



RIVER TRANSPORT NEWS

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Century Aluminum Plans New Primary Aluminum Plant Would Be Largest In U.S.

The last two decades have not been kind to the primary aluminum industry in the U.S., as the sector's footprint has rapidly declined. This shrinkage has had a significant adverse impact on the inland barge industry as major primary aluminum plants along the inland river system have been either temporarily idled or permanently closed. The trend may be reversing.

Chicago-based Century Aluminum announced last week that it had been selected to receive an "investment" valued up to \$500 million by the U.S. Department of Energy's Office of Clean Energy Demonstrations. The funding would be provided under provisions of the Bipartisan Infrastructure Law and the Inflation Reduction Act. The funds would be used to develop and build a new primary aluminum smelter. Century Aluminum has dubbed this effort the "Green Aluminum Smelter Project."

Few specific details regarding the project have been disclosed. If completed, however, the project could add over one million metric tons of barge traffic to the inland river system.

In a release announcing the project, Century stated that, "upon completion, the smelter would double the size of the current U.S. primary aluminum industry." Century, however, did not provide a specific capacity figure and there is room for interpretation when measuring U.S. primary aluminum

production capacity. According to U.S. Geologic Survey data, U.S. primary aluminum production capacity in 2023 was estimated at 1.36 million metric tons per year. This capacity was spread across six smelter facilities, two of which were operating at full capacity while three operated at partial capacity. A sixth plant, Century Aluminum's 250,000 metric ton-per-year Hawesville, KY smelter, was idled in June 2022 due to escalating energy costs following Russia's invasion of Ukraine earlier that year. More recently, one of the plants that had been operating last year, Magnitude 7's 170,000 metric ton-per-year New Madrid, MO

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primarily aluminum plant, was idled this past January(see *RTN* 2/19/2024, p.4).

Looking at Ohio/Mississippi River Basin

While Century Aluminum did not disclose specific site locations for the proposed plant, the Chicago-based aluminum producer stated that the company “expects to build this new smelter at a site within the Ohio/Mississippi River Basins.” Further, the company indicated that the project is expected to generate more than 1,000 full-time jobs.

Century Aluminum did not provide a timetable for project development or start-up. The company also did not disclose any specific details on what technologies would be used at the plant that would move the primary aluminum industry towards net zero carbon dioxide emissions.

Century Aluminum has an extensive history using the inland river system for the movement of raw materials to its primary aluminum plants. As noted above, Century owns the currently idle primary aluminum plant located in Hawesville, KY. Century

also operates a 220,000 metric ton-per-year barge-served primary aluminum plant on the Green River near Sebree, KY. Century Aluminum has a third U.S. primary aluminum plant located in Mount Holly, SC. This facility has an annual production capacity of 229,000 metric tons per year. Century’s fourth and largest primary aluminum plant is located in Grundartanji, Iceland. This facility has the capacity to produce 260,000 metric tons per year. Century Aluminum had previously operated a 168,000 metric ton-per-year primary aluminum plant on the banks of the upper Ohio River near Ravenswood, WV. This plant was idled in 2009 and never reopened. The decision to permanently close the facility was made in 2015.

In addition to its primary aluminum production facilities, Century Aluminum acquired a 55 percent equity stake in a Jamaican bauxite mining and alumina refining joint venture last year. The joint venture, dubbed Jamalco, has the capacity to produce 1.4 million metric tons of alumina annually.♣