Cap Makers Face PCB Hikes

By Richard S. Davis

NEW YORK -- Monsanto Corp. has initiated an across-the-board price hike of 34% on the PCB fluids used in high-voltage capacitors and transformers which it alone produces in the U.S., according to reliable industry sources. The company is justifying the immediate price increases to its customers with the additional overhead it is costing managment to defend the controversial PCB chemical from the attack of government and environment groups, it was learned.

It was further learned that Monsanto has warned its PCB customers that more price increases may be forthcoming, with prices possibly doubling by year's end.

The inevitable passing along of this raw material cost increase to buyers has begun at capacitor manufacturers. Cliff Tuttle, president of Aerovox Capacitors, told EBN that as of May 1, all capacitors Aerovox makes with PCBs will go up about 7% in cost to users. Other manufacturers can be expected to raise prices on PCB-impregnated products as well.

Monsanto recently said it would phase out its production of the toxic PCBs, but assured its customers that the phaseout would be gradual and based on their ability to find suitable substitutes for their products. (EBN, February 9, 1976)

PCBs (polychlorinated biphenyls) are used in high-voltage products as a flame retardant impregnate. No substitute providing as much fire protection has yet been developed, say PCB users.

Both environmental and governmental groups have objected to PCBs' highly toxic nature and its apparent danger to humans. However, the Food and Drug Ad-

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ministration (FDA) says that it is now considering lowering the permissible level of PCB in edible fish.

Current FCA rules allow five parts of PCB per million in the edible parts of fish shipped interstate. But besides considering lowering this level, the same FDA policy statement said the agency will also examine a proposal by environmental groups to ban PCBs in fish or other food.

In another development, New York State officials ordered a ban on virtually all commercial fishing in the Hudson River south of General Electric's Fort Edward manufacturing plants. GE has been discharging PCBs into the Hudson from these plants, where the chemical is used as a fire-retardant in capacitors.

New York State officials said that fish samples taken from the Hudson contained an average of 14.7 parts PCB per million, but at least one sample had 186 parts of PCB per million. The FDA's evaluation of fish caught in the Hudson showed 53 out of 68 samples contained PCBs in excess of five parts per million and the average level was 31.3 parts.

In Lake Ontario, 28 of 33 samples of coho and chinook salmon exceeded the limit, and four samples of lake trout ranged from 10 to 15 parts per million.

New York State Environmental Commissioner Ogden Reid denounced the agreement between GE and New York State which allows GE to continue discharging PCBs at the level allowed by the Environmental Protection Agency. Mr. Reid wanted to outlaw all PCB discharges by this September.

Mr. Reid's Department of Environmental Conservation has announced that it will hold more public hearings in its attempt to curb GE's discharges and hold the company liable for cleaning up the Hudson River.

A source close to New York's Governor Hugh Carey, however, told EBN that the State could also see the other side of the problem. While PCBs are toxic and potentially very dangerous to the environment, they serve to protect people from high-voltage fire possibilities in electrical devices, and no viable substitute has been found.

The source suggested that an eventual compromise would be worked out to find a reasonable schedule to cut GE's discharges to zero, and that the time frame might run from 2 to 5 years.