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INTEROFFICE CORRESPONDENCE
GAF Corporation

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DATE 6 January 1976

TO W. Fassullotis
LOCATION New York

cc : Dr. N. P. Klaas
Mr. F. E. Wetherill

FROM T. F. Gedettis
LOCATION Bound Brook

SUBJECT: ECONOMIC IMPACT OF PROPOSED ASBESTOS STANDARDS

Yes
In reviewing the draft of the report of the Asbestos Standard Task Force, I am somewhat concerned that the required investment at Erie 16th Street may be on the low side. The proposed permissible exposure level of 0.5 fibers/cc is extremely low. It has been my experience, in other areas of dust collection, that the lower the limit becomes, the higher the capital investment following the laws of diminishing returns.

It is my concern that as the major areas are brought under control and meet permissible exposure levels, it will become apparent that other areas will also need dust control. I do not have the initial dust count reports and it could be that some other job classifications, that are not routinely sampled, may require reduction of exposure levels.

2)
The increased cost resulting from the new lowered standard would have only minimal effect on the Erie 16th Street operation. The total annual cost increase, both for depreciation and for increased operating costs, is in the neighborhood of \$40,000 per year. This results in about a \$2.00 per ton increase on a product that has an average standard cost of over \$300.00. This resulting 6/10 of 1% cost increment should not have any adverse effect on the operation of the plant. Although these costs cannot be absorbed, I am sure they could be passed on within the marketplace.

I might point out that this cost increase is negligible compared to the raw material increases that we are experiencing.

I do not know of substitute materials that could be used for asbestos in our products, although some may exist. It is questionable that a comparable product could be made without the use of asbestos.

At present, a substitute for asbestos roofing felt is available in the form of glass matt. As I understand it, the cost is somewhat higher than the asbestos paper but there is a continuing increase in the use of this material for roofing.

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With the type of products we are producing, I do not believe that the end user would have difficulty meeting exposure levels so I would not anticipate a declining market for that reason.

In general, I feel that the additional costs would have very little effect on the Erie 16th Street operation either directly or through a declining market.



T. F. Gedettis

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