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Jamestown Board of Public Utilities (BPU) and Monofrax LLC Extend Agreement

The Jamestown Board of Public Utilities (BPU) and Monofrax LLC have signed a renewal of their 2013 flex rate tariff agreement to provide lower energy costs for the company, with assurance of re-investment in the Monofrax LLC facility.

Officials from the utility and the company signed an approximate two-year agreement, effective August 1, 2017, and ending on October 31, 2019. The first BPU/Monofrax agreement was signed in 2009 and renewed in 2013.

According to BPU General Manager David L. Leathers, the BPU's flex rate agreement program was developed to enhance and preserve the community's economy by offering lower electric rates to large industrial and manufacturing companies located in the BPU's electric territory which agree to continue to invest in their facilities and workforce.

"The BPU is pleased to offer our flex rate agreements to qualifying local businesses," said Leathers. "We want to assist and support manufacturers who are operating in our community."

Monofrax President William Andrews stated that Monofrax LLC will continue investment in the Falconer manufacturing plant by purchasing new equipment, upgrading older equipment, expanding production capabilities and maintaining the general upkeep of the buildings and grounds.

"The renewal of the flex rate agreement is critical to our operation and its importance cannot be overstated," said Andrews. "In accepting this agreement, Monofrax will retain a minimum of 25 local jobs for every 1000 Kilowatts of demand and make investments in the facility over the term of the agreement."

"The lion's share of the credit for our ongoing partnership with the BPU through our transition, as well as for getting this agreement done, goes to our plant engineer Greg Wright," added Andrews. "Greg does an incredible job of managing this activity for Monofrax."

Over half of Monofrax product output is sold outside of Chautauqua County and about 30-40% of its products are exported internationally. According to Andrews, the

company competes with companies in China and India which have lower labor costs. Electric arc furnaces are used to make Monofrax LLC products and the cost of electricity has a significant impact on retail pricing and competitiveness.

Monofrax LLC manufactures linings for furnaces that make glass products. Its fused cast products are shipped worldwide. The company has made products in its local facility for more than 65 years.

In response to the contract renewal, Jamestown Mayor Sam Teresi commented, "Monofrax LLC is vital to the industrial base in the Greater Jamestown Area. The flex rate tariff agreement is another way in which the City's BPU can attract and retain local businesses. We are proud to renew this program with Monofrax LLC."

"Monofrax LLC is a vital local employer in the BPU electric territory," asserted BPU Board Chair Chuck Cornell. "The BPU is grateful to Monofrax for committing to continue investing in its facilities and workforce here in our community."