**United Performance Metals** 

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AN ONI COMPANY

# **The UPM Market Informer**

# Mitsubishi Aircraft to Open Engineering and Design Center in Canada

Mitsubishi Heavy Industries Ltd.'s aircraft unit on Thursday unveiled plans to open an engineering and design center in Montreal, Canada, to support the development of its newly launched SpaceJet line of aircraft. The new center is expected to create about 100 jobs in the first year of its operation, Mitsubishi Aircraft Corp said in a statement.

Earlier this year, the company agreed to buy Bombardier's money-losing CRJ regional jet business for \$550 million in cash to gain access to a global maintenance and support base that could help in SpaceJet sales.

Reuters had reported that the center would support the development of Mitsubishi's smaller SpaceJet model, the 65- to 76-seat M100 jet, in collaboration with sites in Japan and Seattle. *Source: Reuters, Photo by Toby Melville* 

# System Technical Announces Contract for the Patriot Missile Air-Defense System

System Technical announced that it has been awarded a US Army Tank and Automotive Command (TACOM) contract supporting maintenance requirements for the Patriot Missile Air-Defense System. The Patriot counters tactical ballistic missiles and advanced aircraft. Developed by Raytheon, the Patriot system was used in combat for the first time in 1991 during the Gulf War. The Patriot currently sup-



ports ongoing military operations in over 15 countries worldwide. Work for the contract will be performed at the Company's headquarters in Torrance, CA.

System Technical is a leading Aerospace and Defense contractor. *Source: ASD News, Arundhati Sarkar* 



#### Inside This Issue

Mitsubishi in Canada1
Patriot Missile Contract1
Power Generation Winners2
ITA Video on UPM2
Drone Deliveries in Virginia3
United Steelworkers3
Spotlight on A2864
Surcharge Update4

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## Wind and Natural Gas Are Big Winners in U.S. Power Generation



Electricity generation from natural gas is set to rise by 6 percent this year and by 2 percent next year, the Energy Information Administration (EIA) says in its latest Short-Term Energy Outlook (STEO) in September. Electricity generation from wind will go up 6 percent in 2019 and surge 14 percent in 2020, according to EIA's estimates. At the same time, electricity generation from coal is set to drop across the U.S., by 15 percent this year and by 9 percent next year.

Natural gas-fired generation will see the highest growth in the mid-Atlantic region in the PJM Interconnection transmission area, while

Texas will see the highest growth in wind power generation, the EIA said. Back in January this year, the EIA said that wind, natural gas, and solar capacity will lead the new electricity capacity in the United States in 2019, while coal-fired generation will account for more than half of the scheduled capacity retirements.

In the September STEO, EIA expects that the share of U.S. utility-scale electricity generation from natural gas-fired plants to increase from 34 percent last year to 37 percent this year and to 38 percent next year. The share of wind, solar, and other non-hydropower renewables combined accounted for 10 percent of U.S. utility-scale generation in 2018. This share is expected to remain the same in 2019 and to rise to 12 percent in 2020. This year, annual generation from wind is set to exceed hydropower generation for the first time and to become the leading source of renewable electricity generation—and it will stay so in 2020, EIA says.

Meanwhile, the share of coal in U.S. generation is set to drop from 28 percent in 2018 to 25 percent in 2019 and to 22 percent in 2020. Earlier this year, the EIA said that renewables held a larger share than coal in U.S. monthly electricity generation in April 2019, for the first time ever, reflecting seasonal factors and longer-term trends such as coal's decline and renewables' rise. *Source: Oilprice.com, Tsvetana Paraskova* 

### **ITA Industry Spotlight on United Performance Metals**

United Performance Metals had the opportunity to work with the International Titanium Association to produce a new company video. It provides an inside look at UPM as narrated by Curt Gillingham, Director of Sales; Jerry St. Clair, Director of Product Management; and Jeff Hopper, Chicago Operations Lead. These gentlemen offer a meaningful exploration of UPM, walking through the company genesis, our locations, the industries we serve, and the breadth of products and services we offer.



Through their narrative and the on-site video footage from our Chicago and Cincinnati service centers, the UPM narrators explain that "Quality Solutions. Trusted Partners." is more than just a tagline; it's who we are. We're very proud of our team and the work they do to uphold this objective.

As a member of the International Titanium Association, we are honored to be part of the "Industry Spotlight" video series from ITA. United Performance Metals' video will be featured between general sessions at the ITA conference in Mobile, Alabama this September. The video is also available for viewing on the company website <u>www.upmet.com</u>. Look for it under the media tab within our list of videos. You can watch all videos produced by UPM on our YouTube channel as well. <u>https://www.youtube.com/user/upmetals</u>

# Alphabet's Wing to Make Walgreens' Drone Deliveries in Small Virginia Town

Drone deliveries are finally coming to the United States in a very limited way. The drone delivery service from Google's parent company Alphabet will launch a delivery pilot in a small Virginia town next month. Wing has partnered with Walgreens to deliver food, beverages and health products within minutes in Christiansburg, Virginia. The pilot will mark the first time a major tech company has made drone deliveries to homes in the US.



Wing CEO James Ryan Burgess told reporters on a conference call Thursday the test will help it improve the service and build relationships with communities. Wing has not said how many deliveries it will make per day, or how many of Christiansburg's 22,505 residents will be eligible. Interested customers must live in select areas and can sign up on Wing's website.

The company said it selected the town because it's worked closely with the Mid-Atlantic Aviation partnership at nearby Virginia Tech, which is part of an FAA program to ease drones into the skies safely. "We still have a ways to go before it's the norm in our transportation networks," Burgess said on the call. "There's a lot of sensitivity and concern about the technology, understandably." In April, Wing received a critical Federal Aviation Administration certification, allowing it to make commercial deliveries in the US. To date, the largest drone delivery operations have happened outside the US as regulators in the country continue to develop rules for drones. Wing has already started deliveries in an Australian suburb. Meanwhile, Zipline, a Silicon Valley-based startup, says it's made more than 20,000 deliveries of medical supplies in Rwanda and Ghana.

Amazon sparked interest in drone delivery in December 2013, when CEO Jeff Bezos said drone delivery was likely four or five years in the future. Amazon has since announced improved drones but has yet to make regular deliveries anywhere. Burgess said the 10-pound Wing aircraft, which will carry up to three pounds, is quieter than a car or truck. The company has made efforts in the last year to reduce its noise, which may be a point of frustration for local communities. Packages are lowered from the drone to a person's yard via a rope. Whether a package lands on a person's front or back yard depends on the suitable delivery zone.

Burgess addressed privacy concerns that may arise, such as whether people are being filmed in their communities and on their private property. It's common for drones to have high-definition cameras. The Wing drone features a camera facing downward to capture black and white footage to help with navigation. He said the resolution is too low to recognize people on the ground. *Source: CNN.com* 

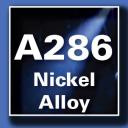
# United Steelworkers at Five Alcoa U.S. Locations Ratify New Labor Agreement

Alcoa Corporation (NYSE: AA), a global leader in bauxite, alumina and aluminum products, today announced that members of the United Steelworkers (USW) have ratified a new labor agreement, covering approximately 1,700 active employees at five U.S. locations. The Company and the union leadership tentatively agreed on August 30 to the terms of the four-year contract, subject to ratification by the union's members.

The USW announced the outcome of that vote on Thursday, Sept. 19. The new agreement, which is now in effect, covers employees represented by the USW at Warrick Operations in Indiana, Massena Operations in New York, Gum Springs in Arkansas, Wenatchee Works in Washington, and Point Comfort in Texas.

"We appreciate the contributions from our union employees at each of these locations," said Leigh Ann Fisher, Executive Vice President and Chief Administrative Officer. "We are pleased to have in place an agreement that will position our Company and employees for future success." Alcoa expects additional operating expenses only in the third quarter of 2019 of approximately \$10 million (pre- and after-tax), or \$0.05 per share, related to the ratification of the agreement. *Source: Business Wire* 

#### **Alloy Spotlight!**



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#### Surcharge Totals July, 2019 - December 2019

	-		-			
	July	Aug	Sept	Oct	Nov	Dec
15-5	0.4359	0.4521	0.4978	0.5231	*	*
15-7	0.6835	0.7056	0.7899	0.8535	*	*
17-4	0.4296	0.4432	0.4828	0.5015	*	*
17-7	0.5136	0.5483	0.6380	0.7106	*	*
201	0.4242	0.4434	0.4998	0.5365	*	*
301 7.0%	0.5079	0.5416	0.6290	0.6989	*	*
302/304/304L	0.5554	0.5945	0.6933	0.7759	*	*
304-8.5%	0.5755	0.6172	0.7218	0.8106	*	*
305	0.7195	0.7799	0.9245	1.0576	*	*
309	0.7462	0.8067	0.9510	1.0839	*	*
310	1.0416	1.1396	1.3639	1.5853	*	*
316/316L	0.8389	0.8798	1.0040	1.1117	*	*
316LS/316LVM	1.1700	1.2700	1.4600	*	*	*
317L	1.0032	1.0453	1.1818	1.3022	*	*
321	0.5878	0.6321	0.7424	0.8377	*	*
347	0.8976	0.9419	1.0522	1.1476	*	*
409/409 Mod	0.1798	0.1759	0.1836	0.1655	*	*
410/410S	0.1856	0.1818	0.1895	0.1713	*	*
430	0.2199	0.2163	0.2236	0.2050	*	*
434	0.3018	0.2949	0.3030	0.2844	*	*
439	0.2273	0.2237	0.2309	0.2124	*	*
440A	0.2199	0.2163	0.2236	0.2050	*	*
2205	0.8091	0.8206	0.8909	0.9384	*	*
263	5.1224	5.2572	5.2387	4.9046	4.8125	5.7479
276	5.5766	5.4513	5.2053	5.1636	5.5403	6.2513
A286	1.4935	1.4536	1.3368	1.2892	1.4758	1.7724
330	1.8334	1.7842	1.6226	1.5670	1.8453	2.2659
400	3.3232	3.2392	2.8939	2.8496	3.3721	4.0981
455	0.6400	0.7100	0.8300	*	*	*
465	0.8000	0.8700	1.0400	*	*	*
600	3.5278	3.4326	3.1096	3.0577	3.6423	4.5129
601	3.0716	2.9927	2.7267	2.6601	3.1387	3.8529
617	5.1310	5.1436	4.9959	4.7931	4.9728	5.8546
625	5.7679	5.6646	5.4098	5.3503	5.7753	6.4882
718	5.4896	5.4121	5.1871	5.1290	5.5170	6.1274
X-750	4.0928	4.0001	3.6859	3.6326	4.2008	5.0473
825	2.5047	2.4417	2.2649	2.2047	2.4954	2.9598
НХ	3.5678	3.4849	3.2866	3.2225	3.5368	4.1138
188	6.7700	6.0800	7.2100	*	*	
CCM	7.8300	5.4200	7.4300	*	*	
L-605	7.7300	6.7300	7.9700	*	*	

\*Surcharge currently not available