



VCM Plant

(Formerly)

Conoco Chemicals Company, A Division of
Continental Oil Company
P.O. Box 606
Westlake, Louisiana 70669
(318) 491-5211

August 13, 1979

Mr. Doug Beck, District Manager
Perkin-Elmer
Customer Service Division
13771 North Central Expressway
Suite 701
Dallas, TX 75243

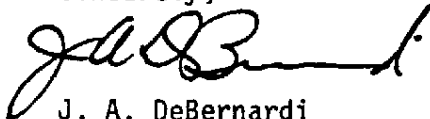
Dear Mr. Beck:

Enclosed you will find the Maintenance Agreement you left with me for signature during your visit to the VCM Plant on August 6. I have not signed the Agreement as I find that we will need Perkin-Elmer's signature on a standard Conoco Construction Contract in order to complete our file according to Company policy.

I have also attached two copies of the Construction Contract which I have signed for your consideration. If the Conoco contract is acceptable to you, please have it signed for Perkin-Elmer and retain one copy for your file. If you will return the second copy to me along with the P&E Maintenance Agreement, I will execute the P&E Agreement and return it to you immediately as you previously requested. I have retained the Equal Employment Opportunity and Certification of Non-Segregated Facilities forms in my file.

I have altered the P&E Maintenance Agreement as I indicated I would during our discussions at the plant. If you have any questions related to this matter, please give me a call.

Sincerely,



J. A. DeBernardi

is
Enc

CCR 000066494

*Attachments on
file copy*



RJ

Interoffice Communication

To P. E. Markey - Houston
From J. A. DeBernardi
Date August 13, 1979
Subject Third Quarter Fixed Cost Variance Reforecasts

Attached is presented in response to your telefax of August 8 on the subject. The changes indicated from our submittal of June 25, are basically the result of having actual 6-month fixed cost variance information available for use and work done on the preparation of the 1980 Fixed Cost Budget. The numbers presented do not reflect any costs associated with list of projects that could be done and expensed in the third quarter as presented in our July 13 letter on that subject.

A handwritten signature in dark ink, appearing to read "J. A. DeBernardi", is written over the typed name.

J. A. DeBernardi

is
Enc
CC + enc:
RDG-HDG-JRH

CCR 000066495

REFORECAST OF PLANT VARIABLE COSTS (\$M)

<u>Fixed Costs</u>	<u>June 25 Reforecast Third Quarter</u>	<u>Present Reforecast Third Quarter</u>
Payroll	-0-	35.0
MM&C	-0-	(80.0)
Utilities	-	-
Misc.	-0-	(31.0)
T.I.&D.	161.0	161.0
Total	<u>161.0</u>	<u>85.0</u>

Notes

- 1) Payroll variance is based on first half actual experience adjusted for estimated use of casual labor and extra work done on capital projects by plant personnel.
- 2) MM&C variance is based on first half actual experience and second half predictions made in 1980 budget adjusted for extra-ordinary projects not expected to be completed in 1979.
- 3) Miscellaneous variance reflects greater than budgeted R&D changes in third quarter, as well as waste hauling charge variance expected from disposal of waste secondary sludge from the sludge pit.

CCR 000066496