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EPA Hearing on Proposed Regulations
on PCB Transformer Use

Statement of Dr. John Craddock, Chairman
Chemical Manufacturers Association
PCB Program Panel

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The Chemical Manufacturers Association (CMA) Program Panel on PCBs appreciates the opportunity to appear here this morning. CMA has actively participated in many EPA proceedings concerning PCBs. The Panel has submitted comments in response to both the ANPR and the current proposal concerning risks should PCB transformers be involved in fires.

As our comments detailed, CMA believes the incidence of fires involving PCB transformers has been greatly overestimated because a few unusual incidents in recent years focused public attention on this issue. CMA's survey of transformer use in the chemical industry over the past 40 years found no fires involving PCB transformers. Our comments thus conclude that EPA has not accumulated anywhere near the substantial evidence that would be necessary to justify new regulations on PCB transformers, especially those in use under controlled conditions in the chemical industry.

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This morning -- rather than restating CMA's previously *we* detailed position -- *I* would like to address the issues in this proceeding by posing *several* questions to the Agency *A. Lee* and to other interested parties. *That* question is whether any of us can conclude with confidence that any of the wide range of measures being proposed by EPA or other parties will in fact reduce risks associated with fires. *I* suggest *we* the answer is no, and, accordingly, *I* conclude, *this* regulatory initiative should be abandoned until we have considerably more information than currently exists.

EPA believes that a health risk occurs when a fire occurs in the vicinity of a PCB transformer. It is concerned that PCBs, dioxins and dibenzofurans will be released and spread through nearby buildings. It has thus proposed a variety of controls intended to make it less likely that fires will get out of control or that their combustion products will spread. Based on the same perceived risks, other parties have urged the Agency to require all transformers containing PCBs be retrofilled or removed. As we have determined from talking to companies within the chemical industry, and as EPA's economic consultants recognize, the expense involved in the EPA proposals may lead many operators to choose retrofill or removal even if such actions are not mandated.

Serious questions for which the record offers no firm answers are raised by these proposals:

- Will fires involving transformers be more, or less, likely should any of these controls be imposed?
- Will the consequences of such fires be more, or less, dangerous?
- Will combustion products should a fire occur be more, or less, dangerous?
- What risks will be posed by the removal of PCBs from transformers?

Without answers to these questions -- answers that are not at all clear today -- we do not know whether new EPA controls will create risks that are greater than any risks EPA hopes to reduce. I would like to review briefly each of these questions to explain why CMA believes EPA may be embarking on a potentially counter-productive rulemaking.

First, the record in this proceeding is woefully lacking in evidence that any particular EPA solution will make it less likely that fires will occur. As is well known, PCBs were chosen for transformer dielectric use precisely because of their fire resistant characteristics. Further, electrical specialists have for many years been aware of the risk of fires with electrical equipment and have thus taken numerous precautions through the National Electric Code and other guidance to minimize fire risks.

For EPA, whose expertise in electrical matters is limited, to attempt to impose new regulations to reduce fire risks creates the distinct possibility that wise choices

will not be made. As the many comments received by the Agency over the past two months demonstrate, EPA has in fact chosen electrical protective devices whose availability and efficacy are questioned by all experts in the field. At the same time, little data exist on the risks that alternative transformer fluids may contribute to the initiation or spread of fires. In other words, the best protection against fires involving transformers may well be continued use of PCB transformers as they are used today. At a minimum, it is clear that the record data do not indicate whether there will fewer, or more, fires if new EPA controls are promulgated. *and whether there will be more and possibly different types of fire combustion products.*

Furthermore, some of the control measures suggested by the Agency -- while arguably reducing the potential risks from spread of combustion products -- could at the same time be increasing other fire risks. For example, many building emergency systems depend on continued flow of electricity to allow occupants to evacuate. Deenergization measures that might be useful in limiting fires might at the same time be detrimental to plans to allow buildings to be evacuated during a fire. Experts in electrical design and fire safety should be making decisions in this area.

Third, EPA has focused all its attention on the possibility of PCB, dioxin and dibenzofuran contamination. Even if the proposed regulations were to reduce spread of

these chemicals -- either through controlling fires involving PCB transformers or removal of PCBs from transformers -- the possibility remains that ^{some of these and possibly} other combustion products will be formed during fires and pose their own toxic risks. Nowhere in the record is there data on combustion products of other transformer fluids. We do not know whether the regulations would only reduce dioxin and dibenzofuran combustion products with a result of increasing production and dissemination of other toxic compounds. Until all such risks are assessed, no assurance will exist that removal of PCBs will be beneficial.

Finally, if the EPA regulations do in fact cause substantial PCB removal from transformers, we must be concerned with the fate of this fluid. As EPA's economic report recognizes, current PCB incineration capacity in this country is already overburdened. Capacity to destroy additional PCBs does not exist. What risk will be created by the necessary ^{handlers and} storage of PCBs until incineration capacity exists is yet another unexplored issue.

In sum, the record reveals an alarming lack of data indicating whether the proposed controls will in fact reduce risks. We all can agree it is undesirable to have any transformers involved in fires and that it is desirable should such incidents occur that the fires be quickly controlled and their combustion products handled. But, we must

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also recognize that new measures to prevent such fires should not be imposed until enough data exist to assure that risks will in fact be reduced. If alternative wiring or isolation protection creates new risks, or if alternative fluid increase the risk of fire or production of toxic combustion products, the nation is not better off.

In EPA's prior PCB proceedings, the focus was always on development of reasonable controls to limit human or environmental PCB exposures. Although there were disagreements on the magnitude of risk, the risks being addressed were clearly understood to be toxicity risks of PCB exposure. The controls being considered were of a type common to chemical control technology or inspection of electrical equipment. In this proceeding, on the other hand, EPA has ventured far afield into complex questions of electrical system design, building emergency procedures, and relative risks of not only a wide variety of chemicals under unusual fire conditions but also of fire itself. The resulting regulatory proposals raise more questions about potential new risks than they answer about the risks initially perceived. CMA is concerned that the Agency may issue regulations whose risks are ^{substantially} greater than their benefits -- without even considering the costs imposed. We urge the Agency to reconsider and withdraw its proposal until a much more substantial data base exists.

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