

The UPM Market Informer

FEBRUAR Inside This Surcharge U Mill/Market Baker Hughe Boeing Biofu Kentucky Ele Plug Power
Coast Guard

2021

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Mitsubishi Turbine For Texas Power Plant

El Paso Electric (EPE) said it has selected Mitsubishi Power's 228 MW Smart M501GAC enhanced-response (SmartER) gas turbine as part of EPE's long-term energy supply resource plan to make its power generation cleaner and more sustainable.

This gas turbine will enable EPE to triple its renewable energy portfolio and reduce carbon emissions. The SmartER M501GAC complements renewable energy sources by starting up and shutting down rapidly to respond to customer energy usage and renewable energy variability. The gas turbine will replace three units EPE has deemed less efficient and less reliable after more than 60 years in operation. In addition, the gas turbine is hydrogen-ready for future deep decarbonization—New Mexico is moving toward 100% carbon-free emissions by 2045.

The gas turbine is capable of operating on natural gas, or on a mixture of natural gas and up to 30% hydrogen for further decarbonization. The gas turbine also can be configured in the future to operate on up to 100% hydrogen for zero-carbon emissions. EPE and Mitsubishi Power are exploring a joint development agreement in the coming months to create a green hydrogen infrastructure roadmap. Source: Diesel & Gas Turbine Worldwide More on this story

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Surcharge Totals Nov 2020 - Apr 2021

	Nov	Dec	Jan	Feb	Mar	Apr
15-5	0.5069	0.5308	0.5934	0.6546	*	*
15-7	0.7024	0.7496	0.8202	0.9098	*	*
17-4	0.4959	0.5184	0.5799	0.6393	*	*
17-7	0.6360	0.6734	0.7428	0.8178	*	*
201	0.4883	0.5150	0.5748	0.6366	*	*
301 7.0%	0.6277	0.6641	0.7323	0.8063	*	*
302/304/304L	0.6922	0.7333	0.8058	0.8842	*	*
304-8.5%	0.7201	0.7636	0.8383	0.9189	*	*
305	0.9200	0.9798	1.0703	1.1665	*	*
309	0.9510	1.0107	1.0996	1.1956	*	*
310	1.3595	1.4518	1.5721	1.6987	*	*
316/316L	0.9156	0.9791	1.0648	1.1697	*	*
316LS/316LVM	1.2700	1.3500	1.4400	*	*	*
317L	1.0538	1.1283	1.2194	1.3374	*	*
321	0.7391	0.7849	0.8622	0.9486	*	*
347	1.0489	1.0947	1.1718	1.2543	*	*
409/409 Mod	0.1813	0.1852	0.2240	0.2704	*	*
410/410S	0.1881	0.1919	0.2305	0.2741	*	*
430	0.2280	0.2316	0.2682	0.3115	*	*
434	0.2765	0.2850	0.3228	0.3728	*	*
439	0.2366	0.2402	0.2762	0.3242	*	*
440A	0.2280	0.2316	0.2682	0.3115	*	*
2205	0.7718	0.8197	0.8833	0.9757	*	*
263	4.5356	5.0112	5.3020	5.4636	5.6679	5.9612
276	4.6333	5.0723	5.3060	5.4743	5.7359	6.1061
A286	1.3895	1.5397	1.6044	1.6546	1.7379	1.9045
330	1.8123	2.0237	2.1005	2.1668	2.2771	2.4934
400	3.3636	3.7780	3.9412	4.0608	4.3137	4.7668
455	0.7900	0.8200	0.8700	*	*	*
465	0.9500	0.9800	1.0500	*	*	*
600	3.5831	4.0314	4.1811	4.3195	4.5458	4.9519
601	3.0976	3.4642	3.5880	3.7014	3.8872	4.2284
617	4.5289	5.0047	5.2617	5.4271	5.6616	6.0103
625	5.2960	5.7021	5.8839	6.0267	6.2530	6.6094
718	5.3134	5.6402	5.7691	5.8770	6.0513	6.3535
X-750	4.1440	4.5797	4.7254	4.8600	5.0801	5.4757
825	2.3032	2.5553	2.6628	2.7475	2.8876	3.1348
HX	3.0624	3.3957	3.5583	3.6791	3.8686	4.1640
188	6.7200	6.7100	7.0800	*	*	*
CCM	7.4100	7.5400	7.5600	*	*	*
L-605	7.5500	7.4800	7.8000	*	*	*

^{*}Surcharge currently not available

Mill/Market Stainless Announcements

Effective with shipments February 1, 2021, ATI will increase sales prices as follows: Sheet & Coil Products

- 200 Series Stainless Increasing the net transaction price (before surcharge) on all 200 series cold rolled sheet and engineered strip products by reducing the functional discount three percentage points (3%).
- 300 Series Stainless Increasing the net transaction price (before surcharge) on all 300 series cold rolled sheet and engineered strip products by reducing the functional discount two percentage points (2%).
- 400 Series Stainless All 400 series cold rolled sheet and engineered strip products will be priced on an individual inquiry basis.
- HRAP/CMP Increasing the net transaction price on HRAP/CMP by \$0.03/lb.
- Non-Standard Widths ATI will continue to price widths other than 48" wide standards on an individual inquiry basis. A price extra will be applied after the discount and at a premium no less than \$0.05/lb.
- Light Gauge Premium A \$0.05/lb. premium will be added to all sheet products less than .034" thick. This adder will be applied after the standard price build.

Plate Mill Plate Products

 All 200, 300, 400 Series PMP - Increasing the net transaction price (before surcharge) on all 200, 300, and 400 series PMP by \$0.03/lb.

Precision Rolled Strip® Products (less than .015")

• All 200 and 300 Series - Increasing the net transaction price (before surcharge) on all PRS 200 and 300 series stainless by five to ten percent (5% to 10%).

Effective with shipments beginning February 1, 2021 Outokumpu Stainless USA, LLC will implement the following price adjustments for all Non-Contract items.

- Cold Rolled material will have their discounts reduced by 3 points on the following grades:
- 200 series, 300 series excluding standard grades (see below), 400 series.
- Cold Rolled 304, 304L and 316L discounts will be reduced by 2 points.
- Hot Rolled and Discrete Plate will change by \$3/cwt.
- An Extra of \$5/cwt will be applied to all widths less than 48" wide (refer to section 3-E in Extras Schedule).
- An Extra of \$5/cwt will be applied to 21 gauge and lighter (refer to section 3-F in Extras Schedule).
- An Extra of \$18/cwt will be applied to 72" Wide Coil (refer to section 3-D in Extras Schedule).

Baker Hughes Reveals 16 More Rigs

The total number of rotary drilling rigs operating in the United States and Canada increased by 16 this week, Baker Hughes Co. reported Friday. The U.S. added five rigs to end the week at 378. The latest U.S. figure reflects a two-unit increase in oil rigs (to 289) and a three-unit increase in gas rigs (to 88), Baker Hughes stated. The firm added the miscellaneous rig count stood at one again this week.

Compared to the corresponding period in 2020, the U.S. rig count is down 416 drilling units, the service company continued. It noted that 387 more oil and 27 more gas rigs were running in the U.S. a year ago. Also, the firm pointed out that two more miscellaneous rigs were operating as well.

The U.S. offshore rig count this past week remained flat at 16, which is five units below the year-ago level, Baker Hughes stated. Baker Hughes also revealed that Canada's overall rig count increased by 11 this week to 172. The latest total for Canada consists of 96 oil rigs (up six) and 76 gas rigs (up five), the firm pointed out. Against the 244-unit figure for this time last year, 58 fewer oil rigs and 14 fewer gas rigs are operating in Canada. Baker Hughes obtains its working rig location information in part from Enverus, which produces daily rig counts using GPS tracking units. Source: Matthew V. Veazey for Rigzone

Boeing Says It Will Deliver 100% Biofuel Planes By 2030

Boeing today announced that it will begin to deliver commercial airplanes capable of flying using 100% biofuel, or sustainable aviation fuel, by 2030.

In order to power aircraft with biofuel, or fuel derived from living matter, Boeing will need to work with engine makers and change its aircraft systems, and also achieve safety certification by global regulators.

The International Air Transport Association has a goal of cutting carbon emissions to half of 2005 levels by 2050, so Boeing's biofuel target is 2030, as jetliners typically stay in service for around 20 years.

Commercial flying currently accounts for about 2% of all carbon dioxide emissions and about 12% of all transport emissions, according to the Air Transport Action Group. Around 80% of aviation emissions are emitted from flights of over 932 miles (1,500 kilometers), for which there is no practical alternative mode of transport.



Boeing has successfully flown using 100% biofuel before. In May 2018, it achieved the world's first commercial airplane flight from Seattle to Memphis round-trip using 100% biofuel on a FedEx Corp 777 freighter. Biofuels are already mixed with conventional jet fuel up to a 50/50 blend, which is the maximum allowed under current fuel specifications. That will have to be adjusted to allow for the biofuel increase. Source: Michell Lewis for Electrek.com, Photo by Shoval Zonnis for Pexels.com

Kentucky Announces Electric Vehicle Manufacturing Plant

The Center Square, a recently formed subsidiary of Hitachi Ltd. has announced it will operate an electric vehicle motor manufacturing plant in Berea, Ky., with plans to employ 200 people by 2023, Kentucky Gov. Andy Beshear announced.

Hitachi Automotive Electric Motor Systems America Inc. is currently renovating part of a plant where another Hitachi company operates. According to a Beshear press release, the company has about 20 people presently working there, with plans to grow 10-fold within two years. Beshear said the announcement adds "true momentum" to the state's recovery from the COVID-19 crisis.

"From an automotive workforce and industry perspective, it's also crucial that Kentucky continues to attract these kinds of forward-looking projects. The auto industry is in a years-long tectonic shift to electric vehicles. Throughout this, we must advance the commonwealth's role and reputation as a major player in this hugely important economic sector."

The Hitachi company will develop motors for Honda at the plant about 40 miles south of Lexington. According to state records, the company plans to invest nearly \$95 million in the project, with \$80 million in equipment costs and \$6.8 million in building improvements. Kentucky is in the region called "Automotive Alley," roughly defined as the area around and between Interstates 65 and 75 as they run between the Great Lakes to the Gulf of Mexico.

As a result, the automotive manufacturing industry is a major employer in the state. More than 520 auto-related businesses employed more than 100,000 people in Kentucky, and the state's auto-related exports totaled \$4.8 billion in 2019. Source: The Center Square More on this story

Plug Power to Construct \$125M Fuel Cell Innovation Center in the US

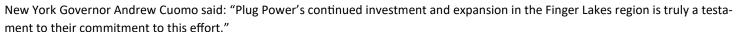
Hydrogen fuel cell manufacturer Plug Power has announced plans to construct a \$125m innovation center in New York, US. The center will house research and development for fuel cell stacks, membrane electrode assemblies (MEAs) and electrolysers. The facility will be located in the Town of Henrietta, Monroe County and have the capacity to produce more than 1GW of power.

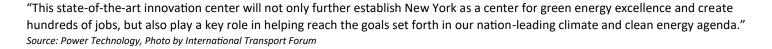
A Plug Power spokesperson said this will also be the world's first gigafactory for Proton Exchange Membrane technology. The facility will have the capacity to manufacture approximately seven million MEAs/plates, 60,000 stacks, and 500MW of electrolysers annually.

Plug Power plans to use advanced manufacturing techniques, including high speed lamination, automated metal plate stamping, laser welding and robotic gasketing.

Fuel cell stacks manufactured at the facility will be used in the company's ProGen hydrogen fuel cell engines. Electrolysers from the facility will be used in the generation of green hydrogen from renewable electricity.

The project will form part of the company's strategy to speed up the development of a clean hydrogen ecosystem.







MH-60T US Coast Guard Helicopter Contract Awarded to Sikorsky

The US Coast Guard awarded the MH-60T sustainability contract to Lockheed Martin's Sikorsky facility in Troy, Alabama. The more than \$200-million award, which will procure 25 new hulls for the Coast Guard's MH-60T aircraft, will allow the lifesaving helicopters to be flown for a minimum of 10 additional years while ensuring work for the Troy facility.

"The Coast Guard's announcement regarding the MH-60 Jayhawk helicopters highlights Troy's first-class workforce and proven track record," said State Senator Shelby. "Not only does this contract provide additional work for Sikorsky's Troy facility and its employees, but it ensures the Coast Guard is able to meet its operational needs and requirements. I am pleased that the Coast Guard has selected Troy and look forward to the impact this \$200 million will have on the Wiregrass region."

The award is for the sustainment of 25 Coast Guard MH-60T Jayhawk helicopters. This supports and increases the workforce in Troy, where the maintenance and repair of these helicopters currently takes place. Specifically, the facility replaces the 'hull' of the helicopter, which is essentially the frame and shell of the aircraft.

The Senate Appropriations Committee, of which Senator Shelby is the leading Republican, has provided increased funding over each of the past three years for the Coast Guard to procure new hulls for its MH-60 aircraft – a close cousin of the Blackhawk and Seahawk variants. Senator Shelby provided an additional \$48 million for the sustainment of Coast Guard MH-60T Jayhawk helicopters included in the Fiscal Year 2021 omnibus appropriations bill, which was signed into law in December 2020.

Recently, the 58th Special Operations Wing in the US received a new combat search and rescue helicopter, the HH-60W 'Jolly Green II', manufactured by Lockheed Martin's Sikorsky Aircraft Corp. Source: AirMed & Rescue