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JAMESTOWN BPU ANNOUNCES FLEX RATE AGREEMENT WITH VESUVIUS-MONOFRAX

"I am pleased to announce the Jamestown Board of Public Utilities and Vesuvius-Monofrax have reached a four year flexible electric rate agreement," announced Walter Haase, BPU General Manager, "allowing Monofrax to continue to manufacture in Falconer and to compete in a global marketplace. The unique flex rate tariff was developed by the BPU to help our community to attract new industry, to help grow our existing customers and to retain our at risk industries."

"This contract commits Monofrax to continue to remain a significant employer in our community and requires them to reinvest their anticipated savings back into the Falconer plant which enhances the long-term likelihood that Monofrax will remain a significant part of our local economy well beyond the end of this contract," Haase said.

Vesuvius Monofrax manufactures fused cast refractories, for the containment of molten glass. The company is currently the BPU's largest customer, consuming 40,000 MWhs annually. Monofrax will commit to retaining an average of 215 employees for the first 12 months of the Flex Rate contract and then a minimum of 175 jobs over the remainder of the contract. The \$650,000 anticipated electric savings that Monofrax expects to realize over the four year contract is required to be reinvested in capital improvements at the Falconer facility.

Glenn Wrap, Vesuvius-Monofrax General Manager explained, "Our Company has a five to seven year business cycle from peak to peak in both production as well as electrical power demand. These 175 jobs are the very minimum that we could commit to retaining in exchange for this flex rate contract."

"Vesuvius is a significant employer in Chautauqua County. Our company is one of the top 5 employers in Chautauqua County in relation to wages and benefits and Vesuvius spends \$4.8 million annually on local suppliers. We are grateful that the BPU and the City of Jamestown realize the importance of Vesuvius to the local economy and are willing to help us remain competitive through this Flex Rate," said Wrap.

Mayor Sam Teresi termed the Vesuvius Flex Rate a win-win-win for the BPU, Vesuvius and the City of Jamestown. "It is always gratifying to be able to assist an employer invest in the health of their business and have the community reap the benefits of that investment as well."

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