



Texas Ecologists, Inc.

P.O. Box 107

Robstown, Texas 78403

Phone 361/3516

**PLAINTIFF'S
EXHIBIT**

KRC-171

October 31, 1980

Suntide Refinery
Attn: John Kampfhenkel
P.O. Box 2608
Corpus Christi, TX 78403

Dear Customer:

The current base rate for disposal of chemical and toxic waste at the Robstown, Texas facility was effective September 1, 1979. Since that date, operational costs have increased substantially, due, primarily, to the promulgation of the regulations required by the Resource Conservation and Recovery Act (RCRA). Expenses associated with equipment, cost of closure and similar requirements have been and will continue to be incurred by TECO in order to continue to provide professional service to our customers beyond November 19, 1980. Such expenses dictate that TECO increase its current disposal prices.

Therefore, effective December 1, 1980, your base price for disposal, F.O.B. our Robstown, Texas facility will be \$20.25 per 55-gallon drum, \$2.70 per cubic foot, 25¢ per gallon for bulk liquids or \$35.00 per cubic yard for bulk solids, subject to a minimum disposal charge of \$100.00 per shipment. Additionally, charges for waste streams that require special handling will be:

Labor	- \$20.00/hour
Equipment	- \$45.00/hour
Special clothing or safety equipment	- Cost plus 20%
Absorbent material	- \$7.50/bag

Any acid materials that require the placement of lime in the trench around the materials shipped will require a surcharge of 75¢ per cubic foot.

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TECO Price Increase Letter

Effective January 1, 1981, TECO will offer a price reduction to all customers based on the following schedule:

- 0 - 30,000 cubic feet/year - Base price as quoted.
- 30,000 - 50,000 cubic feet/year - A 5% reduction from the base price.
- 50,000 - 100,000 cubic feet/year - A 10% reduction from the base price.
- over 100,000 cubic feet/year - A 15% reduction from the base price.

The prices will be applied on a pay-through basis and will be reduced as each increment of volume is reached. The price reduction will apply to disposal charges only, transportation will not be discounted.

In the event that there are specific contractual provisions between your company and TECO regarding pricing, you are notified that this price increase will be effective pursuant to the applicable contract provision. Therefore, this letter constitutes written notice as may be required by our agreements.

TECO operational procedures require that all trailers used to transport waste to the Robstown site which are not dedicated to hauling chemical waste, must be steam cleaned prior to departure. The charge for this service will be \$100.00 per trailer. In addition, corrective action charges may be assessed for any special services rendered if the condition of the shipment at the time of receipt so dictates. These charges will be determined by the magnitude of the required corrective action.

All five-gallon pails received at Robstown must be securely fastened to pallets. Further, since the pallets received at the Robstown facility will also require disposal, the charge for this operation will be at the rate per cubic foot listed above. We would like to remind you that no plastic or fiber drums will be accepted without prior approval from TECO personnel.

Page Three
TECO Price Increase

We again would like to remind you that each waste stream must be approved by TECO prior to shipment to the Robstown facility.

Additionally, to facilitate your future planning for 1981, it appears that it may be necessary to provide for a future increase in disposal rates as experience and familiarity with the new regulations are gained.

We are very grateful for your continued business and we look forward to serving your professional needs as the elements of waste management develop under the evolving requirements of RCRA. As you may be aware, TECO has been conducting RCRA briefings for the industry which have already proven beneficial to generators and disposers alike.

Should you have any questions, please don't hesitate to contact this office.

Sincerely yours,


Bill Reeves
General Manager

BR:jc

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