



MEMORANDUM

cc: Mr. Suva
Mr. Kinsey
Mr. Clark - BBQ
Mr. Jagocki - BBH
→ Mr. Roelofs - BBH
Mr. Zilfi - RGA

To Mr. Wood, BBP
From Mr. Jackson, BBH
Date 11/3/82
Subject

SUBSTITUTE FOR ASBESTOS IN BIRD CEMENTS AT SHREVEPORT

As you requested, we put together a study of the cost of replacing asbestos with Hercules Pulpex. The attached memo from Vern Roelofs shows that in the best case substitution, there would be a raw material increase of at least 22% in our four top selling cements and coatings with asbestos. His analysis also shows that in three out of the four top sellers there is no break even point if we substitute Pulpex for asbestos.

If the present cement manufacturing operation at Shreveport is now break even, you could expect to lose money if we switch to Pulpex. The additional cost of Pulpex raw material would be at least \$20,000 per year with a good possibility that this could go as high as \$30,000 per year depending on the actual formulation we end up with. In light of this and also the recent EPA rule (47 FR 33198) explained in the October 1982 Toxic Substances Control Act Bulletin, page 7, attached, I would recommend that we reduce our asbestos exposure by discontinuing production of cements at Shreveport and immediately find an outside supplier for our plants.

Don Suva's memo to me dated 11/1/82 indicates that we made a gross profit of \$250,000 at Shreveport through the end of September on cements and coatings. I have asked Joe Zilfi to determine how much of this profit was due to the asbestos-sized coatings and cements versus the non-asbestos coatings. I have also asked him if we would show a profit after paying shipping costs from Shreveport to Charleston and Norwood along with the added cost for Pulpex.

There is a fair amount of work that would have to be done by BBH and our supplier (Hercules) in order to convert our formulas over to Pulpex and eliminate our use of asbestos. I want to make sure that it is worth the effort as far as timing is concerned. The only way we could eliminate asbestos at Shreveport by the end of this year is to go to an outside supplier. With the formulation work required by both Hercules and BBH, we would be unable to substitute Pulpex for asbestos at Shreveport until the second quarter of 1983.

After we get the review from Joe Zilfi we can decide whether or not to proceed with the laboratory work. In any event, I will include it as part of my 1983 Laboratory Plan.

JWJ/rp
Attach.

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TSCA Chemicals-in-Progress Bulletin

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(OPTS)

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This news bulletin is intended to inform all persons concerned with the Toxic Substances Control Act (TSCA) about recent developments and near-term plans. For further information or to request copies of documents mentioned, write the Industry Assistance Office (IAO), (TS-799) EPA, Washington, D.C. 20460, or call toll-free 800-424-9065 or, in Washington, D.C., or from outside continental USA, (202) 554-1404.

REGULATORY & REQUIRED ACTIONS

PREMANUFACTURE NOTIFICATION...SECTION 5

Under section 5(a)(1) a person who intends to introduce into commerce a chemical substance not on the TSCA Inventory must notify EPA at least 90 days before beginning manufacture or import. On May 15, 1979 (44 FR 28564) EPA published a statement of interim policy concerning section 5, premanufacturing notification.

EPA Proposes PMN Changes

Under section 5(h)(4), EPA may, upon application and by rule, exempt a category of new chemical substances from one or all of the section 5 premanufacture notification (PMN) requirements if the Administrator determines that the substance will not present an unreasonable risk of injury to health or the environment.

On August 4, 1982, EPA proposed two rules (47 FR 33896) that call for the partial exemption of certain new site-limited intermediates, low volume chemicals and polymers from full PMN requirements. EPA was responding to a petition from the Chemical Manufacturers Association and others.

Based on its 3-year PMN experience, EPA estimates half of the 1,000 new chemicals subject to the PMN requirements each year may be eligible for exemption if the two proposed rules become final. The Agency said the changes would permit EPA to concentrate its resources on new chemicals of potential concern, encourage

chemical innovation in low risk chemicals allow more rapid introduction of low risk chemicals into the market after EPA review, and reduce regulatory burdens on manufacturers of new chemicals without reducing protection of public health or the environment. "Together, these elements will allow EPA to focus its resources on chemicals of potential concern and will go far toward ensuring that new chemicals introduced into commerce do not present unreasonable risks," said Dr. John A. Todhunter, the EPA Assistant Administrator for Pesticides and Toxic Substances, at a July 28th press conference. He said that the proposed PMN program also is similar in goals and spirit to the new chemical program of the European Economic Community.

For new site-limited intermediates (chemicals that are reacted to produce other chemicals but never leave the manufacturing site) and low volume chemicals (chemicals manufactured at 10,000 kilograms (22,000 pounds) or less a year) manufacturers would submit a short exemption notice for EPA review 14 days before manufacture begins. The manufacturer also would be required to have a qualified expert assess the risks of the chemical and conclude that it would not present a hazard. During the 14-day review period, EPA would review the notice to ensure all the requirements of the exemption are met. For chemicals produced at 1,000 kilograms (2,200 pounds) or less a year there would be a 14-day review period, but review by a qualified expert would not be required.

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10. Requires records of inspections and maintenance history to be retained for at least 3 years after the disposal of a PCB Transformer.

11. The rule also clarified the meaning of disposal and also what constitutes electrical equipment posing as exposure risk to food and feed.

The August 25, 1982 Federal Register notice on the PCB rule on electrical equipment is available through the IAO without charge. Three support documents are cited in the notice. These are available through the IAO but there is a charge of .20 cents a page for them. Telephone or write the IAO for the cost of the documents.

REPORTING RULES

ASBESTOS REPORTING RULE... SECTION 8(a)

Under section 8(a) EPA may require manufacturers and processors to submit information on named chemicals of the following types: production, use, occupational exposure and environmental release.

EPA Requires Asbestos Information

Asbestos miners, millers, importers and processors are now required to report to EPA certain information on their industrial and commercial asbestos activities. On July 30, 1982, EPA published a rule (47 FR 33198) under section 8(a) seeking data on the quantities of asbestos used in making products, data on employee exposure, waste disposal and pollution control equipment.

The purpose of gathering this information is to provide a data base for identifying unreasonable risks from exposure to asbestos and to develop initiatives to protect public health, said Dr. John A. Todhunter, the EPA

Assistant Administrator for Pesticides and Toxic Substances.

In early August EPA mailed asbestos reporting forms to more than 3,200 companies believed to be required to submit data. Additional forms are available through the IAO.

The collected data will be used by EPA and other Federal agencies that are members of a newly formed Federal Asbestos Task Force. "This plan to coordinate Federal regulatory activities through cooperative interagency efforts demonstrates the Administration's commitment not only to protect public health but also to provide cost effective programs in the most economical way possible," Todhunter said.

HEALTH AND SAFETY RULE... SECTION 8(d)

Section 8(d) authorizes EPA to promulgate rules on specifically listed chemicals that would require manufacturers and processors to submit lists and copies of health and safety studies that they have conducted or were initiated by them.

EPA Requires Health and Safety Studies

On September 2, 1982, EPA published (47 FR 38780) a final rule requiring chemical manufacturers and processors to provide the Agency with unpublished health and safety information on specific chemicals. The Agency will use the studies to aid its investigation of risks posed by chemicals and to help it determine whether to require industry to test chemicals under section 4 of TSCA.

Most of the chemicals named in the rule previously had been selected for testing by the Interagency Testing Committee, (ITC). This committee, made up of representatives from 8 Federal agencies, has recommended 39 of the 40 chemicals and categories of chemicals (about 175 substances) listed in the rule. EPA added asbestos to the list.

"These studies will not only help us determine the need for further testing but, also provide guidance for the particular tests needed, should testing be necessary," said Dr. John A. Todhunter, the EPA Assistant Administrator for Pesticides and Toxic Substances.

Concurrent with publication of the final rule, EPA proposed an amendment that would add 65 chemicals more recently selected by the ITC.

SUBSTANTIAL RISK... SECTION 8(e)

Under section 8(e) persons who obtain information which reasonably supports the conclusion that a substance presents substantial risk of injury to human health or the environment must notify EPA within 15 days. These notices are then reviewed by OTS and an