



William Jones - OGC.

PLAINTIFF'S EXHIBIT

FD-925

Inter Office

Environmental and
Safety Engineering

February 18, 1981

To: C. E. Atwater H. O. Holtschneider K. L. Rose
W. L. Carlin M. Humenick, Jr. R. L. Smith
A. H. Chapman W. B. Lewelling D. K. Sommers
M. S. Costantino W. Lilac H. Spinner
W. P. Cushing S. M. Luke E. J. Teevin
R. A. Gee F. D. Metcalf B. C. Trethewey
L. F. Heilig R. D. Murie A. M. Twilley
M. C. Hill C. L. Payor K. L. Watler

cc: A. Basse R. Haupt G. Kircos
A. B. Gates W. E. Jackson K. S. McCardwell
R. R. Gould F. J. Kallin F. E. Toth
S. Gratch D. M. McCarthy

Subject: Hazardous Substance Control Committee Report

A copy of the subject Committee Report is enclosed for your information. It was presented to a joint meeting of the Engineering & Research and Manufacturing & Supply Subcommittees on February 18, 1981.

Insofar as "Superfund" is concerned (see pp. 6 & 7 of the attached report and my memo of February 5, 1981), please note that we are reviewing with PEO, OGC, Property Management (Finance Staff) and P&O Staff how best to seek out and identify past hazardous waste treatment/storage/disposal facilities and the key personnel who may have local knowledge of past practices, whether at currently owned sites or sites that have been disposed of. In addition, arrangements will have to be made to check old files and archives for evidence of hazardous waste activities. You will be informed shortly of the action you will be asked to take in assisting in this task.

A. B. M. Houston, Manager
Compliance and Liaison Department
Stationary Source Environmental Control

Enclosure
ep

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ENGINEERING AND RESEARCH SUBCOMMITTEE
MANUFACTURING AND SUPPLY SUBCOMMITTEE

HAZARDOUS SUBSTANCE CONTROL COMMITTEE
REPORT

Stationary Source Environmental Control Office
Environmental and Safety Engineering Staff
February 18, 1981

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HAZARDOUS SUBSTANCE CONTROL COMMITTEE REPORT

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HAZARDOUS SUBSTANCE CONTROL COMMITTEE REPORT

I. Summary and Overview

The purpose of this paper is to report on recent statutory and regulatory developments and Company activities involving the management of toxic and hazardous substances, materials and wastes, including --

- developments under the Resource Conservation and Recovery Act (RCRA), the Toxic Substances Control Act (TSCA), and the Occupational Safety and Health Act (OSHA),
- the Company's new computerized Materials and Toxicology System (MATS), revised materials introduction procedures and product usage reporting, and
- a review of anticipated significant regulatory agency actions.

The Appendix to this paper contains a brief description of how the Hazardous Substance Control Committee is organized and managed within the Company, and lists its current members. A list of recent comments submitted on significant government regulatory agency proposals is also provided.

II. Regulatory Issues/Company Actions

A. Toxic Substances Control Act (TSCA) --

- Chlorofluorocarbons (CFCs): On October 7, 1980, the U.S. EPA published an Advance Notice of Proposed Rulemaking (ANPR) soliciting public comments on proposed chlorofluorocarbon (CFC) use restrictions. Included in the ANPR are proposals to limit CFC production either through mandatory controls or technology based standards or through the distribution of marketable permits. Also included are a discussion of ozone depletion issues and the need for regulatory control, as well as various control options available to reduce CFC emissions. The proposals contain elements impacting all facets of CFC manufacturing, processing, distribution in commerce, use and disposal. Because CFCs are used by the Company in automotive air conditioning, as well as in flexible and rigid urethane foam and solvent applications, any CFC supply restrictions would be of considerable concern.

In our written comments on the ANPR (submitted last month), the Company urged that EPA take a modified "Wait-and-See" approach to CFC control rather than adopt the other two options proposed -- "No-Growth" or "Substantial Emissions Reduction." Our proposed approach would recognize the significant voluntary CFC emissions reductions already achieved by many industries (including Ford), while allowing EPA and the international

scientific community to confirm unproven ozone depletion theories and develop more sophisticated modeling techniques. Research and development efforts could then be intensified toward alternative refrigerants and blowing agents, manufacturing processes, and other voluntary emissions reduction efforts rather than the imposition of disruptive mandatory controls.

We have been informed by EPA that over 3,000 written comments were received, and that they are now studying these submittals. Proposed rules, if any, will not be published in the Federal Register until July 1981 at the earliest, after which time additional public comments will be solicited by the agency.

Polychlorinated Biphenyls (PCBs): The inability of EPA to site hazardous waste disposal facilities for liquid PCBs (and other wastes) continues to be a major problem. We have had to securely store a significant inventory of PCB liquid wastes at the Rouge Complex and elsewhere as a result of maintenance on electrical transformers and capacitors filled with PCB coolants. Such wastes must remain in secure storage until EPA-certified incinerators or other approved disposal processes are available. Most of the approximately 500 55-gallon drums of PCB liquid wastes now in storage at the Rouge, resulted from the rehabilitation of the Dearborn Engine Plant two years ago and the removal of all of the old PCB filled electrical equipment. An equal amount of PCB liquid wastes will likely be generated with the anticipated demolition of the Dearborn Specialty Foundry this year.

Although EPA rules and regulations governing PCB labeling, recordkeeping and disposal have been in force for about two years, a recent Court decision has struck down portions of the regulations and has remanded them to EPA for modification. We expect revised (and possibly more stringent) PCB management regulations to be proposed by EPA sometime this year.

Asbestos: EPA has deferred the target date for issuing proposed regulations designed to control the use of asbestos and asbestos products to September 1981 at the earliest. Final rules are to be promulgated in September 1982. These dates may well be further deferred. Based on EPA's October 1979 Advance Notice of Proposed Rulemaking (ANPR), consideration is still being given to 1) prohibiting nonessential uses of asbestos; 2) establishing quotas for asbestos use; and/or 3) requiring labeling of asbestos and asbestos-containing products. In addition to the above, EPA intends to issue regulations by August 1981 requiring reports on asbestos use, employee exposure, waste disposal and pollution control. A proposed rule on such requirements for reporting by asbestos manufacturers, importers, and processors has been issued by EPA.

Vehicle Materials Development and Planning (VMD&P) of Car Engineering has developed a mechanism to find and phase out

parts and materials containing asbestos. Information has been obtained from vendors concerning substitute production materials for asbestos in clutch plates, brakes, sealers, gaskets, etc.

A Car Program Direction Letter has been issued which directs NAAO and DPO Product Engineering Offices to develop action plans for removing asbestos from all product parts and materials. Responses from most Product Engineering Offices (PEOs) have been received. During this quarter, VMD&P intends to issue a report showing accomplishments to date in parts substitution (strategy Group A) and the status with respect to asbestos elimination by Job #1 1985. After acceptance of the VMD&P report, the matter of funding for Group B (known substitutes with major redesign) and Group C (no known substitutes, advanced engineering required) will be addressed.

B. Occupational Safety and Health Act (OSHA) --

Asbestos: Insofar as worker exposure and nonproduction parts containing asbestos are concerned, OSHA issued a proposed rulemaking on October 9, 1975 to lower its workplace asbestos standard from the current 2 fibers per cubic centimeter (2 f/cc) to 0.5 f/cc. No further OSHA action has been taken. Manufacturing Staff has carried out plant surveys of asbestos material uses and has implemented plans to eliminate asbestos-containing materials where possible. Substitute materials will be used and/or other actions taken to comply with exposure limits. Asbestos-containing papers, woven products, friction and insulation materials such as used in construction are being given particular attention. Continuing spot checks of work areas carried out by Employee Health Services are made to determine compliance with regulatory exposure standards.

Lead/Arsenic Variance Application: Since April 1979 when the Company requested a permanent variance from certain sections of the OSHA lead (and arsenic) standards, negotiations with the Department of Labor have continued and are nearing agreement. A variance through August 1987 is likely to be obtained which will enable solder grinding operations to be designed out of assembly operations by that date. Chrysler was granted a variance through January 1987 and GM through January 1986.

On January 16, 1981, OSHA issued an amendment to the lead standard which permits the automotive industry, among others, until 1987 to comply with engineering control requirements of the standard. Nonetheless, the Company is reviewing the advisability of pursuing our variance request at least in part because the arsenic standard requirements have not been changed.

New model scheduling has been planned so as to accommodate orderly design changes to eliminate lead solder and the need for grinding. Until August 1987, respirators may be worn where worker exposure could exceed the regulatory limit of 50 micrograms per cubic meter, 8 hour average. Production of the new 1988 Mustang/Capri (the last car line without lead solder) is scheduled for August 1987.

Chromium/Benzene Update: The exposure limits for some trivalent and hexavalent chromium compounds is 52 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$). Although recommendations for a limit of 1 $\mu\text{g}/\text{m}^3$ have been made by NIOSH, no formal proposal for this value has been made by OSHA. Nonetheless, the Company has taken steps to eliminate chromium wherever practicable to reduce potential carcinogen exposure. Chromium has been eliminated from almost all paints, the exceptions being school bus yellow, some spray primer and certain DSO (dealer special order) paints. Nonchromate substitutes continue to be sought. Where exposure to chromates in painting or other operations would occur, protective clothing and workplace controls are utilized so as not to exceed allowable limits.

The benzene limit remains at 10 parts per million (ppm) for an 8-hour time-weighted average exposure. Although OSHA promulgated a limit of 1 ppm for 8 hours, this was vacated last year by the Supreme Court which required the agency to back up the necessity for this considerably more stringent requirement. Potential exposure occurs at coke ovens where workers are suitably protected by respirators. There is no practicable means of eliminating benzene by-products from coking operations.

OSHA Proposed Labeling Standard: On January 16, 1981, OSHA published a proposed rulemaking on "Hazard identification." The proposed labeling standard requires employers to identify hazardous chemicals in their workplaces and to inform their employees of the nature of the potential hazards associated with exposures to such materials. The definitions in the proposal are such that virtually any chemical may be interpreted as hazardous, irrespective of exposure potential. As proposed, hazardous materials must be identified via a labeling system on containers if they are present in a mixture at 1% or greater -- unless the mixture itself is evaluated for its hazardous properties. No shipment of hazardous substances or mixtures will be permitted from a manufacturer or importer to an industrial user or supplier unless they are labeled with the common name of the substance, the Chemical Abstract Services (CAS) registry numbers of the constituent substances, and the appropriate hazard warning label. There are a total of 17 hazard categories specified. Category A hazards are generally

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physical/chemical in nature; Category B hazards are health-effects related. Labels and placards will have to be displayed prominently and industrial users are required to supply available Material Health and Safety Data Sheets within 48 hours of request to employees, their representatives and/or the government. Comments on the proposal are due March 18, 1981 and will be submitted by the Company through the MVMA.

Employee Access to Medical and Exposure Records: On May 23, 1980, OSHA promulgated regulations allowing employees or former employees and their representatives access to certain records maintained by employers relative to employee medical history and exposure to chemical and physical agents. Effective August 21, 1980, Company facilities must maintain records (for at least 30 years) of employee exposure to toxic substances and harmful physical agents and must supply employees or their designated representative copies of these records within 15 days of their request. The employee's collective bargaining agent, under the provisions of the regulations, has automatic access to employee exposure information without written employee authorization, but release of employee medical records requires specific authorization of the employee. Additionally, Company facilities must make immediately available employee medical and exposure records when requested by OSHA representatives. Appropriate information is obtainable by plant supervision utilizing the Company's computerized Materials and Toxicology System (MATS), which is discussed below. Communications describing Company compliance procedures have been distributed.

New York "Right to Know" Rules: Effective December 23, 1980 State of New York legislation requires employers to inform employees of known and suspected health hazards associated with their employment. Any employee not receiving this information in 72 hours may not be required to work with toxic substances until the information is made available. Employers are required to post notices informing employees of their rights under this law and must institute education and training programs for employees routinely exposed to toxic substances. Civil penalties up to \$10,000 and criminal penalties up to \$1000 and 90 days in jail are authorized for noncompliance. Steps have been taken to ensure compliance by affected Company facilities.

C. Resource Conservation and Recovery Act (RCRA) --

EPA Notifications/Permit Applications: On November 19, 1980, federal hazardous waste management regulations implementing the Resource Conservation and Recovery Act (RCRA) took effect. Compliance actions included submittal by 29 Company facilities of required EPA permit applications covering their hazardous waste treatment/storage/disposal activities. Some 51 additional Ford facilities are considered to be hazardous waste generators.

not requiring a permit. All other Ford facilities are considered to be small quantity generators, also not requiring permits. Now in preparation are required Spill Prevention Control and Countermeasure (SPCC) Plan amendments (applicable to all except small quantity hazardous waste generators), and written waste analysis plans (applicable to all RCRA permit applicants). Written closure/post closure plans and cost estimates must be prepared, and mandatory personnel training must be conducted, by May 19, 1981. Permit applicants automatically have Interim Status, covering their on-site hazardous waste treatment/storage/disposal activities, pending issuance of permits by EPA or by state agencies within the next several years.

Although the RCRA regulation took effect on November 19, 1980, a series of amendments to the original May 19, 1980 regulations as well as supplemental "Regulatory Interpretation Memoranda" (RIMs) have been and continue to be promulgated by EPA. The regulations are many hundreds of pages in length, extremely complex, and in some cases unclear as to their applicability to Company operations. Many issues are now the subject of litigation by a number of companies (including Ford) which have petitioned for judicial relief from certain provisions of the regulations.

Manifests/Recordkeeping: Implementation of the EPA required cradle-to-grave hazardous waste manifest tracking provisions of RCRA also began on November 19, 1980. All hazardous wastes generated on-site and shipped off-site for treatment/storage/disposal must be accompanied by a federally approved manifest, designating both the EPA-approved hauler selected as well as the hazardous waste facility to receive the waste. Procedures and forms have been developed to assist affected Company facilities in complying with the prodigious amount of paperwork required by the regulations.

Superfund: A \$1.6 billion "fund" to finance the cleanup of inactive hazardous waste disposal sites and chemical spills was enacted on December 11, 1980. Known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the law establishes that taxes on petroleum and certain chemicals are to provide 87.5% of the superfund and the federal government 12.5% over the next five years. A separate \$200 million fund, to be financed by a \$2.13-a-ton tax on hazardous wastes disposed of in landfills permitted under RCRA after September 20, 1983, also was created to permit liability to be assumed for closed disposal sites. The superfund is not designed to pay damages to private parties.

Under the new law, companies responsible for hazardous substances are liable for cleanup costs and damage to natural resources,

up to \$50 million per incident. The law specifically requires that EPA be notified by June 1981 of all known past hazardous waste treatment/storage/disposal sites, specifying the amount and type of any hazardous substance to be found there and any known, suspected, or likely releases from the facility. EPA, which is charged with implementing the new law, intends to publish regulations in April. If they are not available then, we will set up our own reporting procedures consistent with the statute. Notwithstanding the lack of an EPA reporting form, the Company's manufacturing divisions and other activities have been alerted to the reporting requirements of Superfund and have been informed of the reporting deadline of June 11, 1981. Arrangements are now being made to obtain information on waste disposal practices at all Company properties, previously and currently owned.

III. Materials and Toxicology System (MATS)

What It Is: The Company's new Materials and Toxicology System (MATS) consists of a large computer data base containing toxicological and environmental review status of all production and nonproduction materials used by the Company. Some 10,000 materials are now entered. The data base is now available to all Company locations (including Ford of Europe) to assure the proper labeling, handling, shipment, storage, disposal, procurement, and emergency medical first-aid treatment of potentially toxic/hazardous substances, materials and wastes. The data base has been developed principally from four sources: 1) toxicology files (including information derived from Material Health and Safety Data Sheets) on all materials reviewed by Industrial Hygiene and Toxicology Department to date, 2) Facility Environmental Engineering files on all environmental reviews completed by Plant Engineering Office to date, 3) the Production Materials Approved Source List (Engineering and Research Staff), and 4) the Nonproduction Materials Approved Source List (Manufacturing Staff). MATS will be undergoing substantial updating this year as engineering and manufacturing audit their respective Approved Source Lists to assure that all materials have been toxicologically and environmentally reviewed. Additional controls will then be imposed on the purchasing of unreviewed materials. It is anticipated that the various audits necessary to ensure a sound MATS data base will continue as an on-going part of the overall procedure.

All locations are being encouraged to continue using existing materials whenever possible, instead of requesting shop trials on new substitute materials. This will have the effect of distributing the amount of manpower devoted to toxicological and environmental reviews on such materials and will allow Company resources to be better applied to continuing such reviews on existing materials that are on the Company approved source list.

Product Usage Reporting: Company plants and facilities have been surveyed to identify usage of materials to accomplish two principal objectives: (1) the completion of mandatory product usage reports required by various states (such as Michigan and New Jersey) involving materials considered "critical," and (2) providing plant-specific "Hazardous Materials Catalogs" as required by Company/UAW health and safety agreements and for use by Company medical personnel.

In conjunction with the product usage surveys, each division has identified individuals who will have access to the computer system to enable a variety of available materials searches as well as reliance on the Approved Source Lists. At this time, representatives from AAD, MSD, PPVD, FTO, and Engine Division have been trained on the capabilities of MATS and have been allotted computer access.

Materials Introduction Procedures: Materials introduction procedures have been strengthened to comply with TSCA and to assure that appropriate toxicological and environmental reviews are conducted consistent with requirements of OSHA, RCRA, and Clean Air/Water Acts, and the Federal Hazardous Substances Act (FHSA). Product Engineering Procedure 3-189 controls the introduction of new production and new consumer aftermarket products, the assignment of new "ESM" numbers, and the addition of new sources to the Engineering Materials Approved Source List. Manufacturing Procedure II.d.1. performs a similar function for nonproduction, "M" numbered materials by requiring a toxicological and environmental evaluation prior to the introduction of the new materials. Purchasing has been contacted regarding on-line access to MATS to ensure adherence to Approved Source List restrictions.

Manpower and Budget: A headcount transfer from Engineering Staff to Environmental and Safety Engineering Staff (Stationary Source Environmental Control Office) has been made. However, the authorization of additional manpower and budget (four people) within E&SE, P&O and P&S Staffs has yet to be obtained and the allocation of functions completed.

IV. Anticipated Significant Regulatory Developments

EPA and OSHA Calendar of Regulations: Health risks of coke oven emissions are being studied by EPA. If EPA determines these emissions are hazardous, emission standards will be proposed by May 1981. Generic standards for airborne carcinogens will be proposed when a carcinogenic volatile organic chemical is listed as a hazardous air pollutant. No date has been specified but a policy statement for establishing procedures for regulating airborne carcinogens is to be issued in April 1981.

Insofar as carcinogen control strategy is concerned, OSHA has not yet issued its priority list of carcinogens for further scientific review and possible regulation. In view of this situation, the Company is continuing its substitution programs for the first three materials on the Company priority list (asbestos, benzene, and hexavalent chromium compounds). Further guidance concerning the government's intent and policies on carcinogens is expected and will be used for developing the Company's actions involving affected materials. Control strategies for the remaining five materials on the Company's priority list (cadmium oxides, coke oven emissions, vinyl chloride, beryllium oxide and trichloroethylene) will then be reviewed.

Investigation into potential carcinogen exposure in our pattern and woodworking shops is continuing.

Forthcoming EPA regulations involving asbestos, chlorofluorocarbons, and PCBs are anticipated this year and have been discussed above.

V. Appendix

- Organization, membership and management of the Hazardous Substance Control Committee -- See attached memoranda from Mr. H. L. Misch dated July 2 and 25, 1980 and current list of Committee members (Jan. 81).
- Revised Directive B-101 (Sept. 22, 1980): "Occupational Safety and Health and the Control of Toxic/Hazardous Materials" -- attached.
- Comments submitted to EPA on significant regulatory agency proposals -- see attached list.

Prepared by: Stationary Source Environmental
Control Office
- 9 - February 18, 1981

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Hazardous Substance Control Committee

V. H. Sussman, Chairman	Stationary Source Environmental Control Office
W. E. Givens	Automotive Safety Office
J. L. Tobczyk	Basic Product Operations
A. M. Twilley	Body and Assembly Operations
G. F. Bolling	Car Engineering
G. J. Kania (alt: E. J. Teevin)	Climate Control Division
C. L. Payor	Electrical and Electronics Division
J. D. Collins	Engineering and Research Staff
Graham R. Chatburn	European Automotive Operations
A. B. Gates	Ford Aerospace and Communications Corp.
J. R. Kasmarick	Ford Parts and Service Division
A. H. Chapman	Ford Tractor Operations
A. W. Hanlon	Labor Relations Staff
Z. Dolik	Mfg. Engrg. Office, Manufacturing Staff
F. J. Kallin	Plant Engineering Office, Manufacturing Staff
Duane L. Block, M.D.	Personnel and Organization Staff
T. R. Kilberg	Powertrain and Chassis Operations
R. O. McCarthy	Purchasing and Supply Staff
Serge Gratch	Research Staff
F. N. Parrill	Truck Operations
P. A. Kelly	Washington Affairs
P. B. Coffey, Legal Advisor	
A. B. M. Houston, Secretary	

February 1981

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Comments Submitted to EPA on Significant
Regulatory Agency Proposals

- January 6, 1981: Advance Notice of Proposed Rulemaking on Proposed Chlorofluorocarbon Use Restrictions (Toxic Substances Control Act (TSCA)).
- February 18, 1980: Advance Notice of Proposed Rulemaking on Proposed Control of Commercial and Industrial Use of Asbestos Fibers (TSCA).
- August 26, 1980: Proposed issuance of permit for PCB incineration in Peerless Cement Company's cement kiln in Detroit. (We supported permit whose application was subsequently withdrawn by Peerless due to local citizen pressure against location.) (TSCA)
- July 7, 1980: Proposed rules prohibiting use of PCBs in facilities manufacturing, processing or storing fertilizers. (Steel Division manufactures diammonium and monoammonium phosphate fertilizer.) (TSCA)
- Latter half 1980 to date: multiple comments through outside attorneys on Hazardous Waste Management proposed and promulgated regulations (Resource Conservation and Recovery Act (RCRA)).

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Vice President
Environmental and
Safety Engineering

July 25, 1980

To: Mr. C. V. Barion Mr. E. R. Karrer
Mr. J. A. Betti Mr. G. O. Keutgen
Mr. J. A. Capolongo Mr. C. L. Knighton
Mr. L. M. Chicoine Mr. H. C. MacDonald
Mr. W. D. Compton Mr. M. H. Manning
Mr. C. C. Drouillard Mr. P. J. Pestillo
Mr. T. J. Feaheny Mr. W. E. Scollard
Mr. G. A. Ferris Mr. P. J. Sherry
Mr. H. E. Hockeimer Mr. W. H. Smithey

cc: J. K. Bakken
H. R. Nolte, Jr.
V. H. Sussman

Subject: Hazardous Substance Control Committee

Reference: My memorandum of July 2, 1980.

The Hazardous Substance Control Committee has been created for the purpose of improving communication across the wide spectrum of diverse Company activities which could be affected by the increasing number of federal and state laws and regulations being promulgated to control hazardous and toxic substances. The Committee will assist in identifying issues, forward planning, and obtaining resolution of problems requiring direction from the Engineering and Research and the Manufacturing and Supply Subcommittees -- to which it will report at least twice yearly.

Membership of the Hazardous Substance Control Committee will consist of senior representatives of the organizations and activities shown on the attached list. Please let the Committee Chairman, Mr. V. H. Sussman, know the name of your representative on the Committee.

Mr. P. B. Coffey has been designated by the Office of the General Counsel as legal adviser to the Committee.

H. L. Misch
H. L. Misch

Attachment

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Vice President
Environmental and
Safety Engineering

July 2, 1980

Chairman of the Board
Office of the Chief Executive
Executive Vice Presidents
Vice Presidents
Division General Managers
General Managers and Managing Directors
Overseas Manufacturing
Sales and Assembly Affiliates
Persons Designated by the Above

Subject: Toxic/Hazardous Substances Control

At the request of the Engineering and Research Subcommittee, Environmental and Safety Engineering Staff has assumed overall Company coordination responsibility (Program Management) for toxic/hazardous substance control. This responsibility is assigned to the Stationary Source Environmental Control Office.

The Engineering and Research Subcommittee also approved the establishment of a Hazardous Substance Control Committee which will be chaired by Mr. V. H. Sussman, Director, Stationary Source Environmental Control Office. Its membership will be announced shortly. It will report at least twice yearly to the Engineering and Research and the Manufacturing and Supply Subcommittees.

Assumption of the Program Manager role by Environmental and Safety Engineering Staff does not release other Company organizations from toxic/ hazardous substance control responsibility. Those responsibilities, presently outlined in Directive B-101, "Occupational Safety and Health and Control of Hazardous Materials," generally will be maintained. The Directive will be revised, however, to clarify certain assignments of responsibility, to reflect present organizations, and to recognize this new program management responsibility.

The actions discussed above are being taken to improve coordination among involved activities and to facilitate surfacing of crucial issues regarding the Company's response to the complex and pervasive subject of toxic/hazardous substance control. These and other related actions are based on the recommendations put forth in the Personnel and Organization Staff study of Toxic/Hazardous Substances Control of February 29, 1980. With the full cooperation of all concerned, an adequate and effective response to governmental toxic/hazardous substance requirements will be provided.

H. L. Misch
H. L. Misch

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B-101

President

September 22, 1980

Chairman of the Board
Vice Chairman
Executive Vice Presidents
Vice Presidents
Division General Managers
General Managers and Managing Directors
Overseas Manufacturing Sales, and
Assembly Affiliates
Persons Designated by the Above

Subject: Occupational Safety and Health and Control of Toxic/Hazardous
Materials

Since 1970, a number of acts have been passed by Federal, state, and local governments dealing with occupational safety and health and control of toxic/hazardous materials. These include: Federal Occupational Safety and Health Act, Hazardous Materials Transportation Act, Toxic Substances Control Act, Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act, and similar state and local acts. In response to these actions, a number of staffs have been assigned compliance assurance responsibilities.

The increasing complexity of achieving compliance and the growing interrelationships among the various acts as new regulations are promulgated has necessitated establishment of a Toxic/Hazardous Substance program management activity within Environmental and Safety Engineering Staff. This activity has been charged with coordinating the Company's compliance and compliance assurance activities. The following describes Environmental and Safety Engineering Staff's program management responsibilities and the related responsibilities of other staff and line components:

I. Program Management

The Vice President - Environmental and Safety Engineering, is responsible for toxic/hazardous substance program control, which is principally a coordinative, oversight function. Responsibilities include:

- Monitor, in conjunction with other specifically assigned Staffs, the actions of governmental regulatory agencies relative to toxic/hazardous substances and related clean air/water controls.
- Assist the responsible staffs in forecasting anticipated and planned governmental actions, and consult with the Office of the General Counsel to confirm interpretations.

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- Assure that forecasts of governmental actions and technical developments are provided to appropriate Company activities for use in planning and implementing compliance efforts.
- Coordinate and approve all oral and written submissions to governmental agencies regarding current or planned control of toxic/hazardous substances, subject to review by the Office of the General Counsel.
- Establish and oversee a comprehensive computer-based system that will provide for the timely input, update, organization, and retrieval of information concerning the health aspects, physical and chemical characteristics, usage, and testing of controlled materials and substances, as well as consolidating information for required reporting to governmental control agencies.
- Approve all sampling and analysis procedures for reporting purposes under the Toxic Substances Control Act, Clean Air Act, Clean Water Act, and Resource Conservation and Recovery Act.
- Chair the Toxic/Hazardous Substance Control Committee, established under the auspices of the Engineering and Research Subcommittee and the Manufacturing and Supply Subcommittee.

II. Compliance

Operating management at all levels is responsible for keeping assigned facilities and materials used therein in compliance with Federal, state, and local occupational safety and health and toxic/hazardous substance control regulations. This requires knowledge of regulations, regulatory trends, and development of effective control systems based on information provided by assigned staffs. With regard to product-related compliance, Vehicle Engineering, Car Product Development Group, because of its responsibility for the total vehicle, must serve as a focal point for toxic/hazardous substance control at the design stage.

Manufacturing management at the operating level is responsible for controlling the introduction of toxic/hazardous substances during the manufacturing process and for identification of related issues in manufacturing feasibility reviews, including the practical disposal of wastes. The staffs assigned specific compliance assurance duties and the program management group in Environmental and Safety Engineering Staff will provide information as necessary for control and remain available for consultation.

III. Compliance Assurance and Support

Responsibility for assuring that the Operations comply with occupational safety and health and toxic/hazardous substance regulations is assigned to various staffs depending upon their areas of expertise. Such responsibility for compliance assurance requires that assigned staffs:

- Identify emerging regulatory issues that require Company action and forecast potential regulatory restrictions to aid in forward planning by activities responsible for compliance; inform affected activities of such potential regulations and issues.

- Develop and implement programs, control documents, and information systems to assure compliance by Company operating components with specific Acts and regulations.
- Coordinate interpretation of regulations and requests for information to assist Company components in understanding and responding to specific Acts.
- Provide for representation and presentation of Company positions on emerging technical issues before Federal, state, and local regulatory agencies. Consult with operating components to assure that all pertinent product and facility impacts are included in such presentations.
- Highlight issues that require senior Company management attention.
- Conduct periodic reviews of operating components' compliance efforts.

Compliance assurance and support responsibilities for specific Federal Acts and facing state and local regulations are:

Occupational Safety and Health Act

The Vice President - Personnel and Organization, and at his direction, Employee Health Services, is responsible for directing a continuing program to assure Company compliance with the Occupational Safety and Health Act and with other Federal, state and local regulations affecting employee safety and health. The Medical Director is designated the principal Company spokesman on employee safety and health matters. He also chairs the Safety and Health Standards and Regulations Study Group, whose membership includes corporate representatives of functional areas affected by safety and health regulations.

In support of Employee Health Services, Manufacturing Staff will direct facilities aspects of the Company noise control and hearing conservation program. The Staff also will make available its special technical abilities in other areas regulated by the Act.

Hazardous Materials Transportation Act

The Vice President - Purchasing and Supply, is responsible for directing a continuing program to assure Company compliance with the Hazardous Materials Transportation Act and related state and local requirements.

In support of Purchasing and Supply Staff, with respect to carrying out these responsibilities:

- Manufacturing Staff will publish appropriate packaging standards to achieve safe transportation of hazardous materials offered for shipment by the Company.
- Employee Health Services will identify and recommend appropriate labeling for materials classified as hazardous.

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Toxic Substances Control Act

The Vice President - Environmental and Safety Engineering, is responsible for assuring Company compliance with the Toxic Substances Control Act and with related state and local requirements. As noted in Section I of this Directive, to assure efficient coordination and cooperation among the affected staffs, the Vice President will exercise oversight responsibility regarding all matters relating to hazardous/toxic substances. The Vice President also is responsible for stationary source environmental control matters involving toxic/hazardous substances, materials, and wastes as required by Clean Air/Clean Water Acts, Resource Conservation and Recovery Act, and related state and local statutory requirements.

In support of Environmental and Safety Engineering Staff, with respect to carrying out these responsibilities:

- The Medical Director, Personnel and Organization Staff, will:
 - . Maintain the chemical and toxicological records portions of the systems developed by Engineering and Research Staff and Manufacturing Staff to control the introduction of new materials. This includes the Hazardous Materials Subsystem of the Company's Material and Toxicology System (MATS).
 - . Formulate and present medical, toxicologic and related scientific data to governmental agencies.
 - . Conduct or oversee all required medical, toxicologic and industrial hygiene studies.
 - . Interpret to affected Company activities, on behalf of the Vice President - Environmental and Safety Engineering, medical toxicologic, and industrial hygiene implications of existing and proposed regulations.
 - . Evaluate employee working conditions and identify needed changes in work practices, processes, facilities, or substances used in order to comply with regulations related to employee health.
 - . Audit the employee work environment as required.
- The Executive Director, Manufacturing Staff, will:
 - . Control the qualification of nonproduction materials and advise Company activities of the approved sources of these materials.
 - . Review the environmental aspects of product and nonproduction materials proposed for use within the Company and provide appropriate clearance or recommendations for their use.

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- The Executive Director, Engineering, Engineering and Research Staff, will:

- . Control the approval sequence and documents for product materials and issue appropriate approved source information.

IV. General

Additional Staff compliance assurance and support responsibilities related to the broad range of safety and health, hazardous materials transportation, and toxic/hazardous substances control regulations include:

- Engineering, Engineering and Research Staff, will develop and assure implementation of systems to control the introduction of new materials into Company product offerings. The Staff also will monitor advanced engineering plans and programs to identify changes required to meet Environmental and Safety Engineering Staff regulations forecasts.

Research, Engineering and Research Staff, will assist in the development of new materials, manufacturing processes, and workplace environmental measurement devices and test methods to meet present and projected regulatory requirements.

- Manufacturing Staff will develop and oversee implementation of systems to control the introduction of new non-product materials into Company facilities. The Staff also will coordinate studies of the technical feasibility and in-plant cost implications of proposed regulations. Where changes in manufacturing processes or facilities are identified as the preferred means of achieving compliance, the Staff will assist operating components in developing cost efficient engineering solutions to compliance problems.
- Purchasing and Supply Staff will assure that goods for production or other uses are procured in accordance with controls established by Engineering and Research Staff and Manufacturing Staff.
- Labor Relations Staff will evaluate the labor relations impact of proposed governmental regulations, Company positions regarding them, and proposed Company actions for compliance. The Staff also will coordinate relationships with labor organizations representing Company employees, pertinent to agreements negotiated with those organizations on health and safety matters, and will reconcile collective bargaining obligations with government regulations and proposed Company actions.
- The Office of the General Counsel will provide legal advice relative to the matters covered in this Directive, including interpretation of relevant statutes and regulations. The Office of the General Counsel also will provide advice as to the preparation of all relevant certification and other documents and will provide legal representation of the Company in all proceedings before governmental agencies charged with responsibilities under particular statutes.

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- Governmental Relations Staff will advise and assist members of management responsible for presenting Company views on legislative matters to legislators, public officials and governmental agencies, in accordance with established Company policy.
- Public Affairs will assist management in preparation and dissemination of public statements and in coordinating response to inquiries from the public media.

Advisory materials relating to occupational safety and health, hazardous materials transportation and toxic substances control will be issued by the assigned activities and, when appropriate, support activities identified above.

It is recommended that all affected Operational Components (Division equivalent) issue a facing document to this Directive to assign specific responsibility.

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The Vice President - Environmental and Safety Engineering is responsible for interpretation of this Directive.

It is recommended that Company subsidiaries and affiliates doing business in North America adopt a similar Directive.


D. E. Petersen

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