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UNION CARBIDE

INTERNAL CORRESPONDENCE

UNION CARBIDE CORPORATION ROBINSON PLAZA II, ROUTE 60, PITTSBURGH, PA 15205
METALS DIVISION

To (Name) Mr. J. T. Kelly
Division UCC - Metals Division
Location Danbury, CT
Area J-1

Date October 20, 1983
Originating Dept. Calidria Asbestos
Area

RECEIVED
OCT 24 1983
J. T. KELLY

Copy to D. F. Kapral
G. M. Lincoln, Jr.
J. L. Myers
T. P. Norris
--- J. E. Walsh

Subject Telecon 10/18/83
0.5 Fiber/cc TWA Impact on 1984 Sales

I-5

A report issued by Fred Smith on October 21 was intended to evaluate the impact on our asbestos sales if OSHA lowers the allowable Time Weighted Average (TWA) for asbestos emissions in the work place from the present standard of 2.0 fibers/cc to 0.5 fibers/cc. Fred's calculations were based on 1982 sales to customers for whom we have performed one or more dust counts in the past. His conclusion was that we could expect a 31.5% loss in sales if the more stringent regulations were promulgated.

I have discussed Fred's report briefly in telephone conversations with you and Dan Kapral and indicated that I feel Fred's conclusions extremely prone to error because of several reasons. Realizing that any accurate assessment of future events is haphazard, presented in the attached table is a comparison of what the sales department feels will result from an 0.5 fiber/cc TWA versus that calculated by Fred. Our differences in opinion are based primarily on the following premises:

1. In general you cannot assign a numerical risk value to a company's continuing use of asbestos based on previous dust monitoring results, i.e., a company will not use 1/3 or 2/3 as much asbestos in the future because of any new regulations. They will either use <u>none</u>, or <u>as much as their business demands</u>. This is especially true of such companies as Kentile (SG-103 and SG-104) and RCA Rubber (SG-200). In both cases we feel they will continue to use our asbestos even if lower emission standards are effected.

2. At least 18 plants cited in the report do not use our asbestos at this time, either because of their company policy or else because we will not sell to them. This does not cause a significant bias in Fred's results, but does point out the fact that our 1984 customer list contains a greater ratio of hard core asbestos users than in 1982.

3. Because of the present government regulations, the adverse publicity, and the demands by certain customers for non-asbestos products, it is recognized that almost all of our customers would not use asbestos if they could find a cost/effective replacement. However, it must also be recognized that asbestos (Chrysotile) is unique, and most present day users have found that they cannot substitute for it without a sacrifice of some kind, either in cost, processing, or product quality.

4. Many of our customer, if it became absolutely necessary, could lower their asbestos dust emissions and probably comply with 0.5 fiber/cc standard. Although in many cases this should have been done by them before now, either by better work practices or engineering means, cost considerations have pre-empted significant improvements.

5. Although Fred assigned a risk factor of 1 for sales to Montello, i.e., a loss of 1/3 of our sales, it is the opinion of Jack Walsh and others that an 0.5 TWA will have no effect on our sales to this market. The main concern in the oil well drilling industry is to obtain emission values of 0.1 fibers/cc or less, so that medical examinations will not be required. Thus 0.5 TWA is not considered as a serious detraction.

Because Fred's report was based on selective sales in 1982, it was necessary to take a certain amount of license in order to extrapolate his results for 1984 budgeted sales. However, the expected loss in sales of 35% correlates closely with the 31.5% reported in his original report.

In summary, our 1984 projected sales will not be directly affected to any great extent by a lowering of the present TWA to 0.5 fibers/cc. More concern is over the additional adverse publicity which could result, and the possible action by other agencies, such as EPA and CPSC. In addition, even if a new standard is issued we could very well expect a compliance time period of 2-3 years during which the use of respirators would be allowed.

GL Dickson

G. L. Dickson

GLD:vad

Att.

1984 CALIDRIA ASBESTOS SALES

Expected Loss (Tons) From Proposed Regulations

Grade	1984 Budget	1984 Expected (1) (Calidria Sales)	1984 Estimated (2) (F. L. Smith)
SG-103	2,640	2,640	1,770
SG-104	5,200	5,200	3,500
SG-130	30	0	30
SG-200	540	540	360
SG-210	220	150	100
HPP	60	60	60
HPO	990	700	350
RG-100	500	500	500
RG-110	220	100	70
RG-144	210	100	100
RG-244	270	200	260
UNIVIS	40	40	30
CSV	1,200	1,200	800
SHURELIFT	190	190	130
TELVIS	170	170	110
TOTAL	12,480	11,790	8,170
TOTAL LOSS	-	6%	35%

(1) Developed from asbestos sales department input.

(2) Based on risk factors taken from Fred Smith's report.