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To: T. H. Huffman

From: D. C. Skokna
 Date: July 27, 1990

Subject: ABERDEEN MONTHLY PROGRESS REPORT
 JUNE, 1990

Interoffice
 Communication

VISTA

Safety

There were no reported injuries in June. At month's end Aberdeen plant employees had worked 4013 days (5,340,396 manhours) since the last lost time injury.

FY 1990 Key Statistical Information

	<u>June</u>	<u>Y.T.D.</u>
PVC Production, MM Lbs.	37.4	336.5
Reactor Stream Factor, %	92.0	88.4
Resin Quality, % Prime	98.9	97.3
VCM Efficiency, Lbs./Lb.	0.99642	1.0013
Flexible Compound Production, MM Lbs.	5.8	54.4
Flexible Compound Quality, % Prime	98.5	98.3
Rigid Compound Production, MM Lbs.	4.6	44.3
Rigid Compound Quality, % Prime	99.8	99.6
Plasticizer Production, MM Lbs.	1.4	13.6
Plasticizer Quality, % Prime	85.6	87.1
Energy Use, (EUI, %)	< 3.2>	< 7.7>
Fixed Cost Variance, \$M	< 12.0>	215.3
Variable Cost Efficiency Variance, \$M	40.7	594.0

Operations

Six railcars of low calcium 5305 were produced for Klockner. Installation of the permanent clean wall system began and will complete in August.

Some 56 hours of Line I time were used for Plenex Polymers development. Rates in the rigid compound unit were adversely affected by screener problems (136 hours of downtime).

CCR 000006371

T. H. Huffman

7/27/90

Aberdeen Monthly Progress Report - June, 1990

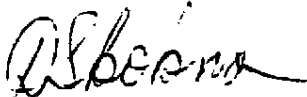
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Costs

Variable costs were favorable in the resin and compound units. Good efficiencies and low offgrade rates in these units and favorable product mixes caused the good results. Offsetting these variances was an unfavorable (high use of raw materials) variance in the plasticizer unit. A process change made earlier may be the cause of the inefficiency.

OMP

1. 100% of the plant's natural teams met during June.
2. Overall, natural team scores for the 3rd quarter are up 46% from the previous quarter; an average score of 7.3 points.
3. The plant's estimated Q-Scorecard results as of June 1 are 10.3.
4. The Vinyl "B" Shift Natural Team made its management presentation. They recommended improved blend tank sparger design that benefits the environment, improves safety and quality, and reduces energy consumption.
5. AT&T (a compound customer) presented us their 5 Star Rating (the highest) as a result of our semi-annual vendor rating.


D. C. Skokna
Plant Superintendent

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CCR 000006372

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ABERDEEN CHEMICAL PLANT
APPROVED CAPITAL PROJECT

AFE NUMBER	PROJECT DESCRIPTION	STATUS
A058	ALTERNATE NATURAL GAS PIPELINE	THE SYSTEM HAS BEEN STARTED UP AND IS OPERATIONAL. PUNCHLIST ITEMS ARE IN PROGRESS.
D818	VINYL VALVE UPGRADE	INSTALLATION IS IN PROGRESS AND PLANNED FOR COMPLETION IN AUGUST.
A519	PLANT ELECTRICAL UPGRADE	CONSTRUCTION IS 95% COMPLETE AND IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR MAY.
A649	VINYL CONTROL SYSTEM MODERNIZATION	ENGINEERING IS IN PROGRESS. CONTROL ROOM CONSTRUCTION IS IN PROGRESS WITH COMPLETION PLANNED FOR SEPTEMBER.
A909	INERTS REMOVAL MODIFICATIONS	CONSTRUCTION IS IN PROGRESS WITH COMPLETION SCHEDULED FOR AUGUST.
C919	NEW WATER WELL	CONSTRUCTION IS COMPLETE EXCEPT FOR PUNCHLIST ITEMS. COMPLETION IS PLANNED FOR APRIL.
D619	PROPANE STORAGE AREA DELUSE SYSTEM	INSTALLATION WILL BE COMPLETED IN MAY.
D629	COMPOUND REBLEND TRANSFER SYSTEM	INSTALLATION IS COMPLETE EXCEPT FOR PUNCHLIST ITEMS.
D749	LEAD HANDLING AND EXPOSURE REDUCTION	INSTALLATION IS IN PROGRESS WITH COMPLETION PLANNED FOR JUNE.
D789	INERT GAS PURGING OF PA TANKS	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
D849	COMPOUND LINE 3 SENT-BULK LEAD HANDLING	LONG LEAD ITEMS HAVE BEEN PLACED ON ORDER. PROJECT COMPLETION IS PLANNED FOR 10/90.
D859	COMPOUND SILO BRIDGE BREAKING	LONG LEAD ITEMS HAVE BEEN PLACED ON ORDER. COMPLETION IS PLANNED FOR 10/90.
D899	RAILCAR CLEANING RACK	DESIGN IS IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR 11/90.
F579	COMPOUND BOXING HOPPER MAGNETS	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
F669	COMPOUND LINE 3 HEATED PLASTICIZER	ENGINEERING IS IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR JULY.
F699	LOW MOLECULAR WEIGHT RESIN EXPANSION	INSTALLATION IS IN PROGRESS WITH COMPLETION PLANNED FOR JULY.
F739	DRYER NO.8 CONTAMINATION REDUCTION	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
F779	DRYER NO.4 CONTAMINATION REDUCTION	A CHANGE ORDER HAS BEEN APPROVED FOR MODIFICATIONS TO #5 DRYER.
B369	DRYBLEND DIV. VALVE AND CHUTE REPLACEMENT	DESIGN IS IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR JULY.
B659	NEW DRYER BARRHOUSES	MODIFICATIONS TO THE INLET AIR DAFFLES ARE BEING TESTED.
B719	COMPOUND SEWER REVISIONS	INSTALLATION IS IN PROGRESS WITH COMPLETION IN JULY.
B759	WASTE OIL REDUCTION	INSTALLATION IS IN PROGRESS WITH COMPLETION PLANNED FOR APRIL.
B819	VCM SIGHT GLASS REPLACEMENT	DESIGN IS IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR JULY.
B839	PLANT WATER RECYCLE	DESIGN IS IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR OCTOBER.
H679	PLASTICIZER REACTOR AGITATORS	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
H729	TORQUE RHEOMETER REPLACEMENT	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
H769	PLANT DIVERTER VALVE REPLACEMENT	INSTALLATION IS COMPLETE EXCEPT FOR PUNCHLIST ITEMS.
H799	HIGHWAY 25 LAND PURCHASE	NEGOTIATIONS ARE UNDERWAY.
H829	RECOVERY SYSTEM COMPRESSOR - SPARE	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
H879	ROOF UPGRADE	THE PROJECT WILL BE CLOSED TO FIELD CHARGES IN APRIL.
A540	REDUCED FLAME & SMOKE COMPOUND PROJECT	INSTALLATION OF THE SANDURY ROTOR COOLING PIPING IS PLANNED FOR 5/1.
B560	TC SPILL CONTAINMENT	DESIGN IS IN PROGRESS ON V-11 DRYER AREA ITEMS.
H500	PLANT WATER SYSTEM	ENGINEERING IS IN PROGRESS. PROJECT COMPLETION IS PLANNED FOR MID-1991.
H510	WEST INCINERATOR REPLACEMENT	ENGINEERING IS IN PROGRESS. SPECS HAVE BEEN ISSUED TO T-THERMAL FOR REVIEW.
H520	MISCELLANEOUS CAPITAL PROJECTS < \$15M	ENGINEERING IS IN PROGRESS ON 25 PROJECTS.
L330	FURNITURE AND OFFICE EQUIPMENT	EQUIPMENT IS BEING QUOTED.

CCR 000006351

ENVIRONMENTAL - F. G. Jeanson

Water

All wastewater discharge parameters were met for the month of March. Bioassay testing was also completed on our wastewater outfall. No toxicity was found in this test.

The Mississippi Department of Environmental Quality (MDEQ) was in the plant during the month to collect samples from our wastewater and storm water outfalls. Results should be issued next month.

Samples from the EPA were received for the annual lab performance evaluation. Results from the lab analysis of the samples will be sent to EPA next month.

A baffle was installed in the biodisc to help increase this unit's efficiency to remove wastewater contaminants. Wastewater parameters will be evaluated in the coming month to determine if this baffle has made a significant difference in the biodisc operation. The biodisc consists of three rotating biological contractors which are highly aerated and remove a large part of the wastewater contaminants.

Waste

Waste shipments for the month included:

- Two bulk loads of separator oil to Systech in Demopolis, AL.
- One bulk load of lead bags to CWM in Emelle, AL.
- One bulk load of API sludge to CWM in Emelle, AL.
- One drum of phthalic anhydride spill to CWM in Lake Charles, LA.

Sludge from pond #3 of our wastewater treatment system was sampled and analyzed for toxicity using the new toxicity characteristic leaching procedure. No toxicity was found in the samples using this test.

Air

The MDEQ did not review the air permit application that we submitted to become a minor source. Instead, they decided to take a different approach. They wanted us to change our air permit application to a construction permit application for the VCSM project. When this was considered by their permit board, we would get both an operating permit with minor source status and a construction permit for the VCSM project. The construction permit application, since it calls for an increase of emissions of a toxic air pollutant, will have to go through a thirty-day public notice period. The public notice will be issued in April and we expect the new permits in May.

CCR 000006352

ENVIRONMENTAL - Continued

Air - continued

The new operating air permit will have limits on all of our pollutants. In previous permits, the boilers and particulates were the only things listed. The new permit will include limits on vinyl chloride, plasticizer, alcohol, VOC's on the dryers and incinerators, and all combustion pollutants.

A NESHAP authorization for the VCSM project was also submitted to the MDEQ. This authorization is necessary since we are modifying our plant and increasing the potential for vinyl chloride emissions.

Superfund

Interviews were conducted with employees and contractors to determine what was buried on site. A file search was conducted to find any additional items of information on the sites, geo-technical information or ground-water monitoring results.

A second meeting was scheduled with Conoco for April. During this meeting, we will also meet with a contractor who is interested in reclaiming the resin in old pond #2 for recycle.

Miscellaneous

A notice was published in the paper for the Coker water wells. Proof of publication was sent to the MDEQ.

I attended a meeting of industry and State MDEQ representatives during the month. We discussed the State air toxics program.

SAFETY - B. L. Trego

	<u>June</u>	<u>Fiscal</u> <u>Y.T.D. 1990</u>	<u>Fiscal</u> <u>Y.T.D. 1989</u>
First Aid	0	13	12
OSHA Recordable	<u>0</u>	<u>4</u>	<u>6</u>
Total Injuries	0	17	18
Number of Restricted Workday Cases	0	3	2
Number of Lost Workday Cases	0	0	0

Injuries by Department

Vinyl Operations	0	0	2
Compound Operations	0	5	4
Maintenance	0	10	10
Laboratory	0	1	1
Receiving/Warehouse	0	0	0
Office	<u>0</u>	<u>1</u>	<u>1</u>
Totals	0	17	18

Injuries by Type

Cuts and Abrasions	0	6	3
Eye Injuries	0	1	0
Burns	0	3	6
Bruises	0	2	4
Strains/Sprains	0	1	3
Stings	0	2	0
Other	<u>0</u>	<u>2</u>	<u>2</u>
Totals	0	17	18

Non-Occupational Injuries

Lost Workday Cases	0	6	2
Days Lost	14	133	42

Safety Record

Last lost time injury - 7/5/79
Days since - 4013
Employee hours since - 5,340,396

On June 30, 1990, the employees of the Aberdeen plant completed 4013 days with no lost time injury.

The major topics for June safety meetings were CPR and Respirator Training.

SAFETY - Continued

David C. Sheffield of International Loss Control Institute, conducted a plant-wide safety audit during the week of June 25, 1990. A report of the findings is expected from ILCI during July.

Routine dosimetry results for the month were:

<u>Chemical</u>	<u>< PEL</u>		<u>> PEL</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
VCM	77	98.72	1	1.28
Lead	18	94.74	1	5.26
Total Particulates	7	100.0	0	0.0

Both overexposures were benefit of respiratory protection.

Monthly Injury Summary

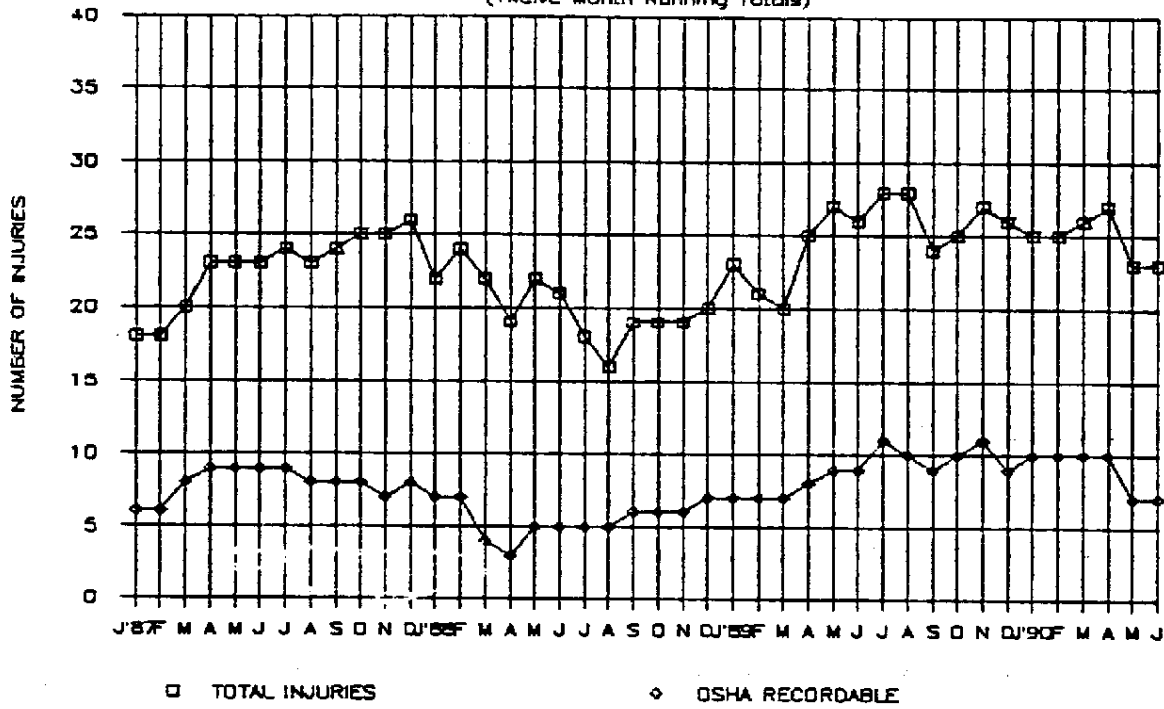
<u>Injury Class</u>	<u>Department</u>	<u>Description</u>
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No injuries reported during June.

CCR 000006375

ABERDEEN CHEMICAL PLANT INJURIES

(Twelve Month Running Totals)



QUALITY MANAGEMENT PROCESS - T. J. Arbeiter

Q3FY90 Natural Team scores are in! The Aberdeen Plant team activity resulted in an average score of 7.3 points, up 46% from the previous quarter. Our Natural Teams and facilitators deserve great credit for the accomplishment. These "points" represent a lot of good work done by our teams.

The Vinyl "B" Shift Natural Team made a presentation to management on June 20th. The team recommended changes to sparger design aimed at benefiting the environment, improving safety and the quality of our products, and reducing energy consumption.

The Aberdeen Q-Scorecard score as of June 1st is 10.3. Our progress by line item is as follows:

<u>Item</u>	<u>Score</u>
1990 Card Submission	10
1991 Card Submission	10*
Average Natural Team Score	10
Safety	12
Cost Control	12
Quality	10*
Waste Minimization	13
Linkage	4

* Assumed

COST VARIANCES - D. C. Skokna

Variable Costs

<u>Product</u>	<u>June, 1990 Variance, \$M</u>		
	<u>Efficiency</u>	<u>Price</u>	<u>Total</u>
PVC	\$74.0	(\$65.5)	\$ 8.5
Flexible Compound	38.9	(21.4)	17.5
Rigid Compound	11.3	(1.6)	9.7
Plasticizer	(83.5)	<u>44.4</u>	<u>(39.1)</u>
	\$ 40.7	(\$ 44.1)	\$ (3.4)

PVC - \$74.0M favorable. VCM consumption was below budget, and product mix was favorable. Offgrade production was 70% below budgeted levels.

Flexible Compound - \$38.9M favorable. Raw material use was slightly above budget (\$20.1M), product mix was \$49.3M favorable, and variance due to offgrade was \$10.6M favorable. Millscrap production was 62% below budget.

Rigid Compound - \$11.3M favorable. Operation was essentially at budget.

Plasticizer - \$83.5M unfavorable. Raw material use was significantly above budget. Investigation indicates that a switch to soda ash neutralization (done to reduce the amount of BOD going to the wastewater system) may be the cause of this month's and recent month's inefficiencies. To evaluate further, use of caustic has been resumed.

Price Variances - \$44.1M unfavorable

	<u>\$M</u>
- Alfol 610 ⁸ Alcohols	\$ 31.9
- 610P to Flexible Compound	28.9
- VCM	(68.9)
- All Other Prices Variances	<u>(36.0)</u>
Total	(\$ 44.1)

Fixed Cost Variances - \$12.0M unfavorable

	<u>\$M</u>
- Payroll and Benefits	\$ 24.2
- MM&C	42.5
- Miscellaneous	62.5
- TI&D	(137.2)
- Clearances	<u>(4.0)</u>
Total	(\$ 12.0)

CCR 000006378

COST VARIANCES - Continued

Payroll and Benefits - Payroll was essentially at budget while benefits clearances were \$179M favorable.

M. M. & C. - Activity was below budgeted levels.

Miscellaneous - Most items in this group were favorable; the most favorable item was "packaging supplies" - \$26.2M favorable.

T.I. & D. - An unexpected city tax clearance caused this category to be significantly unfavorable. We are trying to determine why this happened.

CCR 000006379