



Air Products and Chemicals, Inc.

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5 February 1980

Joseph E. Hadley, Jr., Esq.
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1150 17 Street, N.W.
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Dear Joe:

Attached find the reply for Air Products to your EPA/OSHA questionnaire sent to the SPI-PVC Safety Group with your 30 January letter, recast for simplicity. All costs are for "PVC" operations, we do not make vinyl chloride.

There were few direct EPA costs for plants 1 and 2; our compliance program for EPA was to rebuild these plants. Thus, we cannot directly separate the two programs. I would guess that the capital would be split about 4:1 in favor of EPA.

Plant 3 is a latex vinyl chloride copolymer plant which made no vinyl chloride-containing products in 1974. It is classed as "PVC" by EPA, but not by SPI. We cannot separate the annual costs of these two plants.

Annual costs are divided into three classes. Depreciation includes also taxes, insurance, and interest on the capital involved. Maintenance includes record-keeping, leak patrols, and other such items. Production loss is calculated on the contribution margin of those pounds not made because of delays inherent in compliance.

Please call me if you have any questions on these figures.

Very truly yours,

John T. Barr
Manager, Regulatory Response

JTB/sjw

Enclosure

cc: A. R. Adams

AP00053680



		COST, \$M		
Plant		1	2	3
OSHA-fix-up costs 1974-75		0.9	1.6	NA
1974 capacity, MM lbs.		85	125	0
Annual costs (1975-76)	Depreciation	0.2	0.4	
	Maintenance	0.4	0.7	
	Production Loss	<u>0.3</u>	<u>0.5</u>	
	TOTAL	0.9	1.6	NA
Subsequent capital for OSHA/EPA rules		4.5	13.0	8.0
Date		1976-77	1978-79	1978
Present capacity, MM lbs.		150	210	50
Annual costs	Depreciation, etc.	1.0	4.6	
	Maintenance, etc.	0.43	1.9	
	Production Loss	<u>0.55</u>	<u>0.75</u>	
	TOTAL	1.98	7.25	