



INTERNAL CORRESPONDENCE

PLAINTIFF'S EXHIBIT

UC-P-48

UNION CARBIDE CORPORATION
COATINGS MATERIALS DIVISION

Star Route Box 90, Brownsville, Texas 78521

To (Name) Mr. Dick Blackmore
Company Bldg. 2000, Room 2403
Location Tech Center
South Charleston, W. Va. 25303

Date January 25, 1990

Originating Dept.

Answering letter date

Subject Asbestos Disposal -
Brownsville Plant

Copy to

Mr. Blackmore

Enclosed is a letter dated February 10, 1989 written by Mr. Dick Lasher regarding the justification and calculation of the removal of insulation from the Brownsville Plant.

Please call me at (512) 831-4501 if you should have any questions.

Bella Cortes
Bella Cortes

MBC/lw
Enclosure

DE 007406

UNION CARBIDE CORPORATION
Solvents & Coatings Materials Division

39 Old Ridgebury Road
Danbury, CT 06817-0001

TO: T. T. Elgin

DATE: February 10, 1989

CC: F. H. Cone
B. Cortez
M. E. Tapp
D. B. Smith, II
R. L. Homack

SUBJECT: Asbestos Disposal-Brownsville
Plant

Definition of the Issue

In 1988 Brownsville Technical Park (BTP) entered into a contract to purchase the equipment located in the process area of the Brownsville Plant. The contract requires BTP to dismantle the equipment and dispose of any insulation on that equipment. We estimate the insulation on the equipment in the process area to consist of approximately 5300 cubic yards; 2500 cubic yards of asbestos type and 2700 cubic yards of non-asbestos insulation. Since some of the material cannot be identified as asbestos or non-asbestos we will assume there is 2600 cubic yards of each type of insulation for disposal purposes.

Both the Brownsville and Harlingen landfills are permitted by the state of Texas to accept asbestos, provided it meets certain requirements. The asbestos insulation from the Brownsville Plant meets these requirements. However, the Texas Air Control Board (TACB) and Mark Tapp recommend disposing of the asbestos at the Harlingen Landfill since the material will be isolated, tracked on a long term basis and the site is properly secured and managed. Several problems exist with the Brownsville landfill. The site has a high water table preventing isolation, frequent scavenging occurs on the site and our material will not be tracked on a long term basis. The Brownsville landfill is acceptable to BTP and their purchase price of the equipment was predicated on disposing the insulation at the Brownsville landfill.

There is a significant difference in disposal costs between the two landfills and the costs shown below were verified by Bella Cortez:

	<u>Brownsville</u> <u>\$/Cu. Yd.</u>	<u>Harlingen</u> <u>\$/Cu. Yd.</u>	<u>Difference</u> <u>\$/Cu. Yd.</u>
Asbestos Insulation	\$9.70	\$32.00	\$22.30
Non Asbestos Insulation	\$4.30	\$32.00	\$27.70

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UCC requested BTP to dispose of the insulation in the following manner:

- Treat all 5300 cubic yards of insulation as asbestos for removal and disposal purposes.
- Dispose of all the insulation at the Harlingen landfill.

These two requests by UCC results in \$130,000 of additional disposal costs which will be for UCC's account. The \$130,000 of additional cost can be derived by the following calculation:

<u>Insulation Type</u>	<u>Quantity Cu. Yds.</u>	<u>Difference in Disposal Cost \$/Cu. Yd.</u>	<u>Additional Cost \$</u>
Asbestos	2,600	\$22.30	\$57,980.
Non Asbestos	<u>2,600</u>	\$27.70	<u>\$72,020</u>
Total	5,200		\$130,000

By comparison, the additional disposal cost to UCC for using the Brownsville landfill would only be \$14,040 and this additional cost is due to treating all of the insulation as asbestos.

Relevant documentation pertaining to the choice of landfill sites, disposal procedures and disposal costs for each site is attached.

Recommendation

Since all of UCC's activities are under intense scrutiny in Brownsville due to the ongoing litigation, and both the TACB and Mark Tapp recommend disposing of the asbestos insulation at the Harlingen landfill that recommendation is endorsed by myself and Bella Cortez. I would like your endorsement of the recommendation as soon as possible, since considerable materials are bagged and scattered around the plant site awaiting disposal. Additional delay results in the costs escalating due to double handling of the bags and the replacement of the bags which are broken. Please indicate your endorsement by signing and dating the face of this letter and writing approved.

DE 007408

Next Steps

<u>Item</u>	<u>Completion Date</u>
1. RML discuss the recommendation with Ty Elgin to get his approval.	2/13/89
2. RML communicate UCC's position to BTP in writing and obtain their agreement.	2/14/89
3. RML negotiate all remaining asbestos removal and disposal costs with BTP.	2/14/89
4. BTP will contract with a third party for the disposal of all insulation per Mark Tapp's instructions which are attached.	2/15/89

This is one of many examples of how the environmental closure costs at the Brownsville Plant continue to escalate. Please contact me if you have any questions.

Best regards,

Dick

R. W. Lasher

RHL/wg
9673e

Attachment

DE 007409