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Visit Kitimat modernization website at:
www.kitimatworksmmodernization.com



New APMG-North America President **Jean Simon**.

FEATURE: JEAN SIMON INTERVIEW

Jean Simon shares his thoughts on Kitimat issues.

APMG-North America President visits Kitimat

During the week of January 22, Jean Simon made his first trip to Kitimat as president of APMG-North America. Mr. Simon has a long and distinguished record of service to Alcan's Primary Metal Group. Born in Grand-mere, Jean Simon is married and the father of three children (two boys and a girl). In 1978 he completed a bachelor's degree in physics engineering at Universite Laval and he joined the Alcan team in 1979 at the Jonquiere potrooms. Over the following years Mr. Simon held various positions including superintendent positions at Shawinigan Works and Vaudreuil Works before embracing senior management roles since 1998. He has served as manager of Isle-Maligne Works (1998-2000); manager of Laterriere Works (2000-2001); manager of Vaudreuil Works (2001-2002); VP Saguenay-Lac-Saint Jean Operations (2002-2004); President Alcan Primary Metal Saguenay-Lac-Saint-Jean (2004-2005); President,

Alcan Primary Metal Quebec & USA (2005-2006); and currently Mr. Simon leads Alcan Primary Metal North America as President.

"I am very proud to assume responsibility for APMG's North American operations," said Mr. Simon in a brief interview with the *ingot*. "And I'm very proud to have Alcan's northern BC assets in my portfolio at such a pivotal time in their evolution."

He congratulated BC employees on their contribution to Kitimat Works' stellar safety performance in 2006. "For an industrial facility of this size and scope to exceed three million hours without a lost-time accident is an extraordinary accomplishment. Clearly, you have succeeded in making the *EHS FIRST* pillar of our Alcan Integrated Management System the priority it was intended to be." Mr. Simon said that Kitimat Works has become a model to emulate within the Primary Metal group when it comes to consistent and disciplined application of *EHS FIRST* principles.

He said he is solidly behind the CAN\$2-billion Kitimat Works Modernization Project but pointed out that the recent rejection of the power agreement by the BCUC has put the project at risk. "Everyone is going to have to work that much harder to make the project a reality. While power has been essential to the economics of the Alcan operation in northern B.C. for over 50 years, Alcan's most important business in B.C. has been, is and will remain aluminum production. Even though power sales will be the lowest in history at project completion, its importance to the project and continuous operations remains essential. One of Alcan's key considerations in large capital investment decisions is local community support. In spite of the challenges we've experienced in Kitimat in recent years, we believe that the majority of residents do support our modernization program and that's why we announced, last August, our

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Business outlook

The external challenges and disappointment of the BCUC rejection of our LTEPA+, puts us in a position to excel in safety and production performance internally.

Unfortunately, my first *ingot* communication for 2007 is not a happy one.

Lost time injuries 2006

Two employees suffered lost time injuries; one within a few days before the end of 2006, and the other within a few hours of celebrating New Year's Eve. I'm sure you will join me in wishing our colleagues a speedy recovery.

One employee was splashed with molten metal. Fortunately, this person was wearing personal protective equipment (PPE) and we hope, will not suffer permanent injury.

However, the incident raised the issue that we need to review our safety practices and operational tasks, as this accident highlighted a potential problem with the style of safety glasses worn; the fit of the glasses may have contributed to this injury.

I would ask all employees to review your PPE, not just glasses; we have many styles and many options. PPE is not about style – it is about protection. Ensure you have the correct fit, and if you have doubts about your PPE fitting correctly, talk with your supervisor.

The safety team will conduct a review to ensure we do indeed have PPE that offers the best possible protection. Remember PPE is your last line of defense! It does not make us "bullet proof"; safe work practices and procedures and adherence to them offer you the best protection.

Modernization project

The British Columbia Utilities Commission (BCUC) rejected our amended and restated Long Term Electricity Purchase Agreement (LTEPA+) with BC Hydro. From a business perspective, this means we must review the full results and rationale for their rejection, to



▲ Paul Henning

determine the impact on our proposed Kitimat modernization project.

Needless to say, we are completely disappointed, as this was one of the three conditions outlined by the board of directors for final approval. The other two are the resolution of environmental issues and a long-term labour agreement with the CAW.

At this stage, we are waiting for a full report from the BCUC to review their reason(s) why our proposal was rejected. Obviously, this situation creates uncertainty for all of our employees and for our communities in which we operate. I'm sure you can appreciate our stand point however, we are a global business and we must fully understand the BCUC's decision(s) in order to move forward.

LTEPA+ situation

The LTEPA+ would have provided us with **flexibility** that is required to proceed with a \$2 billion investment.

- Automatically adjusts the amount of Tier 1, firm power we sell each

year from 2007 to 2014 – 170 MW, 120 MW, 80 MW, 55 MW – as new aluminum production comes on line. Current LTEPA does not allow us to do that.

- Gives us the ability to adjust the amount of power we sell to BC Hydro once the Project is complete. Current LTEPA does not allow us to do that.
- Ability to "creep" production in the future through incremental recalls of power (after 2016). Current LTEPA allowed us to recall on five years notice. LTEPA+ would have allowed us to recall on one years notice.

The LTEPA+ would have provided us **certainty** that is required to proceed with a \$2 billion investment.

- Would have **clarified** that "smelter load" takes priority over power sales. BC Hydro has disputed this in the context of the current LTEPA (which gave rise to the problems in 2000/2001).
- Makes it clear that "low water" excuses Alcan from delivering power to BC Hydro. In 2000/2001, BCH disputed this in the context of the current LTEPA.
- Would have fixed power prices for a long-period of time for both firm and non-firm power (currently, under LTEPA, firm is fixed price but sales to Powerex change daily as market prices fluctuate).
- Term of contract extended to 2024 (BCH option to go to 2029).
- All excess power sales consolidated under one agreement, both firm and non-firm.

The LTEPA+ **enhanced the competitiveness of the Kitimat Modernization Project** relative to other Alcan investment opportunities around the world.

- The incremental power sales revenues enhanced the attractiveness

of the "package" that the Kitimat Modernization Project represents.

The Bottom Line: Alcan's management and the Board of Directors assessed the Kitimat Modernization Project inclusive of LTEPA+ and, in particular, the "package" of flexibility, certainty, and enhanced competitiveness that LTEPA+ offered. That is why the LTEPA+ approval by BCUC is a condition of the Project and why Alcan must now take the time to review the Project in view of the BCUC decision to reject LTEPA+.

As information becomes available, we will continually communicate to you. Also, review the website devoted to the modernization: www.kitimatworksmodernization.com for further information.

Safety in 2007

As we begin the New Year, our focus is safety performance and efficiency of the existing smelter. Our EHS performance during 2006 was fantastic and establishes a baseline. I cannot put more emphasis on this; this was one of the major contributing confidence factors, which gave us the support we needed from the board of directors to proceed with a modernization of our Kitimat Works operations.

We must continue in this fashion, as externally we are being challenged, so internally we must be strong. I believe we have a platform to begin working towards reaching our first 1,000,000 hours without a recordable injury for 2007. What better way to rebound and show what we are truly made of, in light of our collective disappointment.

Paul

ALCAN BRIEFS

For full details on Alcan Press Releases, visit our website www.alcaninbc.com

On January 2, 2007 Alcan Inc. announced its intention to review the British Columbia Utilities Commission (BCUC) decision to reject the amended and restated Long-Term Energy Purchase Agreement (LTEPA) between the Company and BC Hydro with regard to its investment plan in Kitimat, BC. "We are disappointed with the BCUC decision and will study it closely to better understand the Commission's

rationale and to determine the potential impact on the feasibility and timing of the Kitimat Modernization Project," said Michel Jacques, President and Chief Executive Officer, Alcan Primary Metal Group. "We understand that this period of uncertainty will be difficult for the region affected by the BCUC decision." An approval by the BCUC was one of three conditions set by Alcan for final go ahead of the Kitimat Works

Modernization Project at the time of announcement on August 14, 2006. The other two key conditions are the resolution of environmental permit issues and a long-term labour agreement to ensure stability during the planning, the construction and the start-up of the Modernization Project.



LME PRICES us\$

as of 01/15/2007

CASH: ▼ \$2796

3 MONTH
▼ \$2723

15 MONTH
▼ \$2500

27 MONTH
▼ \$2323

From Kitimat to Congo

David Owens helps build a better tomorrow at home and abroad.

Ten-year Alcan employee David Owens works hard in his job with Kitimat's pot exhaust maintenance crew, but he also finds time for charitable projects – even visiting Africa to help support an orphanage.

As part of a delegation from his local church, David has helped provide for needy children in a region of the Congo beset by poverty, environmental damage, corruption and war. "It's just a whole different world over there," he related.

Close to home

Born and raised in Terrace, David was a CN Rail conductor for six years, but found the work to be too seasonal.

Landing a job at Kitimat Works, David started in first aid, later worked in the potrooms, and switched to pot exhaust maintenance six years ago.

He moved from Terrace to Kitimat a year ago, ending years of commuting – and arriving just in time for some spectacularly heavy snowfalls.

David's brother-in-law Art Lucier is the pastor at the Kitimat Harvest church, which has become an ongoing supporter of Mama Jane's orphanage in the Congolese city of Goma.

Troubled times

Located in the Democratic Republic of the Congo (formerly Zaire) near the border of the Congo and Rwanda, Goma houses between 400,000 and 500,000 people.

Thanks in part to the region's ongoing civil and military strife Goma is also home to extreme poverty and an 85 per cent unemployment rate. Making matters worse, part of the city was wiped out by a local volcanic eruption several years ago.

David's group was lucky enough to avoid direct contact with local violence, though they did have to pay assorted officials and gun-toting rebels for passage to and from various areas. "There's no real law enforcement," he said, "due to the lack of structure."

Lending a hand

Less than two years ago, a group of British Columbia carpenters helped start new construction at the orphanage. David's brother-in-law was part of that group, and Kitimat Harvest began working with other groups to raise money for the orphanage on an ongoing basis.

Paying their own way to Goma, a Harvest group including David returned to Goma this past year, further upgrading the new building – adding windows, doors, gutters and a water tank (lacking



▲ David Owens on the job and a few photos from the orphanage in Goma.

a proper water system, they collect rain water).

They also built a second building on adjacent property they had purchased, and started work on a third building.

The construction employed upwards of 170 locals, giving the economy a much-needed boost. Most of them got \$2 a day, considered a good wage there.

In addition, Alcan donated some items for the orphans, the native workers and other locals: safety glasses, dust masks, toys, pens and paper.

A different light

His African adventure has given David a new perspective on life – he describes the orphans' stories as amazing and heartbreaking, and insists that television can't really capture the substance of it.

"We've grown so accustomed to seeing stuff on TV, but seeing it in person is something else," he recounted. "There's poverty here at home, but it's different in Goma – they don't have social assistance programs there."

"We've grown so accustomed to seeing stuff on TV, but seeing it in person is something else."
– David Owens

Nechako Reservoir at-a-Glance



Current elevation
On January 8, the reservoir elevation was 2794.06 feet above sea level.

Long-term average
Long-term average for this time of year is 2794.03 feet above sea level.

Inflows
Inflow into the reservoir during December was 127.7 per cent of the long-term average.

Spillway discharge
Spillway discharge is currently set at 33.2 cubic meters per second.

Reservoir storage at present is 99.6 per cent of the long-term average storage.



Alcan Primary Metal – BC Performance Review for 2006

Kitimat Works and its employees celebrated multiple successes during 2006, particularly in the area of safety records. Of major significance was the announcement of Alcan Inc. to invest US \$1.8 billion to modernize Kitimat Works' 52 year old smelter.

January

- Scrubber operating and maintenance practices, and better communication are two key factors that contributed to improving the performance of the smelter's dry scrubber system.
- Kemano employees recognized for their continuing efforts to implement 5S practices into their workplace.
- *Ingot* asks employee to complete a suggestion / feedback form to help improve internal communications.

February

- On February 10, 2006, Kitimat Works and Kemano achieved one million people hours without a recordable lost time injury.
- The results and action plans from the 2005 Global Employee Survey were featured in a special insert with the February issue of *ingot*.
- Director of operations Paul Henning and each member of his management team communicate the business objectives for each organization for 2006. Henning communicates the overall strategic targets and plans for 2006 and advises that the management team will focus on *Leadership in Action*.
- A-casting shutdown operations to repair the DC-3 pit cylinder and rewire Saw-6; both were a huge success, due to the expertise of the crews and the newly formed 'shutdown training' program.

March

- Kitimat Works launched its new Supervisor Development Program.
- Safety introduces a new initiative to keep retiring Alcan employees safe as they prepare to retire.
- Safety brought former Kitimat Works' employee Ron Hrynkiw to Kitimat to talk about his life-changing experience.

April

- *Ingot* pays a special tribute to the Kitimat Works Social Association (KWSA), as they celebrated 50 years of history on April 17, 1956. The KWSA is instrumental at fostering social and recreational activities for Alcan employees, retirees and their families.
- Alcan and the CAW concluded the first employee retirement workshop for 40 eligible employees and their spouses / partners. Feedback was positive and employees suggested continued sessions; the next one was held in the fall of 2006.

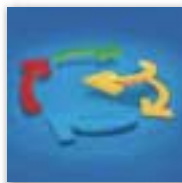
May

- Paul Henning introduces his new management team with special biographies and a traditional organization chart.
- Alcan wins an Award of Excellence from Ragan Communications Inc., for the production of the '50th Anniversary Tribute'. On the same occasion the *ingot* newsletter is showcased as 'best in employee communications' by Ragan's *Corporate Writer & Editor* publication.
- Continuous Improvement Gung Ho award is revived and lines 1&2 launched its new 'text feed' information system to the coolrooms for employees to keep up to date on information pertaining to them.
- *EHS FIRST* initiatives: the importance of spills management and Kitimat Works' ergonomics program is recognized and bench marked for excellence in best practices.

- NAOSH week was a huge success for employees and their families and the community of Kitimat, as the KKOHS and others deliver activities and events during the first week of May.

June

- On June 6, 2006, Kitimat Works and Kemano achieved two million people hours without a recordable lost time injury.
- Kitimat Works launched its BRAVO program – an employee recognition program for contributions made in *EHS FIRST*; finance/cost; Continuous Improvement; customer service; innovation; team work; leadership, and sustainability.
- Alcan successfully undergoes scrutiny of its ISO programs for re-registration by the auditors of the Quality Management Institute.
- The employee crews of coke calcining are recognized for excellence in safety, product and quality control.
- *EHS FIRST* launched a new initiative – Hazardous Energy Control – to reduce energy-related injuries in the workforce.



VISIT THE
Kitimat Works
Modernization Website
www.kitimatworksmmodernization.com

July

- The first ever BRAVO Awards in the Asia, Pacific and Africa Division were presented to the group who developed the new Supervisor Development Program.
- Alcan, the Haisla First Nations and the Department of Fisheries and Oceans joined forces to establish an environmental covenant to protect the Pine Creek Trail.
- *Ingot* wins the APEX Grand Award for publication excellence; a competition for communications professionals.
- New recycling center opens at Kitimat Works on the east side of line 7s center passageway.

August

- Alcan Inc. announces its intention to invest US\$1.8 billion in its 52 year old Kitimat Works smelter, introducing the latest in Alcan's AP technology, and extending the life of its operations in British Columbia for the next 35+ years.
- Alcan celebrated this investment and its two million hours without a lost time injury record by throwing a party for employees and families at Alcan's Hospital Beach.
- Kitimat Works' anode paste plant operators achieve 10 years without a lost time accident and are also recognized for numerous productivity achievements.

- Continuous Improvement Green Belts were recognized by the management team with the presentation of special CI certificates.
- Kitimat Works achieves high marks and best practices when the Quality Management Institute recommended re-registration.

September

- Alcan's stakeholder relationships continue to evolve. Alcan, the Na Na Kila Institute and Northwest Community College jointly host the Kitlope Field School, anthropology and geography courses, exploring the natural and cultural heritage of the Kitlope Heritage Conservancy.
- *Ingot* re-institutes 'Letters to the Editor' column, so employees and community have an opportunity to provide feedback. At the same time, *ingot* delivers an update on employee feedback and results based on the annual Alcan Global Employee Survey.
- Alcan continues to sponsor the conservation of white sturgeon in the Nechako River. A pilot conservation hatchery facility in Vanderhoof was established and co-sponsored by the District of Vanderhoof, Freshwater Fisheries Society of BC, Ministry of Environment, the Carrier Sekani Tribal Council and Alcan.
- Kitimat Works and Kemano employees achieved three million hours without a lost time injury on September 27.

October

- A new joint human rights committee advertised its mandate and explained how the committee members are available to help.
- Kemano employees are featured in an in depth article about the many new tools, technologies and techniques they have introduced at the Kemano powerhouse.
- Alcan sponsors a television commercial 'Linked to the Community – Linked to BC – Linked to the Planet' featuring Kitimat Works employees.

November

- Lines 1 and 2 employees achieve two years lost time injury free record.
- Maintenance, teamwork and new technology build a great team of coke calcining employees. The groups are praised for working together efficiently and safely.
- The warehouse operations celebrate the merger of personnel and inventory after two and half years of work.
- Alcan honoured employees with long service of 25, 30, 35 and 40 years with the company by hosting a dinner and dance.
- Kitimat Works announces its new modernization website:
www.kitimatworksmmodernization.com

December

- Christmas parties are the central focus during the month of December for Alcan children and employees alike.
- IECO pot jacks are a 'thing of the past', as the last of them are replaced in lines 3 to 5; credit to the many employees who worked on a project to replace them, saving lost production costs of over \$600,000.
- An annual campaign to keep the community of Kitimat safe during New Years Eve saw Alcan, Eurocan, Methanex and District of Kitimat offer free bus service to the community, while Alcan sponsored free taxi service for its employees.

Building an efficient engineering team

New hires and new strategies strengthen Kitimat's engineering group.



▲ The engineering staff (left to right and back to front): Senior network technical analyst **Tony D'Amico**, electrical technician **Guy Simard**, electrical technician **Lothar Mueller**, electrical engineering leader **Andrew Lee**, mechanical project engineer **Bruce Sheedy**, mechanical project engineer **Gary Martin**, capital investment superintendent **Louis Laganier**, junior mechanical engineer **Jon Barclay**, electrical engineer **Keven Gagné**, senior electrical engineer **Pierre Delisle** and junior electrical engineer **Jean-Philippe Lussier**.



▲ The electrical engineering team (left to right and back to front): UDL regional manager/consultant **Ken Parks**, Genitque project engineer/consultant **Pierre Lafontaine**, Earth Tech project engineer/consultant **Mark Mossael**, electrical engineering leader **Andrew Lee**, junior electrical engineer **Jean-Philippe Lussier**, electrical technician **Lothar Mueller**, electrical engineer **Keven Gagné**, electrical technician **Guy Simard**, CGI network consultant **Paul Lowe** and resident consultant/administrative support **Sarina Germuth**. Not pictured: senior electrical engineer **Pierre Delisle**.

Capital investment superintendent Louis Laganier has big plans for engineering at Kitimat Works.

"We want to be proactive," he said. "Do more than just putting out fires." That strategy incorporates hiring new people, integrating the plant's engineering operations more closely, and working to maintain and update the plant's aging technology.

Fresh faces

In terms of the big picture, Louis's people are focusing on project and electrical engineering support, and the latest staff additions will help strengthen those areas.

"With our new additions," Louis explained, "we'll be back where we should be in terms of having a dedicated project manager for every area of the plant."

New recruits

The latest engineering recruits include junior mechanical engineer Jon Barclay, junior

electrical engineer Jean-Philippe Lussier, and electrical engineers Keven Gagné and Pierre Delisle.

Jon will be assigned primarily to reduction services. The other new hires are in electrical engineering where the focus is more maintenance-related, though there is still some project work.

Jon Barclay

Previously a student intern at Kitimat Works, Jon Barclay was hired in October after assisting in the reconstruction of the Goose Creek Bridge.

Jon enjoys working with the plant's older equipment, regarding it as a history lesson, and he likes the fact that his job takes him all over the site. "Makes coming to work more fun than being always stuck at a desk," he said.

Hailing from Ottawa, Jon is excited to have his first real engineering job, and said his co-workers have been very supportive. "The engineering group is structured to mentor

less experienced hires," agreed Louis. "We want to be sure Jon's successful."

Pierre Delisle

The newest recruit, Pierre Delisle started work in January. Previously an eight-year employee of the Alma smelter, he is also finishing his MBA this year.

Kitimat's multicultural nature appealed to the Saguenay-born Pierre, partly because of his early home life: his father taught history at an English school, and Pierre grew up comfortable in both English and French.

A globe-trotting art and architecture enthusiast with extensive computer skills, Pierre nearly chose an IT career, but has no regrets since he loves electrical engineering.

"I think life is good in Kitimat," Pierre said. "Simple, less stressful, and my girlfriend and I love the outdoors." He is grateful to fellow employees for helping him settle in, and hopes to bring a positive, enthusiastic attitude to his work.

Pierre specializes in equipment reliability and preventive maintenance.

Keven Gagné

Keven Gagné is a new hire who isn't exactly new to Kitimat Works. He worked years ago as a young consultant and eventually returned alongside his spouse, new CGI team leader Marilyn Villeneuve.

Another Saguenay native, Keven worked on the Alma smelter project and interned at Kitimat during university before returning to Quebec, where he worked for SNC-Lavalin and Cogitech before rejoining Kitimat Works in October.

Having done mostly project work in recent years, Keven is glad to be doing more maintenance. "The senior people," he remarked, "it's amazing how much they know, and it's good for all of us that they want to share their knowledge."

Keven will be supporting APP, coke calciner, wharf and reduction services areas.

Jean-Philippe Lussier

A somewhat newer face is Jean-Philippe Lussier, who will support the pot control system and work on networking with Lothar Mueller.

Coming from Sherbrooke, Quebec, Jean-Philippe was working at the St. Lawrence Seaway as an operations analyst before Kitimat Works hired him this year. He was looking for a change, and wanted to see the West.

Jean-Philippe enjoys his part in keeping the aging plant running. "I don't think it's wasted energy to study older technology," he opined. "Some of the equipment I've never seen before, and that's exciting."

He also appreciates his more experienced colleagues. "I'm learning a huge amount from them," he said.

The right balance

As Louis explained, this is a two-way street. "It's useful to have new professionals in the mix, in terms of succession planning and generating new ideas. A team needs experience, but it needs

the spark of young people, too."

Electrical engineering leader Andrew Lee agreed. He believes diversity has made his team stronger, combining not just different levels of experience and different ages, but also different cultural, ethnic and geographical backgrounds.

Looking ahead

Another balancing act lies in engineering's current responsibilities, keeping the existing plant running while preparing for the modernized plant. Safety, too, is always a priority, and Louis wants to see closer alignment between mechanical and electrical engineering efforts.

Louis is confident that building a strong team today will help realize those goals tomorrow.

"We have the right people, really strong people, and as a team, they will be even better," he concluded.



Alcan Primary Metal in British Columbia *EHS FIRST* Policy

Kitimat Works adopts new policy for EHS.



Alcan Primary Metal in British Columbia provides the highest quality, value-added products and services to our customers, placing equal importance on the highest possible standards through our joint occupational health and safety programs and care for our environment. These are the fundamental principals of our business and aligned with Alcan's *EHS FIRST* vision.

It is our goal to conduct our business:

- Without accidents or incidents nor harm to people.
- Without causing harm to the environment.

APM-BC has implemented and maintained the following international standards within an Integrated Risk Management System: BS EN ISO 14001:2004 & OHSAS 18001:1999. APM-BC also maintained the international quality standard BS EN ISO 9001: 2000 for its casting operations and specific activities within its reduction services function.

Our aim is to retain and continually improve all of our world class standards through our joint programs, management leadership and commitment,

line ownership and active participation, and in co-operation with all of our employees and stakeholders, within a fully integrated management system. Our defined objectives and targets fully utilize Alcan's Continuous Improvement techniques and Sustainability principles.

To achieve, maintain and continually improve our performance, we will:

- Work toward full implementation of all of Alcan's *EHS FIRST* Directives, combining them with our existing joint OH&S programs and integrating them into our management system.
- Protect all of our employees and others that may be affected by our activities and facilities, through a proactive system of two-way communication, hazard identification, risk assessment and safe working procedures.
- Formally train and support all of our employees, contractors and suppliers to comply with Alcan's philosophy and policies; record all training delivered.
- Achieve best practical operations for all of our processes, ensuring the most efficient use of all forms of energy, fuels and raw materials.
- Provide the highest quality value-added products to our customers on time, by agreeing to product specifications through meetings, network technologies and utilizing problem-solving techniques where applicable.
- Minimize waste and greenhouse gas

generation through process control improvements and by utilizing recycling initiatives wherever possible.

- Prevent, minimize or render harmless any releases to the environment that may result from our operations or products. Comply with legislation as a minimum standard and where appropriate, apply more stringent internal targets through *EHS FIRST* and joint OH&S programs.
- Regularly monitor the effectiveness of the integrated management system by utilizing internal and external auditing programs and communicating our objectives to all of our employees, customers, suppliers, regulatory authorities and community stakeholders.
- Conduct regular reviews of all aspects of our operations, in respect to EHS to ensure appropriate standards are maintained and meeting goals for continual, sustainable improvement in the workplace and in our stakeholder communities.
- Maintain and test our Site Emergency Preparedness procedures, ensuring we successfully deal with any potential emergency situations.

This Kitimat Works internal policy complies with Alcan's *EHS FIRST* Policy. Kitimat Works' Management Team November 2006.

EHS FIRST: RECOGNITION



Alcan garners top public safety award

At Government House on December 8, 2006, Alcan received the Lieutenant Governor's Award for Public Safety from The Honourable Iona Campagnolo, British Columbia's Lieutenant Governor.

Established in 2005 and administered by the BC Safety Authority, the Lieutenant Governor's Award for Public Safety recognizes individuals and organizations that have demonstrated exceptional leadership, innovation or achievement in the promotion of safety in British Columbia.

In receiving the Organization Award for public safety, Alcan Primary Metal – BC's Kitimat Works was recognized for implementing the *EHS FIRST* program, which is designed to achieve excellence in Alcan's environment, health and safety performance at Kitimat Works.

The success of the program resulted in an unprecedented two million hours of work being completed without a lost time accident as of June 3, 2006. Accepting the award on behalf of Alcan Primary Metal – BC was Director of Operations Paul Henning and EH&S Superintendent Sandy Mackintosh.

◀ Pictured left to right at Government House in Victoria are Lieutenant Governor of BC Iona Campagnolo, Sandy Mackintosh and Paul Henning.

Procurement aligns with plant needs

The procurement department recalls 2006 and embraces the challenges of 2007.



The year 2006 was eventful for the Kitimat Works procurement team – and they were busy with

more than just the plant's purchasing needs.

Welcoming a new superintendent Gillian Richardson, moving their offices to a new location, charity fundraising, increased interaction with internal customers and suppliers together with personal and ongoing professional development ... all this and more was on last year's agenda, and 2007 promises to be similarly active.

New location

Long located inside the plant, the procurement team recently relocated to the main office building.

Buyer Eduarda Martel noted that the move has enabled them to work more closely with accounting and the financial group, while fellow buyer Ron Lechner pointed out suppliers can now visit them without the complications of entering the main plant, reducing EHS issues.

"Even though the location has changed, we still cultivate strong internal relationships with our end customers," noted Gillian. "Our new location will not change our vision."

Connecting with suppliers

The procurement team hosted a Supplier Day event this past November, talking to suppliers about how best they can help Alcan meet its goals, and presenting awards to suppliers who had surpassed Alcan's expectations in Continuous Improvement and *EHS FIRST*.

Suppliers were also informed of online efforts to enhance their interaction with Alcan, such as "reverse auctions" where companies bid online for Alcan contracts. "It's like Ebay," buyer Susie Abreu commented, "only the prices go down instead of up."

In addition, suppliers can submit their own ideas on how best to meet Alcan's corporate goals, such as Maximizing Value. Procurement support and inventory supervisor Liliana



▲ The procurement team (left to right and back to front): Steve Revell, Wayne Perepelitz, Brad Loran, Harold Bruins, Liliana Carvalho, Susie Abreu, Gillian Richardson, Donna Gasper and Ron Lechner. Missing: Eduarda Martel and Clement Yelle.

Carvalho indicated that suppliers can register those ideas for consideration at www.ideas.alcan.com

As well, suppliers interested in participating in the modernization project can register with Alcan at www.kitimatworksmodernization.com

Professional development

Kitimat's procurement team continues to pursue professional development through Purchasing Management Association of Canada (PMAC) resources.

In 2006, they took part in PMAC sessions covering topics such as market sourcing, negotiating and quality control.

"It examines all aspects of quality control," recalled buyer Harold Bruins. "For example, looking at plant personnel, customers, stockholders, and considering quality issues at every level."

They hope to participate in

more PMAC courses in 2007, bearing in mind that these are not exclusively Alcan events. "We try to arrange these in collaboration with other companies and organizations," Liliana added.

On target

Perhaps best of all, in the midst of their other activities, the procurement department surpassed their corporate savings target for all of 2006.

"Those targets are not always easy to achieve," Gillian observed. The team is pleased with the results, proof of their commitment to Maximizing Value.

Procurement also did vendor assessments last year, and all of the selected vendors got a passing grade.

The year ahead

As always, part of the focus in 2007 will be the savings target; however, global sourcing is another key

priority, as well as building customer relationships, enhancing communication, EHS and achieving 5S certification.

The team is seeking greater standardization of end user relationships – for instance, before purchasing new tools, Ron recently surveyed the local trade group to determine which tools they preferred, with the intention of purchasing those tools consistently.

Inventory analyst Clement Yelle is also joining the team, and will assist in preparations for modernization such as the identification and elimination of obsolete stock.

"2006 was a challenging year," said Gillian, "but we all pulled together and made it work. 2007 will be no different; we need to keep focused on the needs of the business, achieving our goals in cooperation with suppliers and internal customers alike."



John Kornat

Ingot reprints John Kornat's retirement write up and apologize for incorrectly identifying him as Paul.

An informal gathering marked the retirement of mechanical maintenance technician **John Kornat** on the afternoon of October 24. John joined Alcan in 1976, and spent most of his career in various maintenance positions. While his roots and his family are back in England, John has moved to the Okanagan. His retirement plans consist of "gardening and golfing." **Rejean Pageau** said it was a great pleasure to work with John. "John's experience and knowledge were valuable assets." **Jean-Philippe Mallard** added, "His departure will be a big loss for me and for casting, but I know he will enjoy retirement." John said farewell, "I wish everyone at the plant health and happiness and success with the upcoming upgrades."



Erle Crawford

Colleagues and friends filled building 258 conference room on December 20, to mark the retirement of power operations serviceman **Erle Crawford**. Previously a potroom worker and controlroom operator, 26+ year Alcan veteran Erle also worked part-time as a trainer. Line crew supervisor Bob Walker emceed the event with tales of Erle's "illustrious career" ranging from his CAA-approved custom cowboy hat to his talent for "borrowing" items from all over the plant. Superintendent of power operations **Ralph Braun** praised Erle's professional contributions and unique personality. Other speeches, anecdotes and gifts were presented by CAW retirees' rep Bill Garvin, Bob Oliver, Ross Slezak, Tony Fonseca, Gord Lechner and Ron Correia. Erle thanked everyone for coming, noting that he was especially delighted to see Erin Lapointe, a former summer student who joined human resources. Born and raised in New Brunswick, Erle worked in Ontario steel mills and spent several years in the military in Calgary before coming to Kitimat, and said he has never worked for a better company than Alcan. He plans to move to Cochrane, Alberta following his retirement.



Bob Johnston

Friends and co-workers filled the building 295 control room on December 15 to celebrate the retirement of assistant shift engineer **Bob Johnston** after 29 years with Alcan. Currently a Kitimat resident, Wells-born Bob plans to move to Terrace within the next year but has no other specific plans for his retirement. Utility supervisor Gary Cook emceed the retirement gathering and said it was a sad day for their department, albeit a happy one for Bob. "He's a good power engineer," Gary added, "and this department will miss him." Superintendent **Louis Thiffault** praised Bob's professionalism and presented him with a retirement plaque and an aluminum bear sculpture. Power engineer Dan Levesque presented Bob with a gift on behalf of their crew: a Sirius satellite radio system. The last and largest gift came from Bill's friend and longtime fishing companion, former Alcan employee Bill McEnhill, who gave Bob a handsome wood carving of a fishing scene. Bob thanked people for coming and encouraged them to eat the donuts. "I learned a lot from Bob," recalled Dan. "He basically trained me, and I owe him a lot for that. Nobody knows more about water treatment than Bob."



John Lundbek

Fellow mechanics and well-wishers shared cake and refreshments at the garage on December 18, to celebrate the retirement of **John Lundbek**. With Alcan for over 29 years, John worked the potlines before his 17-year stint as a mechanic. Supervisor **Ryan MacDonald** praised John as "one of the go-to guys" in the garage who could always be counted on to get a job done. Mechanic Dale Maitland presented a series of gifts from John's co-workers, including ball caps, a jacket, Harley Davidson books, Dremel power tools and a Rona saw. "I always appreciated that John performed every day, every time," said longtime supervisor Danny Baker. "You can't ask for better than that." After friendly heckling from Bill Hamilton and others, John thanked the crowd and summed up his time at Alcan: "I've worked with a lot of good guys, and I can't really think of a day I didn't enjoy being here. It's been fun." Calling his retirement "the end of a long, good party," John said he plans to work on restoring a classic motorcycle and spend much of his time riding other motorcycles.



Devinder Mangat

The building 130 lunchroom was jam-packed with well-wishers on December 21, for the retirement of crane maintenance worker **Devinder "Dave" Mangat**. Supervisor **George Shrum** said he should have expected that "half the plant" would turn out to honour Dave. Dave started in the potrooms in 1978, as a cell operator, began his apprenticeship in 1982 and moved into cranes in 1985. "He's done an incredible job," said George, "It's been an honour to work with him." Dave said he is rich in terms of the friends he made at the plant. "I'm indebted to all of you for helping me survive this long," Dave told the crowd. "I'm truly thankful, and this place would not be complete with any of you missing." Originally from Sudbury, Ontario, Dave will be moving to Vancouver upon his retirement, and said he will miss Alcan and Kitimat a great deal. "This has been a perfect place for me. I'm truly grateful," he concluded.



Marilyn Smith

Colleagues and well-wishers gathered in building 295 control room on December 22, to celebrate the retirement of utilities serviceman **Marilyn Smith** after 32 years with Alcan. Scottish-born Marilyn moved to Kitimat at the age of five and was among the earliest female employees at Kitimat Works. A longtime member of the gas skirts crew, she moved to utilities about 10 years ago. In honour of her Scottish heritage, utilities supervisor Gary Cook jokingly gave her a bag of porridge. Superintendent **Louis Thiffault** presented the retirement plaque, plus an aluminum sculpture. The CAW Women's committee representative Carmen Charbonneau offered flowers and a card, praising Marilyn as a pioneer who helped pave the way for other women at the company. Saying she'd miss Marilyn, contractor Barb Hall brought a present on behalf of Marilyn's crew: a gift certificate for a stay at Minette Bay Lodge, which impressed both Marilyn and the guests. "It's been fun for the most part," said Marilyn of her time at Alcan. "I've met some really good people and hopefully some lifelong friends. Thank you to everyone for everything." Marilyn plans to move to Kamloops soon, mostly to get away from Kitimat's unique weather.



Ken Giesbrecht

Building 157's electrical lunchroom was packed with employees on the morning of November 15 when new journeyman **Ken Giesbrecht** accepted his Industrial Instrumentation Mechanic papers, presented by Mike Stekelenberg. Ken began his five-year apprenticeship in 2001, earning high marks year after year with scores of 92, 92, 94, 95 & 88, repeatedly top of his class. Recalling Ken's 2000 application to Alcan, Mike recounted how Ken was interested in instrumentation from the start, how he knew exactly what he wanted and focused on that consistently. In addition to his certification papers, Ken also accepted gifts from the CAW: a handsome aluminum letter opener and a matching pen and pen stand set, all of which drew appreciative interest from the crowd. Colleagues such as return to work supervisor Gerry Skitcko and instrumentation supervisor Manuel Pedro offered their congratulations, and the audience called repeatedly for Ken to make a speech. Ken declined, though he did offer them his thanks, and encouraged everybody to have some donuts.

continued from page 1

intention to proceed with it. However, the time is here now for Alcan to hear loudly and clearly that support is present for the project.”

The three conditions to the modernization project are (1) BCUC approval of the restructured power supply agreement with BC Hydro; (2) a long-term labour agreement with the CAW that would see the project through construction and start-up; and (3) the necessary environmental approvals.

While BCUC’s recent decision to reject the power agreement puts the project at risk, Mr. Simon confirmed that APMG continues its efforts toward fulfilling the other two conditions. Mr. Simon was clear that once the BCUC’s reasons for its decision have been received and analyzed, the company will then be in a position to determine next steps with regard to the power contract and make an important decision about how to move forward.

In the meantime, Mr. Simon encourages employees to stay focused on operational excellence. “In the current operations, the long term sustainability must be based on objective facts, such as safety, performance, productivity, continuous improvement, client satisfaction, and product quality – that’s what makes an asset an attractive investment.”

Mr. Simon added that he is looking forward to getting to know the BC operation employees and members of the community, and to developing a deeper understanding of the issues that preoccupy them.



▲ Jean Simon in discussion with Casting employees.

LETTERS TO THE EDITOR

We welcome your letters, comments and feedback, and will re-print your *Letter to the Editor* in our monthly column.

Letters may be edited for length, brevity, clarity, grammar, spelling, punctuation, and good taste as well as editorial judgment. Correspondents are asked to include their name, address and telephone number. The opinions expressed in the *Letters to the Editor* are those of the authors and do not necessarily reflect *ingot* or Alcan policy.



Your opinion is important to us

Writer appreciates Alcan’s partnership...

I wanted to let you know how disappointed I am at the recent ruling of the Public Utilities Commission regarding Alcan’s power sales. Although I don’t know a lot about the technicalities of the ruling, I do know that the city of Terrace and our many non-profit societies will be the big losers if your company decides not to continue operating in this area.

What I don’t understand is that on the one hand the Province of BC is offering tenure to private companies to generate power that can be sold to the “grid” yet Alcan is being denied an opportunity to do the same thing with your surplus power. Your company has been a wonderful corporate partner in our development. Tourism and transportation is bound to play a huge part in our future development, but all communities need a secure industrial foundation.

Please, if you have an opportunity, impress upon your shareholders the importance of keeping Alcan in Kitimat, open and operating. We are proud of your company, pleased that you are part of our community.
Annalee Davis, Terrace, BC

Supporter speaks out...

“It’s all about power sales, stupid.” This statement was made by an Alcan retiree, who presented at the Alcan BCUC hearings and has subsequently circulated a letter to the provincial media stating that “the sale of power was the real issue and the modernization of the

smelter was only window-dressing.”

It is not about power sales. It is about investment in the province of British Columbia and the northwest in particular. It is about modernizing a smelter that provides more productivity, reduces emissions, creates a better working environment and provides approximately 1,000 secure, well paying jobs for 30 plus years.

It is about a good corporate citizen supporting communities from Vanderhoof to Prince Rupert, economically and socially. Alcan funds sports events, seminars, economic development initiatives, arts programs, etc. and has become an excellent member of our communities.

- It is about investment in BC and an affirmation that BC is a good place to do business.
- It is about providing power to a province that is now a net importer of power.
- It is about sustaining First Nations initiatives from the Cheslatta to the Haisla.
- It is about providing a future for my children and my community.

I urge the Provincial Government to re-engage with Alcan immediately to ensure this project does not lose momentum or conceivably disappear altogether. It is time for British Columbia to prove it can compete in the global market place for international investment. This project is too important to British Columbia and the northwest to lose.
Lael McKeown, Terrace, BC

Your letters should be submitted by the 10th working day of each month and mailed to: Cathie Stevens, Editor *ingot*, Alcan Primary Metal – BC, 1 Smeltersite Road, P.O. Box 1800, Kitimat, BC, V8C 2H2 or email: Cathie.stevens@alcan.com.

Kitimat Works Social Association (KWSA) Annual Shames Mountain Ski Trip

For all Alcan employees, retirees and their families

Date: Saturday, March 10, 2007

Enjoy a day of skiing at Shames, followed by a swim at Mount Layton Hot Springs and completing the day with dinner.

Time: 7 a.m. bus leaves from the ESSO station
4 p.m. bus leaves Shames for Mount Layton
6 p.m. (approx.) dinner
8 p.m. bus returns to Kitimat

Cost: \$25 per person

Price includes bus, swimming and dinner only at the Hot Springs.

Ski rentals, lift passes, food and beverages on the ski hill and beverages at the Hot Springs are your responsibility.

Contact: Doug Linton 8490
Norm Tessier 8190
Clayton Merritt 8219



	Lift Only	Lift/Rental SKI	Lift/Rental SNOWBOARD
Adult	\$29.00	\$44.00	\$50.00
Youth (13-18yrs)	\$20.00	\$35.00	\$41.00
Junior (7-12yrs)	\$14.00	\$29.00	\$35.00
Senior (65+)	\$20.00	\$35.00	\$42.00
Child (6 & under)	FREE	\$8.00	\$13.00

Lessons are also available

- Discover ski/snowboard (7 years and up) \$39.95
- 6 years and under \$25 (private lesson required)

Celebrating an anniversary?
Call Dwight Magee at local 8038
to take your photo.

Summer Student Applications

Application forms for summer student employment in 2007 at Alcan's smelter in Kitimat, BC can be picked up at the Kitimat Valley Institute Corporation (KVIC), located at **1352 Alexander Avenue, in Kitimat. KVIC is open Monday through Friday between 8 a.m. and 4:30 p.m.** Summer student employment is restricted to Kitimat and Terrace residents. Applications may be picked up by the student or the parent of the student.

The deadline for submitting applications is
Wednesday, February 28, 2007.



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on January 24
Make a Date to Quit Smoking
National Non-Smoking Week January 21 to 27, 2007

Need support?

Call KKOHS Nicotine Intervention Counselors

Dr. Lorri Galbraith, local 8305 ■ Fiona Lindsay, local 8629

Ron Fossil, local 8156 ■ Kevin Finn, local 8670

Want more information about quitting smoking?

www.quitnow.ca



Supported by: KKOHS and the Tobacco Cessation Sub-Committee