

STATEMENT OF CONSIDERATIONS

REQUEST FOR WAIVER OF THE GOVERNMENT'S U.S. AND FOREIGN PATENT RIGHTS IN INVENTIONS MADE IN THE PERFORMANCE OF DOE CONTRACT DE-FC07-94ID13219 WITH ALCOA W(A)-94-026: CH0846

The subject contract is directed to a program to demonstrate the technical economic, and environmental viability of using oxygen-evolving anodes and wettable cathodes in retrofit alumina reduction cells through the design and operation of pilot scale cells and performance of economic analyses. Phase I objectives are to develop a commercial cell conceptual design and assess its environmental and economic impacts, improve the corrosion resistance and conductivity of the anodes, and prepare for operation of pilotscale cells. Phase II will involve the construction, operation, and subsequent examination of two pilot scale cells. The first will be based on best available technology and the second optimized as a result of knowledges gained from the first.

As is set out in the waiver petition, the proposed overall program is projected at \$3,004,738 with DOE funding 80% or \$3,403,790 dollars and ALCOA contributing 20%, or \$600,948. It is anticipated that the project will proceed over a 29 month period of performance concluding in late July, 1996.

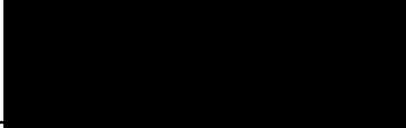
As is stated in the waiver petition, ALCOA is major U.S. aluminum producer. ALCOA has the resources and commercial ability to push newly developed technologies to commercialization. ALCOA states it invests over \$4,000,000 annually in research and development programs related to production of aluminum. ALCOA has, as a result of these research and development activities, developed expertise and a background position as is evidenced by representative patents in the subject technology attached to the original waiver petition.

Grant of the requested waiver will provide ALCOA the incentive to pursue further developments and commercialization of the technology subject of this contract.

It is indicated in the waiver petition that with achievement of proper go/no-go decision points, ALCOA would be willing to cost-share with DOE to perform the necessary research and development to bring the technology to commercial practice. Successful commercialization is highly in DOE's interest. Not only is the technology promising in that it has potential to decrease energy requirements of the smelting process by up to 30%, but further, the process has the potential to eliminate certain emissions, thereby providing an environmentally friendly process. Consequently, it would be in DOE's and the public's interest to provide ALCOA incentive to pursue commercialization through the grant of this waiver.

The requested waiver should have no adverse impact on competition or market concentration, as ALCOA has clearly indicated in the petition for waiver that, it is willing to license responsible firms to practice the technology on reasonable terms and conditions. ALCOA has also agreed to U.S. Competitiveness considerations to benefit the U.S. Aluminum Industry.

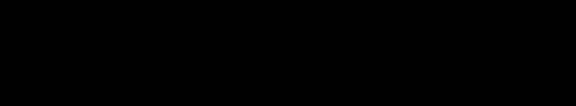
Upon evaluation of the waiver petition, in view of all the objectives and considerations set forth in DOE PR 9-9.109-6, all of which have been considered, it is recommended that the requested waiver be granted.


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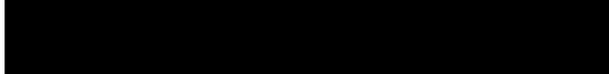
Date October 20, 1994

Based on the foregoing Statement of Considerations and the representations in the waiver request and accompanying materials it is determined that the interest of the United States and the general public will best be served by a waiver of the patent rights of the scope described above and therefore, the waiver is granted. The waiver shall not apply to a modification or extension of the contract where, through such modification or extension, the purpose, scope, or cost of the contract has been substantially altered.

CONCURRENCE:


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Industrial Technologies

APPROVAL:


Judson R. Hightower
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WAIVER ACTION - ABSTRACT

W(A)-94-026- CH-0846

<u>REQUESTOR</u>	<u>CONTRACT SCOPE OF WORK</u>	<u>RATIONALE FOR DECISION</u>	<u>DISPOSITION</u>
The Aluminum Company of America	Demonstrate the technical, economic and environmental viability of using oxygen-evolving anodes and wettable cathodes in retrofit.	20 Per Cent Cost Sharing	Recommended