

**KENAI PENINSULA BOROUGH**

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DALE BAGLEY
MAYOR

VIA FAX (202) 693-3149

March 28, 2005

Ms. Shirley M. Smith, Administrator
U.S. Department of Labor, Employment and Training Administration
Office of National Response
200 Constitution Ave., N.W.
Washington, D.C. 20210

RE: Agrium U.S. Inc.
Kenai Nitrogen Operations
TAA Petition T-AW 56,668

Dear Ms. Smith:

I am writing you today in support of the above referenced petition by Agrium U.S. Inc., which operates a nitrogen facility in Nikiski, Alaska on the Kenai Peninsula, for Trade Adjustment Assistance (TAA). The nitrogen plant is scheduled to shut down effective November 1, 2005, causing the loss of over 200 highly skilled, good paying jobs. Additionally, their contractors and vendors will also be impacted. Ultimately, over 500 workers in the Kenai Peninsula Borough could be affected by this plant closure.

I urge the immediate approval of the Trade Adjustment Assistance petition submitted by Agrium, which appears to be increasing production at plants located outside the United States in their effort to seek more economical supplies of natural gas, a product necessary to produce nitrogen fertilizer. Please also consider that the United States is increasing imports of nitrogen fertilizers. It is my understanding that these fit the criteria needed to approve a Trade Adjustment Assistance Petition.

The ability for Agrium's workers to have access to TAA benefits is vital. The Health Care Tax Credit benefit, job re-training, job search support, relocation, Trade Readjustment Allowances, and the Alternative Trade Adjustment Assistance program will assist these workers in a smooth transition into new employment.

I urge your approval of this important petition for Trade Adjustment Assistance by Agrium U.S. Inc. on behalf of the hundreds of citizens of the Kenai Peninsula Borough that will be affected by this closure.

Respectfully,

Dale L. Bagley, Mayor
Kenai Peninsula Borough

cc: ✓ Bill Popp, KPB Oil & Gas Liaison
Lisa Parker, Agrium Corporate Relations