

Alcoa Fjardaál Fact Sheet

Overview

Alcoa Fjardaál, Alcoa's aluminum smelter project in Reydarfjörður, Iceland, will represent one of the largest private-sector investments in the country's history directly employing roughly 400 people in the region.

Alcoa Fjardaál will be one of the most modern aluminum production facilities in the world. The economic development project will create additional jobs in supporting industries and service organizations, which will help place the economy in East Iceland on a more stable foundation.

Alcoa Fjardaál is expected to start production in April 2007, incorporating lessons and technology developed over the past 20 years to promote sustainability and minimize environmental impact.

Economic Development:

- Staff will total roughly 400 employees.
- About 800 new jobs will be generated in East Iceland.
- All employees will be hired within Iceland.
- Half of the smelter's employees will come from East Iceland and the other half from other parts of the country.
- Employees will likely live in the region, a majority within a 30-minute drive from the workplace.
- Jobs in aluminum smelters pay better than jobs in the general industrial sector.
- The jobs are characterized by diversity, flexibility, responsibility, distribution of authority, teamwork and set procedure.

Socio-Economic Benefits:

- The aluminum smelter will strengthen the operation of numerous services in the region.
- The number of residents is expected to increase by 1,600-1,800.
- Hundreds of new homes will be built because of the new aluminum smelter.
- Real estate prices have risen substantially.
- Municipal revenues have risen significantly.
- Alcoa Fjardaál has fortified the financial position of the municipalities in the immediate vicinity and in all of East Iceland.
- Construction has already generated significant development involving public schools, pre-schools, health care, athletic facilities, communications and transportation, and a wide variety of services.

Aluminum Production:

- Alcoa's first new aluminum smelter in more than 20 years.
- Best Available Technology (BAT) and best available raw materials used in all stages of production.
- Production capacity will be 346,000 metric tons per year.
- Electrical energy needed will be 5,050 GWh/yr (575 MW).
- Pot rooms will be more than 1 km long; number of pots will total 336.
- Valuable products — aluminum alloys and wiring.

Dry Scrubbing vs. Dry Scrubbing Supplemented by Wet Scrubbing:

- Alcoa Fjarðaál would meet or exceed all environmental standards, whether it uses solely dry scrubbing or a combination of dry and wet scrubbing to treat emissions from the smelter.
- Alcoa Fjarðaál would be in harmony with the environmental rules set by the European Union, whether the treatment methods involve dry scrubbing alone or dry and wet scrubbing in combination.
- Exponent, a leading engineering and science consulting firm, determined the impact of emitted substances on human health is considered negligible no matter which treatment method is used.