PPG Industries, Inc.

Interoffice Correspondence

Date: December 7, 1994

To: Brian Bourgeois

From: James A. Barter

Location: General Office, 36 W

Subject: CMA Vinyl Chloride Panel Activities

The attached information from the CMA panel provides a very brief description of the areas of potential activity for the coming year. The latest items are an additional piece of epidemiology effort that the attorneys at PPG and Dow are quite interested in, if it is determined to be technically sound and some rather extensive additional advocacy activities related to some new and proposed testing requirements for vinyl chloride proposed by EPA and ATSDR (Agency for Toxic Substances and Disease Registry).

Per your voice mail response to my question about the CMA commitment form, I have signed and returned the form and authorized invoicing for the additional $18,300 in 1994. Give me a call if you want to discuss this further.

JA Barter

cc: H. C. Hank

SL 107849

CHEMICAL MANUFACTURERS ASSOCIATION

October 28, 1994

Dear Vinyl Chloride Health Committee Members:

As discussed on the October 24 conference call, I have enclosed a commitment form for your pro-rata share of the $300,000 budget for the 1994-1995 research and advocacy program. The details of the program and basis for your pro-rata share are attached.

Your completion of the commitment form is essential for CMA to execute any contract for the research projects, consultant agreements, and retention of counsel for the TSCA Section 4 testing requirement negotiations with EPA and ATSDR. Therefore, please return your commitment form to me by November 18. Please note that if you requested payment in two installments for your earlier commitment (See Table 1, Column 3), your second installment will be due in January 1995.

If you have any questions, please call me at (202) 887-1192.

Sincerely,

Has Shah

Hasmukh C. Shah, Ph.D.
Manager, Vinyl Chloride Panel

Enclosures

SL 107850

2501 M Street, NW, Washington, DC 20037 Telephone 202-887-1100 Fax 202-887-1237

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TABLE 1

COMMITMENTS NECESSARY BY COMPANY

COMPANY	1994-1995 PROJECTED COST	AMOUNT ALREADY COMMITTED, $325,172	ADDITIONAL COMMITMENT REQUESTED, $300,000		
			1994 Nameplate Capac. in MM Pounds	% 1994 Nameplate Capac.	New Commitment Requested
Borden	$ 43,756	$ 23,536	935	6.79	$ 20,370
Dow	115,570	55,630	2,773	20.13	60,390
Formosa	91,813	45,133	2,160	15.68	47,040
GEON	65,511	35,241	1,400	10.16	30,480
Georgia Gulf	58,957	31,717	1,260	9.14	27,420
OxyChem	121,637	65,447	2,500	18.15	54,450
PPG	39,295	21,145	840	6.10	18,300
Vista	41,831	22,151	910	6.60	19,800
Westlake	46,802	25,172	1,000	7.25	21,750
TOTAL	$ 625,172	$ 325,172	13,778	100.00	$ 300,000

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Vinyl Chloride Health Committee

Proposed 1994-1995 Budget

Budget	Activity (Explanation Attached)
$ 400,000	Epidemiology Study Update Contractor Cost - $ 350,000 ENSR Data Transfer Cost - $20,000 Dow Chemical's Monitoring Cost - $30,000
30,000	Outside Counsel for TSCA Section 4 Prop. Rule The estimated cost of the EPA recommended testing program is $850,000.
60,000	University of North Carolina Research Program Synthesis of ^{13}C-vinyl chloride - $10,000 Determination of Half-Life of Etheno-Adducts in Animals & Determination of P-450 in Human Tissues at Diff. Ages - $50,000
10,000	Vinyl Chloride Risk Assessment Consultant for Modification of the Heast Table (R. Reitz) Consultant to Demonstrate a Biological Threshold for Vinyl Chloride Induced Liver Angiosarcoma and Absence of Cause-Effect Relationship Between Vinyl Chloride and Brain Cancers (C. Tamburo) International Workshop to be Sponsored by the Vinyl Chloride Panel to Assess Available Scientific Information and Review Work in Progress or Planned to Assess Vinyl Chloride Risk
100,000	Administration Direct Time Oct.1994 - Dec.1995 - $90,000 (Based on Estimated Level of Effort of Four Days/Month) Travel and Miscellaneous - $10,000
25,000	Contingency
$ 625,000	TOTAL

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Detailed Explanation of 1994-1995 Proposed Activities

1) **Epidemiology Study Update**

Contractor Cost:

CMA conducted an epidemiology study of vinyl chloride workers from 1942-1972. The study was updated to cover the period of 1942-1982. The Vinyl Chloride Health Committee proposed to further update the study to 1992. The Committee requested proposals from potential contractors. After reviewing the proposals received, the Committee has narrowed its selection to Applied Epidemiology, Inc. (estimated cost - $350,000) and Applied Health Sciences, Inc. (estimated cost - $275,000). The Vinyl Chloride Health Committee is leaning toward Applied Epidemiology, Inc. based on an overall evaluation of the proposals.

ENSR Data Transfer Cost:

All raw data for the previous vinyl chloride epidemiology study are with ENSR Corporation. These data are extensive (100 banker's boxes) and will have to be reviewed, screened, and copied by ENSR prior to the release of the information to the selected contractor.

Dow Chemical's Monitoring Cost:

This cost will compensate Dow Chemical for its efforts in designing the study; evaluating the proposals; resolving technical issues with contractors; conducting site-visits; monitoring progress of the study; reviewing interim and draft reports; and, liaisoning with CMA and the Vinyl Chloride Health Committee.

2) **Outside Counsel for TSCA Section 4 Proposed Rule**

On September 30, 1994, EPA published a "Notice of Opportunity to Initiate Negotiations for TSCA Section 4 Enforceable Consent Agreements; Solicitation of Testing Proposals for ATSDR Chemicals" (Fed. Reg. 59, 49934-49938, 1994). For vinyl chloride, the notice proposes testing for reproductive, developmental, and neurotoxic effects by the inhalation route. The estimated cost of these testing is $850,000 (developmental = $150,000; reproductive = $450,000; and neurotoxicity = $250,000). In its Federal Register notice, EPA did not provide a rationale for the testing requirements and has exceeded the ATSDR requirements. The Committee recommends retaining a counsel to effectively negotiate a testing program with EPA that requires only those studies necessary to meet the ATSDR data needs.

Please note that no provision is made in the 1994-1995 proposed budget for any testing cost because of uncertainty as to what studies ultimately will be included in the Enforceable Consent Agreement or the TSCA Section 4 final rule. If an Enforceable Consent Agreement is executed with EPA, an additional testing budget may have to be developed in 1995.

3) **University of North Carolina Research Program:**

This research program is designed to evaluate toxicity of vinyl chloride exposure at high concentrations over a short period of time. The information developed through this program may help in establishing levels of vinyl chloride to trigger catastrophic release evacuation plans.

The program also would enable industry to develop early diagnostic tools to determine significant vinyl chloride exposures and their relevance to health risk assessment.

4) **Vinyl Chloride Risk Assessment:**

Modification of Heast Table

The current EPA Heast Table for carcinogenicity of vinyl chloride mentions that the consideration of metabolism pharmacokinetics will result in increased risk. According to the table, one unpublished physiologically-based pharmacokinetic model may predict a 100-fold increased risk. In the Committee's communication with EPA, we now understand that this is a speculation on the part of EPA. Documents like the Heast Table often become the basis for regulatory activities at federal, state and local levels. It is critical, therefore, to correct the Heast Table to prevent potential regulations based on misinformation. The Committee plans to work with EPA to correct the Heast Table.

Biological Threshold for Vinyl Chloride Induced Liver Angiosarcoma and Lack of Correlation Between Vinyl Chloride Exposure and Brain Cancer

Dr. Carlo Tamburo of the University of Louisville has proposed a threshold for vinyl chloride induced human liver angiosarcoma. Dr. Tamburo also suspects, based on information available to him, that there is no association between vinyl chloride exposure and incidence of brain tumors. The Committee plans to pursue these hypotheses with Dr. Tamburo. If these hypotheses are substantiated by valid and credible scientific data, the benefits to the industry will be significant.

International Workshop on Vinyl Chloride

The Committee considers an international workshop on vinyl chloride an integral part of vinyl chloride risk assessment. The workshop participants may include: regulatory agency personnel (EPA, OSHA, ATSDR); academia; other scientific research organizations; and, vinyl industry personnel.

5) **Administration:**

The following services are integral parts of the CMA administration:

a) General Services

1) meeting preparation, attendance, and action item follow-ups

2) coordination of Panel activities with outside counsel

3) financial management services including monthly financial statements

4) legal services (anti-trust protection; review of Records of Meetings; review of contractual agreements; guidance in cases of contractual non-compliance and/or earlier termination; guidance in protecting against restriction of trade practices; facilitating resolution of Panel/Task Force issues

5) communication services (press/news releases; responses to media/public inquiries; spokesperson for industry)

6) mail room services (copying; first class postage; local messengers)

7) management support in resolving Panel issues, if necessary

b) Advocacy Management

1) maintain awareness of pertinent regulations relating to the Panel's activities

2) communicate with government agencies on scientific and regulatory matters on behalf of the Panel

3) coordinate information flow to and from agencies, companies, other trade associations, and academic institutions

4) coordinate the development of advocacy positions with the CMA Office of General Counsel and other appropriate CMA standing committees and outside consultants

c) Research Management

1) assist in developing testing programs

2) develop budgets, assure commitments, and process invoices to participating companies

3) work with Panel to prepare protocols, identify labs, and send Request for Bids

4) assist Panel in selecting contract laboratory for testing based on bids received or prior experience

5) conduct site visits, if necessary

6) prepare and negotiate contracts

7) manage activities of contractor and outside auditor/monitor for the research program

8) legal oversight by CMA

9) manage finances of contracts, set up budget areas, verify and pay invoices

10) facilitate information exchange between contract laboratories, monitor/auditors, and Panel members and government agencies

11) facilitate Panel consensus on technical issues and communicate the consensus position with contractors

12) prepare periodic status reports for submission to Panel and regulatory agencies

13) provide regulatory compliance (TSCA, FIFRA) services at Panel's request

14) arrange for and participate in Panel meetings and in meetings with contractors and agencies

15) assist in developing the next phase of activities

CHEMICAL MANUFACTURERS ASSOCIATION
Vinyl Chloride Panel
Health Committee
Commitment Form

☐ My company (PPG) commits $18,300 for the 1994-1995 vinyl chloride research and advocacy program. I understand that this commitment is in addition to the $21,145 commitment my company has already made in the past several months. For the new commitment amount, $18,300, covered by this commitment form, please invoice me according to the box(es) checked below:

☒ Please invoice me $ 18,300 in December 1994.
☐ Please invoice me $ _____ in January 1995.
☐ Please invoice me $ _____ in April 1995.
☐ Please invoice me $ _____ in July 1995.

☐ While appreciating the opportunity, my company declines to participate.

CMA has estimated that 16% of the total CMA 1994/95 fiscal year "dues and similar income", which includes CHEMSTAR contributions, is allocable to lobbying and political expenditures to which Section 162 (e)(1) of the Internal Revenue Code of 1986, as amended, applies. Consequently, this portion of your commitment is not deductible as an ordinary and necessary business expense for federal income tax purposes. Further, contributions to CMA are not tax deductible as charitable contributions.

Panel Representative	Management Contact
James A. Barter	
Name (signed)	Name (signed)
James A. Barter	
Name (typed)	Name (typed)
Manager, Industrial Health, Hygiene and Toxicology	
Title	Title
PPG Industries, Inc.	
Company	Company
One PPG Place	
Address	Address
Pittsburgh, PA 15272	
(412) 434-2801	
Telephone	Telephone
(412) 434-2137	
Fax	Fax

Please return signed form by NOVEMBER 18, 1994 to:

Hasmukh C. Shah, Ph.D.
CMA
2501 M Street, NW
Washington, D.C. 20037

SL 107857

By accepting membership in the panel, the participating companies agree to:

- o conduct the panel according to CMA general policies and procedures as described in these Guidelines, and applicable sections of the CMA Committee Guide;
- o accept responsibility for all operating costs resulting from activities of the panel, including liabilities for errors and omissions, and litigation against the panel;
- o disclose to the CMA Office of General Counsel all potential conflicts of interest;
- o arrange for employment of any needed retained counsel and consultants through CMA, by and with the concurrence of the CMA Office of General Counsel;
- o accept CMA management and disbursement of panel funds, at the panel's direction, within the administrative and financial guidelines of the Association;
- o follow CMA procedures for release of information about the panel. (This commitment shall not preclude individuals or corporations from releasing information without CMA clearance where the law imposes such responsibility upon an individual or corporation); and,
- o make final and significant interim environmental, health and safety research results, as well as other reports having a similar impact on the public welfare, available to the public, when legally permitted. [Access to raw data is granted upon receipt of a request which documents a valid need for such data. (Requests that involve additional costs to the participating companies, and possible compensation due to such companies, are reviewed by the companies in advance of any commitment to release the raw data.)]