

MEMO

January 10, 1973

To: Plant Letter Lists A, B, C, D and E

From: R. L. Yelton

Subject: 1972 OIP Achievement

I would like to congratulate everyone who had a part in our 1972 OIP program for making it an outstanding success! The recurring savings generated last year totalled \$8,345,000, equivalent to 133.5% of our goal, and were an all-time high for this plant. The number of people who participated in the program last year also established a record, and both those who originated the ideas for improvement and those who put them into effect are to be thanked.

This impressive achievement will not permit "resting on our oars" in 1973, however! The \$8 million savings were essentially offset by increased prices for our raw materials and supplies, increased salaries and wages, and decreased selling prices for the chemicals and plastics made at Texas City. Thus it is very important that everyone become actively involved in finding ways to eliminate unnecessary costs, reduce losses and waste, improve job efficiency, and so forth, because our struggle to keep the Texas City Plant competitive is an endless one.

Thanks again to those of you who did more than your share in 1972.

RLY/dh

UCC 091062

OIP -
Completed 1973

UCC 091063

OT-1709-8
Rev. 2/68

NEW OIP

COMPLETED OBJECTIVE CLAIM—OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP NO. 4290
(if known)

Check One: ☒ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (\$90 or Order No.) _____

System Suspension Bldg. Operations Was Proj. Budgeted? ☐ Yes ☒ No
System No. _____ Name Vinyls No. 174 Team No. 70

Suggester(s) H. P. Brady Suggester's Dept. 084 Responsibility R. L. Frantz
E. L. Kieschnick, G. T. Pyle

Routing—Operating and Auxiliary Systems

Routing—Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RF 12/19/73 (1) Area Engineer _____ Initials Date Initials Date
(2) Area Supt. _____ (2) Dept. Head _____
(3) Asst. Plt. Mgr. B. B. Cowser BC 12/20/73 (3) Asst. Plt. Mgr. _____
(4) Plant Controller JEO 12/26/73 (4) Plant Controller _____
080

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Rearrange all blowdown tank vents to go into the vacuum strippers instead of directly to stripping tanks thereby recovering vinyl chloride previously lost.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ 114,000
Potential \$ _____
Total \$ 114,000

ESTIMATED COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ 15,000

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 114,000
Potential \$ _____
Total \$ 114,000

ACTUAL COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ 15,000

TOTAL DIRECT
\$ 114,000
ENCL. CONS.
\$ _____

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way—the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

This project increased the unit vinyl chloride efficiency by 1.4 percent. At the 1973 planned VCl usage of 210 MM pounds and the 1973 planned VCl cost of \$0.0387/pound this savings is worth $210,000,000 \times .014 \times .0387 = \$114,000/\text{year}$

UCC 091065

SUBMITTED BY: R. L. Frantz

Date 12-18-73

CT-1709-8
Rev. 2/68

COMPLETED OBJECTIVE CLAIM—OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP No. 4289
(if known)

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____
System No. 08420 System Suspension Bldg. Operations Was Proj. Budgeted? ☐ Yes ☒ No
Name Vinyls No. 174 Team No. 70

Suggester(s) A. A. Peterson Suggester's Dept. 084 Responsibility R. L. Frantz

H. P. Brady

Routing—Operating and Auxiliary Systems

Routing—Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RLF 12/19/73 (1) Area Engineer _____
Initials Date Initials Date
(2) Area Supt. _____ (2) Dept. Head _____
(3) Asst. Pitt. Mgr. B. B. Cowser BBM 12/20/73 (3) Asst. Pitt. Mgr. _____
(4) Plant Controller JED 12/26/73 (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Revise homopolymer recipe to include a small amount of ethylene to allow an increase in vinyl chloride conversion while maintaining good dryblend characteristics of the resin.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ 81,200
Potential _____
Total \$ 81,200

ESTIMATED COST

New Capital _____
Transferred Investment _____
Non-Capital (Expense) \$ 2,000

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 81,200
Potential _____
Total \$ 81,200

ACTUAL COST

New Capital _____
Transferred Investment _____
Non-Capital (Expense) \$ 2,000

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way—the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

This revision resulted in an increase in vinyl chloride efficiency of 1.0%. At the 1973 planned VCl usage of 210 MM pounds and planned VCl cost of \$0.0387/pound the savings is worth

$$210,000,000 \times .010 \times .0387 = \$81,200/\text{year}$$

homopolymer: 110mm = 8461 batches (100% G₂₄/batch) (13.5% lb)
13mm lb/batch = \$14,223 in G₂₄ cost

110mm = 117mm lb
94 eff = 115.8mm lb
95 eff = 1.2mm lb VCl @ 106 = \$120m

UCC 091066

SUBMITTED BY: R. L. Frantz Date: 12-18-73

COMPLETED OBJECTIVE CLAIM--OIP PROJECT

OIP NO. 4288
(if known)

OPERATIONS IMPROVEMENT PROGRAM

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____
System No. 08420 System Suspension Midg. Operations 70 Was Proj. Budgeted? ☐ Yes ☐ No
Name Vinyls No. 174 Team No. 70Suggester(s) A. A. Peterson Suggester's Dept. 084 Responsibility R. L. Frantz
P. D. Gossage, F. L. Johnson, G. P. Keister
E. Kieschnick Routing—Operating and Auxiliary Systems Routing—Maintenance Dept. Systems(1) Dept. Head R. L. Frantz RLF 12/19/73 (1) Area Engineer _____
Initials Date Initials Date
(2) Area Supt. _____ (2) Dept. Head _____
(3) Asst. Plt. Mgr. E. B. Cowser ABC 12-20-73 Asst. Plt. Mgr. _____
(4) Plant Controller JO 12/21/73 (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Reduce the number of autoclave batches vented to the air or dumped to the ground by making refinements in recipes and process controlType of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket	\$ 40,600
Potential	\$
Total	\$ 40,600
ESTIMATED COST	
New Capital	\$ 0
Transferred Investment	\$ 0
Non-Capital (Expense)	\$ 0

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket	\$ 40,600
Potential	\$
Total	\$ 40,600
ACTUAL COST	
New Capital	\$ 0
Transferred Investment	\$ 0
Non-Capital (Expense)	\$ 0

TOTAL DIRECT
\$ 40,600
ENERGY CONS.
\$

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

As a result of these modifications, an increase in vinyl chloride efficiency of 0.5% was realized. Using 1973 planned VCl usage of 210 MM pounds and VCl cost of \$0.0387/pound, the savings is worth:

$$210,000,000 \times .005 \times .0387 = \$40,600/\text{year}$$

UCC 091067

SUBMITTED BY: R. L. Frantz Date: 12-19-73

NEW OIP

COMPLETED OBJECTIVE CLAIM--OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP NO. 4287
(if known) 6

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project.
 System No. 08420 System Suspension Bldg. Operations No. 174 Team No. 70 Was Proj. Budgeted? ☐ Yes ☐ No
 Name Vinyls
 Suggester(s) P. D. Gossage Suggester's Dept. 084 Responsibility R. L. Frantz
A. A. Peterson, F. L. Johnson

Charge (930 or Order No.) _____

Routing--Operating and Auxiliary Systems

Routing--Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RLF 12/19/73 (1) Area Engineer _____
 Initials Date Initials Date
 (2) Area Supt. _____ (2) Dept. Head _____
 (3) Asst. Plt. Mgr. B. B. Cowser BBB 12/20/73 (3) Asst. Plt. Mgr. _____
 Initials Date Initials Date
 (4) Plant Controller AFD 12/24/73 (4) Plant Controller _____
 Initials Date Initials Date

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Change the ethylene copolymer recipe to use a dual catalyst system (Lupersol 10 plus DLP) thus increasing the vinyl chloride conversion

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ 16,200
 Potential \$ 16,200
 Total \$ 16,200

ESTIMATED COST

New Capital \$ 0
 Transferred Investment \$ 0
 Non-Capital (Expense) \$ 0

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 16,200
 Potential \$ 16,200
 Total \$ 16,200

ACTUAL COST

New Capital \$ 0
 Transferred Investment \$ 0
 Non-Capital (Expense) \$ 0

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

This change resulted in a 0.2% increase in vinyl chloride efficiency. Using 1973 planned amounts the savings is worth $210,000,000 \times .002 \times .0387 = \$16,200$ per year

UCC 091068

SUBMITTED BY: R. L. Frantz Date 12-19-73

1708

NEW OIP

COMPLETED OBJECTIVE CLAIM—OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP NO. 4286
(if known)

One ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____
 System No. 08420 System Suspension Bldg. Operations Team No. 70 Was Proj. Budgeted? ☐ Yes ☒ No
 Name Vinyls No. 120

Author(s) O. A. Shelton Suggester's Dept. _____ Responsibility R. L. Frantz

T. Pyle

Routing—Operating and Auxiliary Systems

Routing—Maintenance Dept. Systems

Supt. Head R. L. Frantz *RF 12/19/73* (1) Area Engineer _____ Initials Date _____
 Initials Date

Asst. Supt. _____ (2) Dept. Head _____ Initials Date _____

Asst. Plt. Mgr. B. B. Cowser *BC 12/20/73* Asst. Plt. Mgr. _____ Initials Date _____

Plant Controller *RF 12/24/73* (4) Plant Controller _____ Initials Date _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Install a new exhaust fan and revised design bubble caps on No. 7
 Drying system to reduce resin loss

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

If in this box if completing project on the OIP books;
 a data submitted earlier on Form 1708)

TIMED NET SAVINGS

Out-Of-Pocket \$ 8,100
 Potential \$ 8,100
 Total \$ 8,100

TIMED COST

New Capital \$
 Transferred Investment \$
 Non-Capital (Expense) \$ 4,000

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 8,100
 Potential \$
 Total \$ 8,100

ACTUAL COST

New Capital \$
 Transferred Investment \$
 Non-Capital (Expense) \$ 4,000

TOTAL DIRECT
 \$ 8,100
 ENERGY CONS.

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way—the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

An increase of vinyl chloride efficiency of 0.1% resulted from this improvement. This savings is worth (using 1973 planned amounts) $210,000,000 \times .001 \times .0387 = \$8,100/\text{year}$

UCC 091069

SUBMITTED BY: R. L. Frantz Date 12-19-73

COMPLETED OBJECTIVE CLAIM—OIP PROJECT

OIP NO. 4285
(if known) 5

OPERATIONS IMPROVEMENT PROGRAM

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____

System No. 08420 System Suspension Bldg. 124 Operations 70 Was Proj. Budgeted? ☐ Yes ☐ No

Suggester(s) O. Shelton Suggester's Dept. 084 Responsibility R. L. Frantz

F. L. Johnson
Routing—Operating and Auxiliary Systems

Routing—Maintenance Dept. Systems

- | | | |
|---|----------------------------|---------------------------|
| (1) Dept. Head <u>R. L. Frantz</u> <u>RLF</u> <u>12/19/73</u> | (1) Area Engineer _____ | Initials _____ Date _____ |
| (2) Area Supt. _____ | (2) Dept. Head _____ | Initials _____ Date _____ |
| (3) Asst. Plt. Mgr. <u>B. B. Cowser</u> <u>BB</u> <u>12/20/73</u> | (3) Asst. Plt. Mgr. _____ | Initials _____ Date _____ |
| (4) Plant Controller <u>gcb</u> <u>12/26/73</u> | (4) Plant Controller _____ | Initials _____ Date _____ |

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Improve scrap resin recovery at Bldg. 124 and Bldg. 127 by revising procedures.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ 24,400
Potential _____
Total \$ 24,400

ESTIMATED COST

New Capital \$ 0
Transferred Investment \$ 0
Non-Capital (Expense) \$ 0

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 24,400
Potential _____
Total \$ 24,400

ACTUAL COST

New Capital \$ 0
Transferred Investment \$ 0
Non-Capital (Expense) \$ 0

TOTAL DIRECT.
\$ 24,400
ENERGY CONS.
\$ _____

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way—the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

Recovery of the additional resin caused a 0.3% increase in vinyl chloride efficiency worth \$24,400/year at 1973 planned values (210 MM lbs/yr vinyl chloride usage and \$0.0387/lb vinyl chloride)

UCC 091070

SUBMITTED BY: R. L. Frantz Date 12-19-73

07-172-1
Rev. 2/68

NEW OIP

COMPLETED OBJECTIVE CLAIM--OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP NO. 4284
(if known) 5

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project, or Order No. _____

08420 System Suspension Bldg. Operations No. 120 Team No. 70 Was Proj. Budgeted? ☐ Yes ☐ No

Suggester(s) C. T. Pyle Suggester's Dept. 084 Responsibility R. L. Frantz

O. Shelton

Routing--Operating and Auxiliary Systems

Routing--Maintenance Dept. Systems

(1) Dept. Head <u>R. L. Frantz</u> <u>12/19/73</u>	(1) Area Engineer _____
(2) Area Supt. _____	(2) Dept. Head _____
(3) Asst. Pit. Mgr. <u>B. B. Cowser</u> <u>12/20/73</u>	(3) Asst. Pit. Mgr. _____
(4) Plant Controller <u>DEC 12/24/73</u>	(4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Install a magnesol addition system on No. 6 dryer to eliminate cyclone plugs and reduce loss of resin

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ 8,100
Potential _____
Total \$ 8,100

ESTIMATED COST

New Capital _____
Transferred Investment _____
Non-Capital (Expense) \$ 3,000

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 8,100
Potential \$ 8,100
Total \$ 8,100

ACTUAL COST

New Capital _____
Transferred Investment _____
Non-Capital (Expense) \$ 3,000

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

This revision increased vinyl chloride efficiency by 0.1%, worth \$8,100/year using 1973 planned amounts. $210,000,000 \text{ lbs. VCl} \times 0.001 \times \$0.0387/\text{lb VCl} = \$8,100/\text{y}$

UCC 091071

SUBMITTED BY: R. L. Frantz 12-18-73

17-1709-8
Rev. 2/68

COMPLETED OBJECTIVE CLAIM--OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP NO. 4284
(If known) 4284

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge(930 or Order No.) _____
System No. 08420 System Suspension Bldg. Operations 70 Was Proj. Budgeted? ☐ Yes ☐ No
Name Vinyls No. 120 Team No. * 70
Suggester(s) G. T. Pyle, Suggester's Dept. 084 Responsibility R. L. Frantz
O. Shelton

Routing--Operating and Auxiliary Systems

Routing--Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RF 12/19/73 (1) Area Engineer _____ Initials Date
(2) Area Supt. _____ (2) Dept. Head _____ Initials Date
(3) Asst. Plt. Mgr. B. B. Cowser BB 12-20-73 (3) Asst. Plt. Mgr. _____ Initials Date
(4) Plant Controller AEG 12/24/73 (4) Plant Controller _____ Initials Date

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Install a magnesol addition system on No. 6 dryer to eliminate cyclone plugs and reduce loss of resin

Type of Savings: ☒ Annual Recurring Est. Proj. Life 10 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ 8,100
Potential _____
Total \$ 8,100

ESTIMATED COST

New Capital _____
Transferred Investment _____
Non-Capital (Expense) \$ 3,000

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 8,100
Potential \$ 8,100
Total \$ 8,100

ACTUAL COST

New Capital _____
Transferred Investment _____
Non-Capital (Expense) \$ 3,000

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

This revision increased vinyl chloride efficiency by 0.1%, worth \$8,100/year using 1973 planned amounts. $210,000,000 \text{ lbs. VCl} \times 0.001 \times \$0.0387/\text{lb VCl} = \$8,100/\text{year}$

UCC 091072

SUBMITTED BY: R. L. Frantz Date 12-19

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____
System No. 08420 System Suspension Idg. Operations Was Proj. _____
Name Vinyl Resins No. 174 Team No. 70 Budgeted? ☐ Yes ☒ No
Suggester(s) F. L. Johnson Suggester's Dept. Vinyl Resins Responsibility R. L. Frantz

Routing--Operating and Auxiliary Systems

Routing--Maintenance Dept. Systems:

(1) Dept. Head R. L. Frantz RLF 10/11/73 (1) Area Engineer _____ Initials Date
(2) Area Supt. _____ (2) Dept. Head _____ Initials Date
(3) Ass't. Plt. Mgr. B. B. Cowser BBC 10-11-73 (3) Ass't. Plt. Mgr. _____
(4) Plant Controller JEQ 10/14/73 (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim By eliminating the addition of EPO (soy-bean oil epoxide) from the QSAN-7 and QSAL-7 recipe, a savings of approximately \$20,000/year will result.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 5 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ _____
Potential \$ _____
Total \$ _____

ESTIMATED COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ _____

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ 20,600
Potential \$ _____
Total \$ 20,600

ACTUAL COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ _____

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

Until May 21, 1973, the practice was to add 1.25 gallons of EPO (soy-bean oil epoxide) to each QSAN-7 or QSAL-7 autoclave charged. On that date it was suggested that the value of this addition on homopolymer resin quality was doubtful and it should be discontinued. (Copolymer resin on the other hand is subject to color problems resulting from decomposition and is helped by the use of EPO which acts as a stabilizer.) The EPO was discontinued and evaluation for 4½ months has shown no detrimental effect on quality.

During the first six months of 1973, 59.4 MM lbs of QSAN(AL) resin was made. Each autoclave produces approx. 13 M lbs of resin/charge using 1.25 gallons (10.25 lbs) of EPO at 22 ¢/lb.

$$\text{Yearly savings} = \frac{2 \times 59.4 \text{ MM} \times 10.25 \times .22}{13 \text{ M}} = \$20,600$$

UCC 091073

SUBMITTED BY: F. L. Johnson Date 10-11-73

OT-1
Rev.

NEW OIP

COMPLETED OBJECTIVE CLAIM—OIP PROJECT
OPERATIONS IMPROVEMENT PROGRAM

OIP NO. _____
(if known)

4

Charge (990 or Order No.) 4123

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project.
System Suspension Bldg. Operations Was Proj. Budgeted? ☐ Yes ☒ No
System No. 084 Name Vinyl Resins No. 120 Team No. 70
Suggester(s) G. P. Keister Suggester's Dept. 084 Responsibility R. L. Frantz
R. L. Frantz
Routing—Operating and Auxiliary Systems Routing—Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RLF 7/23/73 (1) Area Engineer _____
Initials Date Initials Date
(2) ~~XXX~~ Dept. _____ (2) Dept. Head _____
(3) Ass't. Plt. Mgr. B. B. Cowser BBC 7/23/73 (3) Ass't. Plt. Mgr. _____
(4) Plant Controller J. E. Quin ojo (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Increase Suspension Vinyl production by 15.1 MM pounds/year
(from 164.9 MM pounds to 180.0 MM pounds) by making piping and instrument
revisions to allow use of 600 psi steam (reduced to 300 psi) for the Building 120
dryers.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 5 years. ☐ Non-Recurring Phase 1 + Phase 2

(Fill in this box if completing project on the OIP books; use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ _____
Potential \$ _____
Total \$ _____

ESTIMATED COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ _____

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ _____
Potential 517,000 184,500
Total 184,500

ACTUAL COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) 517,000

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way—the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

Period Cost Savings

$$\left(\frac{\$ 2.2 \text{ MM}}{164.9 \text{ MM lbs}} - \frac{\$ 2.2 \text{ MM}}{180 \text{ MM lbs}} \right) \times 164.9 \text{ MM lbs} = \$ 184,500$$

Drying capacity had bottlenecked Suspension Vinyl resin production. The drying bottleneck was broken by changing the dryers from 200 psi steam to 300 psi steam.

The productivity increase also has a Phase 2 OIP value of \$ 619,000. (See attachment).

UCC 091074

SUBMITTED BY: R. L. Frantz Date 7/23/73

OIP -- PHASE 2
CALCULATION OF GROSS MARGIN
FOR PRODUCTIVITY PROJECTS

The following information is needed for calculation of gross margin:

<u>Data</u>	<u>Source</u>
A. Increased sales (or production) resulting from project, lbs./yr. 15.1 MM lbs.	Production Department Head or Production Manager
B. Sales price, \$/lb. 0.130	Operations Team: use average sales price unless a specific other price is more appropriate.
or	
Transfer price, \$/lb.	Production Department Head: use transfer price if no meaningful sales price exists.*
C. Plant cost of product, \$/lb. 0.071	Production Department Head: use product standard cost, not a direct or incremental cost.
D. Distribution cost, \$/lb. 0.018	Operations Team: use an average for the product unless a specific other cost is more appropriate.

<u>Calculation Method</u>	<u>Initial Estimates (Initiation Notice)</u>	<u>Final Figures (Closing Notice)</u>
1. Net Income from Sales (A above x B above)	_____	\$ 1,963,000
2. Plant Cost (A x C)	_____	\$ 1,072,000
3. Distribution Cost (A x D)	_____	\$ 272,000
4. Gross Margin [line 1 - (lines 2+3)]	_____	1,072,000 - 1,344,000
	_____	\$ 619,000

*For productivity projects involving improvement of utility supplies: Utilities have no formal transfer prices at this time. However, the Energy Systems Operations Group can supply a calculated transfer price to use in these calculations.

CI-1707
Rev.

COMPLETED OBJECTIVE CLAIM--OIP PROJECT

OIP No. 4122
(if known)

OPERATIONS IMPROVEMENT PROGRAM

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____
System Suspension Blog. Operations Team No. 70 Was Proj. Budgeted? ☐ Yes ☒ No
System No. 084 Name Vinyl Resins No. 120
Suggester(s) G. P. Keister Suggester's Dept. 084 Responsibility R. L. Frantz
R. L. Frantz
Routing--Operating and Auxiliary Systems Routing--Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RLF 7/23/73 (1) Area Engineer _____ Initials Date Initials Date
(2) ~~Area Eng.~~ _____ (2) Dept. Head _____
(3) Ass't. Plt. Mgr. B. B. Cowser BBC 7/23/73 (3) Ass't. Plt. Mgr. _____
(4) Plant Controller J. E. Quin (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Increase Suspension Vinyl production by 15.1 MM pounds/year
(from 164.9 MM pounds to 180.0 MM pounds) by making piping and instrument
revisions to allow use of 600 psi steam (reduced to 300 psi) for the Building 120
dryers.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 5 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books;
use data submitted earlier on Form 1706)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ _____
Maintenance \$ _____
Total \$ _____

ESTIMATED COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ _____

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ _____
Maintenance \$ 184,500
Total \$ 184,500

ACTUAL COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ 3,500

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

Period Cost Savings

$$\left(\frac{\$ 2.2 \text{ MM}}{164.9 \text{ MM lbs}} - \frac{\$ 2.2 \text{ MM}}{180 \text{ MM lbs}} \right) \times 164.9 \text{ MM lbs} = \$ 184,500$$

Drying capacity had bottlenecked Suspension Vinyl resin production. The drying bottleneck was broken by changing the dryers from 200 psi steam to 300 psi steam.

The productivity increase also has a Phase 2 OIP value of \$ 619,000. (See attachment).

UCC 091076

SUBMITTED BY: R. L. Frantz Date 7/23/73

CT-1708-B
Rev. 2/68

COMPLETED OBJECTIVE CLAIM--OIP PROJECT

OPERATIONS IMPROVEMENT PROGRAM

OIP NO. _____
(if known)

4

Charge (930 or Order No.)

4122

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project.

System No. 084 Name Vinyl Resins No. 120 Team No. 70 Budgeted? ☐ Yes ☒ No

Suggester(s) G. P. Keister Suggester's Dept. 084 Responsibility R. L. Frantz

R. L. Frantz

Routing--Operating and Auxiliary Systems

Routing--Maintenance Dept. Systems

- (1) Dept. Head R. L. Frantz *RLF 7/23/73* (1) Area Engineer _____
Initials Date Initials Date
- (2) ~~XXX~~ _____ (2) Dept. Head _____
- (3) Asst. Plt. Mgr. B. B. Cowser *BBC 7/23/73* (3) Asst. Plt. Mgr. _____
- (4) Plant Controller J. E. Quin *JEQ* (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Increase Suspension Vinyl production by 15.1 MM pounds/year
(from 164.9 MM pounds to 180.0 MM pounds) by making piping and instrument
revisions to allow use of 600 psi steam (reduced to 300 psi) for the Building 120
dryers.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 5 years. ☐ Non-Recurring Phase 1 + Phase 2

(Fill in this box if completing project on the OIP books;
use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ _____
Potential \$ _____
Total \$ _____

ESTIMATED COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ _____

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ _____
Potential \$ 184,500
Total \$ 184,500

ACTUAL COST

New Capital \$ _____
Transferred Investment \$ 3,500
Non-Capital (Expense) \$ _____

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

Period Cost Savings

$$\left(\frac{\$ 2.2 \text{ MM}}{164.9 \text{ MM lbs}} - \frac{\$ 2.2 \text{ MM}}{180 \text{ MM lbs}} \right) \times 164.9 \text{ MM lbs} = \$ 184,500$$

Drying capacity had bottlenecked Suspension Vinyl resin production. The drying bottleneck was broken by changing the dryers from 200 psi steam to 300 psi steam.

The productivity increase also has a Phase 2 OIP value of \$ 619,000. (See attachment).

UCC 091077

SUBMITTED BY: R. L. Frantz Date 7/23/73

OIP -- PHASE 2
CALCULATION OF GROSS MARGIN
FOR PRODUCTIVITY PROJECTS

The following information is needed for calculation of gross margin:

<u>Data</u>	<u>Source</u>
A. Increased sales (or production) resulting from project, lbs./yr. 15.1 MM lbs.	Production Department Head or Production Manager
B. Sales price, \$/lb. 0.130	Operations Team: use average sales price unless a specific other price is more appropriate.
or	
Transfer price, \$/lb.	Production Department Head: use transfer price if no meaningful sales price exists.*
C. Plant cost of product, \$/lb. 0.071	Production Department Head: use product standard cost, not a direct or incremental cost.
D. Distribution cost, \$/lb. 0.018	Operations Team: use an average for the product unless a specific other cost is more appropriate.

<u>Calculation Method</u>	<u>Initial Estimates (Initiation Notice)</u>	<u>Final Figures (Closing Notice)</u>
1. Net Income from Sales (A above x B above)	_____	\$ 1,963,000
2. Plant Cost (A x C)	_____	\$ 1,072,000
3. Distribution Cost (A x D)	_____	\$ 272,000
4. Gross Margin [line 1 - (lines 2+3)]	_____	1,072,000 - 1,344,000
	_____	\$ 619,000

*For productivity projects involving improvement of utility supplies: Utilities have no formal transfer prices at this time. However, the Energy Systems Operations Group can supply a calculated transfer price to use in these calculations.

UCC 091078

OPERATIONS IMPROVEMENT PROGRAM

Check One: ☐ Closing notice for project already on OIP books. ☒ After-the-fact new project. Charge (930 or Order No.) _____
System Suspension Bldg. Operations 70 Was Proj. Budgeted? ☐ Yes ☒ No
System No. 084 Name Vinyl Resins No. 120 Team No. * 70
Suggester(s) G. P. Keister Suggester's Dept. 084 Responsibility R. L. Frantz

R. L. Frantz
Routing--Operating and Auxiliary Systems

Routing--Maintenance Dept. Systems

(1) Dept. Head R. L. Frantz RLF 7/23/73 (1) Area Engineer _____
Initials Date Initials Date
(2) ~~Area Eng.~~ _____ (2) Dept. Head _____
(3) Asst. Plt. Mgr. B. B. Cowser BBC 7/23/73 (3) Asst. Plt. Mgr. _____
(4) Plant Controller J. E. Quin _____ (4) Plant Controller _____

* Plant Controller will send copy of approved notice to Production Manager.

Statement of Project or Claim Increase Suspension Vinyl production by 15.1 MM pounds/year
(from 164.9 MM pounds to 180.0 MM pounds) by making piping and instrument
revisions to allow use of 600 psi steam (reduced to 300 psi) for the Building 120
dryers.

Type of Savings: ☒ Annual Recurring; Est. Proj. Life 5 years. ☐ Non-Recurring

(Fill in this box if completing project on the OIP books;
use data submitted earlier on Form 1708)

ESTIMATED NET SAVINGS

Out-Of-Pocket \$ _____
Potential \$ _____
Total \$ _____

ESTIMATED COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ _____

(Fill in this box for all completed projects)

FINAL CLAIM OF NET SAVINGS

Out-Of-Pocket \$ _____
Potential \$ 184,500
Total \$ 184,500

ACTUAL COST

New Capital \$ _____
Transferred Investment \$ _____
Non-Capital (Expense) \$ 3,500

DISCUSSION AND SUPPORTING DATA (Give enough information to define the old way and the new way--the change which constitutes the OIP. Give cost and savings data and method of calculating savings in enough detail to permit understanding. Attach extra sheet if necessary.)

Period Cost Savings

$$\left(\frac{\$ 2.2 \text{ MM}}{164.9 \text{ MM lbs}} - \frac{\$ 2.2 \text{ MM}}{180 \text{ MM lbs}} \right) \times 164.9 \text{ MM lbs} = \$ 184,500$$

Drying capacity had bottlenecked Suspension Vinyl resin production. The drying bottleneck was broken by changing the dryers from 200 psi steam to 300 psi steam.

The productivity increase also has a Phase 2 OIP value of \$ 619,000. (See attachment!).

UCC 091079

SUBMITTED BY: R. L. Frantz Date 7/23/73