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April 24, 1980

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HAND DELIVERED

Joseph Hadley, Esquire
Keller & Heckman
1150 Seventeenth Street, N.W.
Washington, D.C. 20036

Re: Meeting with Environmental Defense
Fund Counsel

Dear Joe:

On March 28, 1980, John Barr, W. C. Holbrook, Nick Wheeler, John Dubeck, Scott Bowen, and myself met with representatives from the Environmental Defense Fund (EDF), Robert Rauch, and Larry Corcoran to continue discussions on what agreements could be developed with respect to the issues raised by pending amendments to the National Emission Standards for Vinyl Chloride. The amendments were proposed by EPA on June 2, 1977, and have yet to be promulgated.

The meeting was opened by summarizing the issues EDF wanted to discuss. They were:

1. whether the emissions from process vents and fugitive leaks can be lowered;
2. whether the Vinyl Chloride Standard can be amended to lower the stripping levels for residual vinyl chloride monomer to reflect actual levels being achieved presently by a majority of the industry;

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3. whether the number of emergency relief valve discharges and the amounts emitted can be reduced significantly, and what type of program could be initiated to bring about the reduction; and,
4. whether an offset procedure could be developed which would be acceptable to the industry.

After considerable discussion, the industry representatives appeared to convince the EDF representatives that little could be gained from reducing emissions from process vents and from fugitive sources.

It was further agreed that it is possible to lower the stripping levels, but there would have to be more than two categories or a number of resins may be lost because not all of them can be stripped to lower levels. EDF's counsel appeared to have some sympathy with this argument.

With respect to the emergency relief valve discharges, considerable time was spent educating the EDF representatives on design, operation, and problems related to relief valves. EDF continued to assert that the exposures caused by this type of discharge is troublesome and causes a problem for public health which must be dealt with quickly. EDF advised us again that a Freedom of Information Act (FOIA) request had been filed with respect to emergency relief valve discharges, and their review of the information leads them to believe that the industry needs to do a better job of controlling discharges. We were further advised that EDF would be sending a letter to EPA detailing the results of the FOIA review and requesting EPA to take action to reduce both the number and amount of vinyl chloride emissions.

Yesterday we received the EDF letter, and it is enclosed. The letter suggests in the first paragraph that

"if additional efforts are to be made, the greatest return . . . will be had from stricter enforcement of the current emergency discharge restrictions, . . . and promulgation of the pending amendments to the standards which will lower the emission limits for resin stripping"

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First, my notes suggest that the industry representatives never agreed to "stricter enforcement" but suggested that fewer emergency relief valve discharges are the goal and the industry record has been improving steadily. It was suggested that the number of emergency discharges is quite small when compared with the number of batches being charged. Regarding the pending amendments, we never agreed to their promulgation. Even though we discussed the resin stripping issue in detail we continued to question why the lowering is necessary with its attendant cost when there is no apparent health problem. It was suggested to Mr. Rauch that EPA's own report to Congress on the Cost of the Clean Air Act declares the Vinyl Chloride Standard will cost the industry through 1986 approximately Seven Hundred Sixty-Three Million Dollars (\$763,000,000) to implement. To add additional costs when not one death can be associated with exposure to vinyl chloride in the ambient air is creating an expensive insurance policy.

The offset issue was discussed only briefly. We advised Mr. Rauch that we continue to take a strong position against offsets. He indicated he would pursue this issue in some alternate fashion.

The meeting, although tense at times, ended on a cordial note with both sides believing some progress had been achieved. The progress was in terms of narrowing the issues to some extent although Mr. Rauch continued to assert that EDF wants vinyl chloride emissions "worked down to zero."

With respect to the letter which articulates EDF's new position to EPA, we will obtain the FOIA data EDF received and suggest it be reviewed to determine whether the facts asserted in the letter are accurate. Next we will determine what EPA plans to do in terms of a response to the EDF letter. If it appears EPA will take positive action on the EDF proposal, we suggest the Manufacturing Technology Committee meet to determine options and courses of action for consideration by the PVC Safety Group.

If you have any questions, please advise.

Cordially,

Gary H. Baise

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Enclosure

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TABLE I

<u>Region</u>	<u>Plant</u>	Emergency Discharges of VC (lbs.)*					
		<u>1977</u>		<u>1978</u>		<u>1979</u>	
		#	Amount	#	Amount	#	Amount
I	Borden Chemical, Leominster, Mass.	2	2150	2	5750	4	4380
I	Great American Chemical Corp., Fitchburg, Mass.	no reported discharges				1	?
II	B.F. Goodrich, Pedricktown, N.J.	no reported discharges					
II	Goodyear Tire & Rubber Niagara Falls, N.Y.	no reported discharges					
II	Panasote, Passaic, N.J.	no reported discharges					
II	Tenneco, Burlington, N.J.	no reported discharges					
II	Tenneco, Flemington, N.J.	no reported discharges					
III	Diamond Shamrock, Delaware City, Del.	no reported discharges		10	10023	6	15844
III	Firestone, Perryville, Md.	7	7400+	4	2800+	5	8520+
III	Firestone, Pottstown, Pa.	no reported discharges				1	1000
III	Pantasote, Mt. Pleasant, W.V.	2	41000	13	23450	9	2607
III	Stauffer Chemical Co. Delaware City, Del.	7	47565	6	21662	11	8532
III	Union Carbide, S. Charleston, W.V.	1	5000	2	5300	no reported discharges	

* Complete figures are available only for 1978. Therefore, discharges for 1977 and 1979 are understated. In particular, increases from 1978 to 1979 are greater than indicated above.

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MEMORANDUM

RECEIVED

TO: Joseph E. Hadley, Jr.
FROM: John B. Dubeck
DATE: April 9, 1980
Re: SPI-VCM/PVC Resin Producers Group

R. W. Landrie

As you requested, I attended a meeting at Gary Baise's office on March 28, 1980, at which the EPA standard for vinyl chloride emissions was discussed with Robert Rauch and Larry Corcoran of the Environmental Defense Fund (EDF). Gary Baise and Scott Bowen represented Beveridge, Fairbanks, and Diamond. SPI members in attendance were John Barr, of Air Products, W.C. Holbrook, of B. F. Goodrich, and Nick Wheeler, of Union Carbide. As you know, EDF has been pressuring the Environmental Protection Agency (EPA) to further tighten the emission standard for VCM. At the meeting, we discussed EDF's areas of concern regarding the current standard and the industry's compliance therewith. While EDF was hardly converted to our cause, I think the meeting was quite fruitful and I got the impression that EDF was beginning to realize that some of its ideas for further reducing vinyl chloride emissions were totally impracticable. It was agreed that another dialogue at some time in the future would be helpful. Gary Baise said that he would be preparing a complete report of the meeting.

The first subject that was discussed was stripping of residual vinyl chloride monomer (RVCM). EDF stated that it had analyzed the six-month reports for 1977, 1978 and 1979, and that they thought it would be appropriate to reduce the stripping limit for suspension resins to 50 ppm and for dispersions to 500 ppm. Our members explained to EDF that many factors affected the level to which VCM could be stripped, including the intended use of the resin because stripping does consume part of the heat history of the resin. EDF suggested that subcategories could be defined with different stripping levels established at each subcategory. Our members explained that such subcategories would be virtually impossible to define and that any lowering of the 24-hour average stripping level would knock certain resins off the market, impose further hardships upon the scheduling of resin manufacture (it was explained that high RVCM resins must be manufactured at the same time as low RVCM resins so that 24-hour average is not exceeded), and that some plants of some manufacturers would be much more severely hurt by any lowered stripping level depending upon the nature and variety of demand or the output of that plant.

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The 10 ppm limit for process vents was discussed with EDF anxious to lower this limit since waste water stripping facilities were routinely achieving levels well below 10 ppm. It was explained that a 10 ppm standard requires that equipment be designed to operate at 1 ppm or less to ensure that excursions above the permitted level do not occur. Finally, it was generally agreed that the total quantity of VCM involved in the process vent streams was insignificant.

EDF was quite confused by the emergency relief valve discharges that are being reported. Some companies report many discharges while others have none to report. It was discovered during the course of the discussion that at least one relief valve discharge by B. F. Goodrich that was reported to EPA was not included in the data sent to EDF by EPA. It was explained to EDF that the number of discharges per thousand pounds will vary depending upon the size, age and number of reactors that a company has. Another point that John Barr emphasized repeatedly is that union work rules were responsible for a large number of relief valve discharges because properly qualified personnel could not always be assigned to critical tasks. EDF was anxious to impose some incentive that would encourage the elimination of relief valve discharges such as a graduated fine system. Our SPI members explained that more important than any fine is the fire and explosion hazard that accompanies a relief valve discharge. EDF may or may not have been convinced but a very strong case was made for the fact that it was not only impossible but extremely dangerous to attempt to collect relief valve discharges.

On the topic of fugitive emissions, the discussion became quite philosophical. From what I understood of the discussion, fugitive emissions are just not a problem in terms of the quantity of vinyl chloride that is emitted and that the EPA figures on this source of emission are outdated and inaccurate.

The final topic of discussion concerned offsets. Our members took the position that this was a dead issue. They maintained that VCM emissions were as low as they could be today although the general trend of decreasing emissions would continue gradually as technology became available but that basically, there was no significant source of emission easily controlled by new technology that could give rise to any usable offsets. It was emphasized that PVC plants must be able to locate next to VCM plants since the major risk involved in the use of VCM is in its transportation.

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At the conclusion of the meeting, it was my impression that EDF would focus its attention on stripping and relief valve discharges since these represented the most significant areas for improvement. EDF reiterated that it would suggest the need for offsets in future communications with EPA. At this point, the members reemphasized the poor quality of EPA's data concerning fugitive emissions and urged that EDF consider excluding fugitive emissions from any policy that it advances concerning offsets.

For what they are worth, the notes that I took during the meeting are attached.



J.B.D.

Enclosure

cc: Lawrence P. Halprin

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