

INTERVIEW OF THE MONTH

NATHALIE LESSARD, OPERATION DIRECTOR, PORT AND RAILWAY SERVICES, RIO TINTO

Nathalie Lessard graduated with a degree in civil engineering from Université de Montréal's École Polytechnique. She joined Rio Tinto (then Alcan) in 1990 and has held various positions within the organization. Among other things, she participated in the start-up of the Alma aluminum smelter and held a management position at the Vaudreuil alumina refinery and in operations linked to the smelting process.

After a stint in operations, Nathalie Lessard was assigned to strategic management positions, including planning Primary Metals activities and operations (now Atlantic Operations). She also managed restarting of the Shawinigan plant in 2012. In 2013, she became Operation Director, Port and Railway Services, the position she currently holds. Involved in various social causes in her community, Ms. Lessard has also been a member of the Marine Advisory Board (MAB) for almost two years.



Ms. Lessard, could you tell us the key challenges your organization is facing?

Port and Railway Services is mandated to transport the raw materials, like bauxite and alumina, needed to produce aluminum to our Saguenay – Lac-Saint-Jean facilities. We recently celebrated the 90th anniversary of our Port Services, which welcomes about 120 ships and receives close to 5 million tonnes of raw materials a year. Our port and railway network is essential to our operations.

To remain competitive in the increasingly demanding aluminum market, our main shipping-related challenge is to optimize costs throughout the supply chain.

We are also working very hard to reduce our environmental footprint. Given the age of our infrastructures, this is a constant challenge. We are proud of our employees' ongoing efforts. Thanks to their commitment at all levels of our organization and to the improvements implemented, Port Services achieved environmental performances that earned it a perfect score in Green Marine's environmental certification program in 2014 and 2015. At Rio Tinto, our top priority is health, safety and the environment. Through

our employees' involvement and efforts, we get better every day.

The Québec government is currently working on implementing its Maritime Strategy. What should its priority or priorities be to ensure maximum spinoffs?

Shipping is definitely an essential asset for Rio Tinto. It's no coincidence that the great majority of aluminum smelters are located near waterways.

The fact that the government has adopted a Maritime Strategy is very positive. Since shipping is a key component in ensuring that we can remain competitive within the aluminum industry, it is critical for us that goods can travel freely along sea routes, while maximizing synergies between companies whenever possible.

For example, we have just signed a project agreement with Arianne Phosphate to optimize transportation activities on the Saguenay River. While organization of our collaboration on both sides is in the early stages, discussions will enable us to assess the possibility of using shipping as an economic lever within a sustainable development perspective.

We have been producing aluminum for more than 90 years in Saguenay – Lac-Saint-Jean. Shipping plays a key role, and we are open to working with the different stakeholders to ensure that this sector continues to generate positive economic spinoffs in the region.

In your opinion, what could the shipping industry do to enhance its competitive advantages?

Shipping is a cornerstone of economic development. Modelling itself on best practices elsewhere in the world could help enhance its competitiveness. Analyzing all current issues (equipment, facilities, integration of marine, port and rail services, etc.), defining needs and establishing an integrated action plan are, no doubt, part of the answer to positioning shipping as an attractive mode of transportation.

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Although there is still work to be done, shipping is the safest, most eco-friendly means of transportation, and it is important to continue improving its performance in this area.

Last fall, [certain media](#) mentioned the Canadian Coast Guard's obsolete icebreaking fleet. What are the risks for your organization inherent the Ice Fleet's current condition?

The icebreaking service is essential for our aluminum production activities in the region. In Saguenay – Lac-Saint-Jean, we have five aluminum smelters and one

alumina refinery. They currently operate 24/7 and must continue to do so. The stakes are critical...an interruption in the raw material supply chain would have major impacts since the lead-time involved in supplying our smelters with alumina is very short. In winter, if ships are unable to access our Port Services to unload raw materials in time, we run the risk of a plant shutdown. This would represent several tens of millions of dollars in restarting costs.

In the past two years, we experienced two critical incidents when the fact that icebreakers were not available in the Saguenay had significant economic repercussions, especially on our operating costs. It is crucial that we be able to rely on uninterrupted icebreaking services year-round.