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Roy T. Gottesman, Ph.D.
The Vinyl Institute
Wayne Interchange Plaza II
155 Route 46 West
Wayne, New Jersey 07470

Re: SPI v. EPA; 1986 Amendments to the Vinyl Chloride
Standard

Dear Roy:

Enclosed is a copy of a letter from Richard Roos-Collins of the Environmental Protection Agency (EPA), responding to our request for additional clarification of certain provisions in the vinyl chloride standard as a condition of our agreement to settle this case. EPA has agreed to the final two clarifications we sought.

With the exception of some minor typographical errors, Exhibit A accurately reflects my discussions with Mr. Roos-Collins. Upon approval by you and the Committee Chairmen, and final approval of the settlement by EPA's Office of General Counsel, we can proceed with the signing of the settlement agreement and finally resolve this matter.

VEV 000102071

KELLER AND HECKMAN

Roy T. Gottesman, Ph.D.
April 7, 1988
Page 2

If you should have any questions about the revised draft, please give me a call.

Cordially yours,



Peter L. de la Cruz

Enclosures

cc: Robert D. Luss, Esq.
W. C. Holbrook
Charles E. O'Connell
Lewis R. Freeman, Jr.
Robert W. Sherman
Robert Brager

bcc: William L. McClain

VEV 000102072



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November 17, 1987

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TO: Vinyl Institute Legal Committee
Vinyl Institute Health, Safety & Environment Committee

RE: SPI v. EPA REVISED SETTLEMENT PROPOSAL

Attached is the proposed draft settlement agreement with respect to
SPI v. EPA.

Please review the attached and provide Peter and/or me with your
comments by December 8, 1987.

Maybe we can wrap this up by the end of the year!!!

Meredith

Meredith N. Scheck
Assistant Director

VEV 000102108

cc:
Dick Frohreich
Joe Ledvina
Orig - WCM

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December 8, 1987

CHAMBERS
VCU Law

Roy T. Gottesman, Ph.D.
The Vinyl Institute
155 Route 46 West
Wayne, New Jersey 07470

Re: SPI v. EPA Settlement Agreement

Dear Roy:

As follow-up to my letter of November 16, 1987, I have more thoroughly reviewed the proposed Settlement Agreement in our challenge to the 1986 amendments to the vinyl chloride standard. Based on this review and member comments, I recommend that we send the enclosed draft response to the Environmental Protection Agency requesting a few clarifications.

The Vinyl Institute's comments on the earlier draft proposal were contained in my letter of July 17, 1987 to Richard Roos-Collins at the Environmental Protection Agency (EPA). That letter contained three suggested points of clarification. Two of those points dealing with reporting of relief valve discharges (Section 61.65(a)) and pump seal monitoring methods (Section 61.242-2(d)(4)(i)) have been adopted as suggested.

Our third suggestion dealt with revisions to Section 61.242-2(d)(6), which also addresses leaks from pumps. In our earlier letter, we noted our uncertainty as to the scope and meaning of this section and suggested that leaks from pump seals be regulated exclusively under subsection 4 of the provision while subsection 6 should apply to sensor and internal seal failures. While EPA modified subsections (i) and (ii),

VEV 000102103

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KELLER AND HECKMAN

Roy T. Gottesman, Ph.D.
December 8, 1987
Page 2

the Agency did not adopt the precise the language we offered. Nonetheless, the revised language presented by EPA here is an improvement over the prior language, although, as we discuss in our letter to Stephen L. Samuels, we would hope to have EPA recognize that confusion could result from allowing plant owners or operators establish their own standards under Section 6. Whether we would obtain any significant additional relief by pursuing this item further is, however, difficult to ascertain.

In the letter to Stephen Samuels, we stress our general agreement with the proposal, but request clarification of three points, the first being that EPA acknowledge that cumulative calculations under § 61.65(d)(ii)(a) regarding discharges to flares applies only to simultaneous discharges to a single flare. As for the second, we request that EPA confirm that liquid dripping from pump seals not be considered leaks until the required monitor detects vinyl chloride. Third, we request that EPA recognize that Section 61.242-2(d)(6) leaves open the possibility for conflicting standards for leaks from pump seal dripping.

We trust the letter to Stephen Samuels accurately reflects The Vinyl Institute's views with regard to the settlement proposal. I look forward to hearing from you and the others receiving a copy of this letter concerning the settlement.

Cordially yours,



Peter L. de la Cruz

Enclosure

cc: Robert Brager
Robert D. Luss, Esq.
W. C. Holbrook
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Robert W. Sherman

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TO: Vinyl Institute Legal Committee
Vinyl Institute Health, Safety & Environment Committee

RE: SPI v. EPA REVISED SETTLEMENT PROPOSAL

Attached is the proposed draft settlement agreement with respect to
SPI v. EPA.

Please review the attached and provide Peter and/or me with your
comments by December 8, 1987.

Maybe we can wrap this up by the end of the year!!!

Meredith

Meredith N. Scheck
Assistant Director

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November 16, 1987

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Roy T. Gottesman, Ph.D.
The Vinyl Institute
155 Route 46 West
Wayne, New Jersey 07470

Re: SPI v. EPA; 1986 Amendments to the
Vinyl Chloride Standard

Dear Roy:

Late this afternoon I received a call from Steve Samuels at the Department of Justice indicating that a revised settlement proposal on our challenge to the Environmental Protection Agency's (EPA) 1986 Amendments to the Vinyl Chloride Standard was ready. Since I will be out of the office on travel Tuesday and Wednesday, I am forwarding the package so that we can all review it simultaneously. I would appreciate your distribution of the materials to the Legal Committee and the Health, Safety and Environment Committee. While the material must obviously be distributed to Vinyl Institute members, please recall that no public release is authorized.

I look forward to receiving everyone's comments and to resolving this matter.

Cordially yours,

Peter

Peter L. de la Cruz

Enclosures

cc: Robert D. Luss, Esq.
W. C. Holbrook
Charles E. O'Connell
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JUN 15 1987

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Executive Director

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June 9, 1987

TO: VI Health, Safety & Environment Committee
VI Legal Committee

RE: SPI v. EPA: 1986 Amendments to the Vinyl Chloride Standard

Peter de la Cruz's letter of June 8th and attachments thereto, received today, are self-explanatory.

As we wish to conclude a settlement agreement as rapidly as possible, please advise Peter de la Cruz directly by phone no later than June 19th only if you have any comments or problems with the EPA proposed revisions.

Unless Peter hears from you to the contrary by June 19th, he will proceed to finalize a settlement agreement.

Roy

RTG/pmb
cc: P. de la Cruz
M. Scheck

VEV 000102123

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DR. R. T. GOTTESMAN

June 8, 1987

Roy T. Gottesman
Executive Director
The Vinyl Institute
Wayne Interchange Plaza II
155 Route 46 West
Wayne, New Jersey 07470

Re: SPI v. EPA; 1986 Amendments to the Vinyl Chloride
Standard

Dear Roy:

I today received the enclosed materials from the Environmental Protection Agency (EPA) in response to our May 5 meeting and the revised settlement language that we delivered to EPA and the Justice Department on May 6. Although I have only had an opportunity to review the language quickly, it appears to be both favorable and similar to what we anticipated.

At this juncture, I recommend that the attached language be circulated to the Institute members for their review and determination of acceptability. As with the earlier materials, while the settlement proposal can be discussed among Vinyl Institute members, no public release is authorized. We

VEV 000102124

Roy T. Gottesman
June 8, 1987
Pag 2

KELLER AND HECKMAN

look forward to receiving everyone's comments on the proposed
settlement language.

Cordially yours,


Peter L. de la Cruz

Enclosures

cc: (w/encl.)
Robert D. Luss, Esq.
W. C. Holbrook
Charles E. O'Connell
Lewis R. Freeman

VEV 000102125

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CONFIDENTIAL: FOR USE ONLY IN SETTLEMENT NEGOTIATIONS IN
SOCIETY OF PLASTICS INDUSTRY V. EPA

SUGGESTED REVISIONS TO VINYL CHLORIDE NESHA¹P
(June 2, 1987)

1. Definition of an exhaust gas

Add to the definition of "exhaust gas":

A leak as defined in paragraph (w) of this section is not an exhaust gas. Equipment which contains exhaust gas is subject to Section 61.65(b)(8), whether or not that equipment contains 10 percent by volume vinyl chloride.

2. Definition of Relief Valve Discharge

Revise § 61.61(y) to read:

(y) "Relief Valve Discharge" means any non-leak discharge through a relief valve.

Revise the first sentence of § 61.65(a) as follows:

(a) Relief Valve Discharge. Except for an emergency relief discharge and, except as provided in paragraph 61.65(d), there is to be no discharge to the atmosphere from any relief valve on any equipment in vinyl chloride service.

Add a new paragraph 61.65(d) as follows:

(d) A relief valve discharge that is ducted to a control device that is continually operating while emissions from the release are present at the device is subject to the following requirements:

(i) A discharge from a control device other than a flare shall not exceed 10 ppm (average over a 3-hour period) as determined by the continuous emission monitor system required under § 61.68. Such a discharge is subject to the requirements of § 61.70.

(ii) For a discharge routed to a flare, the flare shall comply with the requirements of § 60.18.

((a)) Flare operations shall be monitored in accordance with the requirements of paragraphs 60.18(d) and 60.18(f)(2). For the purposes of paragraph 60.18(d), the volume and component concentration of each relief valve discharge shall be estimated and calculations shall be made to verify on-going compliance with the design and operating

requirements of paragraphs 60.18(c)(3) through (c)(6). If more than one relief valve is discharged to a single flare, these calculations shall account for the cumulative effect of all such relief valve discharges. These calculations shall be made and reported quarterly for all discharges within the quarter. Failure to comply with any of the requirements of this paragraph will be a violation of § 61.65(d)(ii). Monitoring for the presence of a flare pilot flame shall be conducted in accordance with paragraph 60.18(f)(2). If the results of this monitoring or any other information shows that the pilot flame is not present 100 percent of the time during which a relief valve discharge is routed to the flare, the relief valve discharge is subject to the provisions of § 61.65(a).

((b)) A report describing the flare design shall be provided to the Administrator not later than 90 days after the adoption of this provision or within 30 days of the installation of a flare system for control of relief valve discharges, whichever is later. The flare design report shall include calculations based upon expected relief valve discharge component concentrations and net heating values (for PVC this calculation shall be based on values expected if a release occurred at the instant the polymerization starts); and estimated maximum exit velocities based upon the design throat capacity of the gas in the relief valve.

3. Definition of EDC Purification

Revise the definition of EDC Purification to read:

"Ethylene dichloride purification" includes any part of the process of ethylene dichloride purification following ethylene dichloride formation, but excludes intermediate and final ethylene dichloride storage tanks.

4. Definition of 3-Hour Period

Revise the definition of 3-hour period to read:

"3-hour period" means any three consecutive 1-hour periods (each commencing on the hour), provided that the number of 3-hour periods during which the vinyl chloride concentration exceeds 10 ppm does not exceed the number of 1-hour periods during which the vinyl chloride concentration exceeds 10 ppm.

5. Definition of a Leak

Revise the definition of a leak to read as follows:

"Leak" means any of several events that indicate interruption of confinement of vinyl chloride within process equipment.

Leaks include events regulated under Subpart V of this part such as: (1) An instrument reading of 10,000 ppm or greater measured according to Method 21 (see Appendix A of 40 CFR Part 60); (2) a sensor detection of failure of a seal system, failure of a barrier fluid system, or both, (3) detectable emissions as indicated by an instrument reading of greater than 500 ppm above background for equipment designated for no detectable emissions measured according to Test Method 21 (see Appendix A of 40 CFR Part 60); and (4) In the case of pump seals regulated under Section 61.242-2, indications of liquid dripping. Leaks also include events regulated under § 61.65(b)(8)(i) for detection of ambient concentrations in excess of background concentration. A relief valve discharge is not a leak.

Revise Section 61.242-2(d) as follows:

(d) Each pump...is exempt from the requirements of paragraphs

(a), and (b) provided..."

(1) [No change]

(2) [No change]

(3) [No change]

(4) [No change]

(i) If there are indications of liquid dripping from the pump seal at the time of the weekly inspection, the pump shall be monitored by the method specified in § 61.245(d) to determine the presence of VOC and VHAP in the barrier fluid.

(ii) If the monitor reading (taking into account any background readings) indicates the presence of VHAP, a leak is detected. For the purpose of this paragraph, the monitor may be calibrated with VHAP, or may employ a gas chromatography column to limit the response of the monitor to VHAP, at the option of the owner/operator.

(iii) If an instrument reading of 10,000 ppm or greater (total VOC) is measured, a leak is detected.

(5) Each sensor as described in paragraph (d)(3) of this section is checked daily or is equipped with an audible alarm.

(6)(i) The owner or operator determines, based on design considerations and operating experience, criteria applicable to the presence and frequency of drips and to the sensor that indicate failure of the seal system, the barrier fluid system, or both.

(ii) If there are indications of liquids dripping from the pump seal, or the sensor indicates failure of the seal system, the barrier fluid system, or both, based on the criteria determined in paragraph (6)(i), a leak is detected.

(iii) When a leak is detected, it shall be repaired as soon as practicable, but not later than 15 calendar days after it is detected, except as provided in §61.242-10.

(iv) A first attempt at repair shall be made no later than 5 calendar days after each leak is detected.