MONSANTO MARKETING POLICY

CHLORINATED BIPHENYLS

1. Monsanto supplies polychlorinated biphenyls only to manufacturers of sealed electrical equipment such as capacitors and transformers. This is a world-wide sales policy. We do not supply chlorinated biphenyls for other uses.

2. We do not offer any reclamation service for PCB dielectric fluids.

3. We have installed an incinerator at our W. G. Krummrich facility at Sauget, Illinois which is designed to breakdown chlorinated biphenyl liquid wastes. We offer this incineration service to both electrical equipment manufacturers and to users of electrical equipment who wish to properly dispose of dielectric liquid from equipment at the end of its service life.

4. Capacitors and transformers using PCBs have shown extreme reliability with useful lives of 10-20 years depending on the equipment in question. Potential replacements will need careful long-term field testing before assurance of acceptable life and performance can be known. Premature failure of replacement systems could cause disruptions in many sectors of electrical distribution networks. Equally, if not more important, premature introduction of insufficiently tested products while superficially resolving the controversy surrounding the use of PCBs, could introduce a more immediate safety hazard to those using electrical equipment in industry and the home.

5. Monsanto undertook research to find substitutes for PCB dielectrics for both transformers and capacitors as early as 1969. No candidates have yet demonstrated an equivalent fire resistance. Fire resistance is one of the major reasons for the use of PCB in electrical equipment.

   We have developed capacitor fluids which have been tested in small capacitors in limited quantities in our laboratories. Tests are underway with industry to investigate the performance in a wide range of sizes of capacitors. These tests will take at least 6 months to 1 year. We have also done biodegradation and toxicity studies which indicate favorable performance.

Monsanto has candidate fluids for transformer applications, but none of these is as fire resistant as Aroclor. We are working with the transformer industry and other interested organizations to define what level of fluid fire resistance is required to give adequate safety performance in installed electrical equipment.

6. In summary, we shall limit the supply of PCBs to sealed electrical systems where suitable replacements have not been proven. We will continue to work with the EPA and the electrical equipment industry and their customers to limit those small quantities of PCB which today reach the environment as a result of their continued essential use. We will continue to seek suitable replacements.