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Century Aluminum Co. Q3 2008 Earnings Conference Call Transcript

Question-and-Answer Session

[Operator Instructions]. And our first question comes from Kuni Chen of Banc of America. Please go ahead.

Kuni Chen - Banc of America Securities

Hi, good afternoon everybody.

Logan W. Kruger - President and Chief Executive Officer

Hi, Kuni.

Wayne R. Hale - Executive Vice President and Chief Operating Officer

Hey, Kuni.

Kuni Chen - Banc of America Securities

I guess, first question on Iceland's... you mentioned earlier in your comments that you met with the ministers over there and you met with the heads of some of the municipalities. I guess are there any kind of red flags that stand out in your minds that could impair your ability to operate, going forward longer term. Just given any kind of power availability issues or raw material access or anything like that, just looking for color on kind of what concerns you at this point, operationally?

Logan W. Kruger - President and Chief Executive Officer

Thanks, very much, Kuni, that's a very good question. Obviously, Grundartangi we don't see any red flags. We peaked in out the power companies and they're producing units continue to do well and we get supply of power in fact people are putting power to take us beyond 260,000 tons as you see. I think Mike mentioned capacity at Grundartangi is right over or about 271,000 plus.

Obviously, most of our activities are in dollars. We've, also, been very careful about our stocking, with concerned of the impacts of that. We've had a favorable response and made some adjustments to on a short-term basis to some salaries. I think all in all, the country is undergoing a phenomenal impact but it's dealing with it in a very pragmatic sensible way. The ministers, and I met with three of them were obviously support of any of our activities they see as one of the fundamentals for the country's economy going forward and the communities are very well supportive for us well and it's a difficult time. Currency risk obviously, Mike has explained and we've obviously got down of our hedge position, exposed enough to a potentially deteriorating currency will see. I think the IMF, obviously solutions we don't know the details of that and we'll await that. Mike has got some comments as well.

Michael A. Bless - Executive Vice President and Chief Financial Officer

Just to address the two specific items in their good ones, Kuni, obviously that you raised. On the power side for Grundartangi, obviously those assets have long been in the ground. The operating expenses for the power company is to run that apparatus is very low. And they need our dollars now. So those will continue to run. There is no operational issues there, no problem at all. As it relates to raw materials, all the raw materials come from outside Iceland anyway. And so there is really no... has been no and we don't foresee any interruptions or issues there.

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