His contributions to the company were recognized at a party held in his honour. Superintendent of reduction services **Ralph Braun**, right, congratulated Marshall, as he presented the company retirement plaque.

PHOTO CREDIT:
CAW, LOCAL 2301 RETIREE'S
CHAPTER REP BILL GARVIN.

CERTIFICATION



Trevor Fredrickson

February 1 was a special day for **Trevor Fredrickson**, center, as he received his official steamfitter/pipefitter journeyman certificates from former trades coordinator **Gerry Skitcko**, left. Gerry congratulated Trevor on his high marks in school and the professionalism shown during his apprenticeship period. Trevor follows in his father's Ken Fredrickson footsteps by obtaining the same trade. On behalf of the joint trades committee, **Gord Klassen**, right, presented Trevor with a pair of Heselton sculptures to commemorate completion of his apprenticeship.

PROFESSIONAL REGISTRATION



Rob Stephen

Rob Stephen, center, has achieved registration as a reliability professional. Rob is now the third person – along with **Rejean Pageau**, left, and **Allen Veasey**, right – to be certified. The Society of Maintenance and Reliability Professionals (SMRP) is a North American association for people involved in the maintenance professions. Alcan has been a sponsor of the society for many years, and a number of employees have attended their conferences and presented technical papers. Registration ensures our maintenance program is managed by people who understand the principles and best maintenance practices. They represent a valuable resource to Kitimat as well as to other smelters in the primary metal group.

Fine-tuning the shutdown process

Incorporating safety and formalizing the process of shutdowns is the focus of a new training program.

'Safe and Effective Shutdown Training' debuted to a pilot audience of trades and operational people prior to the coke calcining shutdown in September 2005. The group of brickmasons, instrument mechanics, electricians, gasfitters, and millwrights and welders, who participated, gave the entire process a 'thumbs up'.

The new program integrates health and safety, improves communication, strategically formalizes the process of shutdowns and introduces new methods, such as a formal shutdown control plan, a communication board, and how to use and read Gantt Charts.

The idea originated from the central occupational health and safety committee when a question was posed: "How well do we train

our occupational health and safety representatives who work on shutdowns?"

In parallel, chief planner Rob Stephen and superintendent maintenance technical Rejean Pageau were investigating how to structure and formalize 'the shutdown process' from a strategic maintenance planning point of view. What better way than to consolidate both ideas.

Joint training program

A team, consisting of casting's occupational health and safety representative Bob Dugdale, training project coordinator Bernadette Mourgas and chief planner Rob Stephen put together a five-hour course. Seven modules covered the overview of a shutdown process; scoping; planning; material ordering; preparation; execution, and post shutdown.

"The training is interactive and incorporates a simulation of a home renovation to explain the concepts. The evaluations we received told us employees enjoyed this blended learning experience, rather than using traditional training methods," commented Bernadette.

Since the pilot, other sessions have been held for casting operations and maintenance for the DC-4 shutdown and the simultaneous shutdowns at DC-3 on the pit cylinder repair and the Saw-6 rewiring project. (Read story on page 9.)

Bob Dugdale and Rob Stephen both commented that while the course formalized the shutdown process, in actual fact, it has resolved typical safety issues and improved communication.

During the DC-3 and Saw-6 rewiring shutdowns, Bob Dugdale



said, "It was a good move to get everyone involved in the course before the shutdowns because the crews did a great job; the co-activity was intense so communication was excellent, ensuring everyone got the job done safely."

Rob supports Bob's opinion. "Both crews did an excellent job of responding to the challenges. The Saw-6 team did a lot of re-wiring in a short period of time and in cramped quarters. They took the initiative to ensure the work was done properly and safely. Hats off to those crews for stepping up to the plate," Rob said.



We want your feedback Every August or September we send out the Employee Global Survey for all employees to complete. We want to improve our response rate this year and need your feedback or suggestions. We would also appreciate your suggestions about *ingot* story content. Please tell us!

What can we do to improve?

Do you have suggestions on how we could improve our communication about the Global Survey?

What could we do to improve employee participation?

We would value your suggestions about the kinds of stories you would like to read in *ingot*.

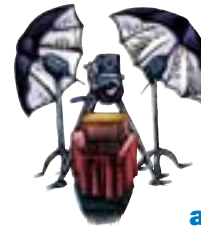
What else could we do to improve?

Return to Cathie Stevens, *Ingot* Editor, Alcan Primary Metal – BC, Internal Communication, 272K, 1 Smeltersite Road, P.O. Box 1800, Kitimat, B.C. V8C 2H2.

TAKE NOTE RETIREES

Mark this on your calendar.

The annual Vancouver Island Kitimat Luncheon will be held on **Wednesday, May 3** at the Nanaimo Golf Club, 2800 Highland Blvd, Nanaimo, B.C., at **11:30 a.m.** If you know of any former Kitimat residents that would like to come, please ask them to get in touch with **Marg and Gordon Marshall** by email at mmarshall@highspeedplus.com or by mail at 3851 Peache Drive, Cobble Hill, B.C. V0R 1L0 or call 250-743-7845.



Employees celebrating an anniversary are asked to make an appointment for a photo by calling Cathie Stevens at local 8519.

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Please respect *ingot* deadlines for copy, revisions and photographs. **The deadline for the next issue is March 10, 2006.**

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TAKE NOTE

KWSA 50th Anniversary Hockey Tournament and Dance

Tournament March 20 to April 8, 2006

Dance Saturday, April 8

Time 7 p.m.

Where Luso Canadian Club

Price \$10 per person

Band Semi Chronic

Entry forms for the tournament and dance tickets can be obtained from the Tamitik front desk or from Doug Linton 632-7797 or 639-8490 or from John Runions 632-2305 or 639-8490. There will be a mandatory team representative meeting at Tamitik on Sunday, March 12 at 2 p.m.

