

Monsanto

FROM (NAME & LOCATION):

M. A. Petrilli - Akron 1010

Date of Call: 4/22/76

DATE : April 27, 1976
SUBJECT : STANDARD TRANSFORMER
REFERENCE : WARREN, OHIO
TO : David Wood
St. Louis - B2SD

CC: J. Alley -B2SD
R. Hatton -B2SD
R. Bevacqua-L.A.

CONTACTED: Terry Bowman, Sr. Buyer
Jack Weyman, Materials Manager
Jim Moreau, Sales Manager

INERTEEN FORECAST:

Standard has secured the order from Union Carbide for 41 10,000 KVA power transformers for the Oak Ridge, Tenn. facility. Shipments will begin this coming October and will average 1 transformer shipped per week. Although each unit uses 1600 gals. of askarel, Standard will provide only about 300 gals. of make-up fluid, with Carbide providing 1300 gallons of reclaimed askarel from existing transformers.

Jim Moreau explained that these 41 new transformers were separate from the 107 power transformers that are being upgraded for the AEC by GE, Rome, GA. Those 107 units are at Oak Ridge, Tenn., Paducah, KY, and Portsmouth, OH.

Additionally, Standard feels they may get the Library of Congress job for 17 transformers that was reported earlier in the Niagara Transformer call report.

Based on this discussion, Jim agreed that Standard would take another 5 x 4M gallon cars this year.

1975 Usage	464M lbs.
1976 Budget	600M lbs.
1976 Forecast	400M lbs.

Jim also indicated they would get more askarel business if they could quote firm prices, but they were afraid to because our abrupt increase on March 1 cautioned them about future abrupt increases.

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TRANSFORMER PRICES:

Jim gave me the following sales price for 1000 KVA transformers:

		<u>Fluid Cost</u>
Oil-Filled	\$9M	0.70-0.75¢/gal.
Askarel	11.5M	53.5¢/lb.
Silicone	14M	\$15/gal. - based on Dow-Corning price quote

Jim did not have price data on dry-type (Standard doesn't make dry-type) but estimated an equivalent dry-type at \$12.5M. To compare dry vs. liquid filled, usually the dry must be a higher rating, to withstand overloads that liquid-filled units handle. For example, a 750 KVA askarel unit should be compared to a 1000 KVA dry unit.

Jim believes that many askarel transformer customers are being "pushed" into buying dry-type units but would gladly return to a non-flammable liquid if a reasonably priced alternate to PCB is offered. According to Jim, a fluid price of \$7-9 per gallon is the maximum that could support a market that will eventually be the size of the askarel market of 1973-1974.

NON-PCB's:

Jim Moreau believes Dow-Corning has received an interim approval from NEC to install silicone filled units in non-flammable designated installations, while the more time-consuming formal approval procedure is undertaken.

Jim believes that RTE has dropped their RTEMP fluid proposal and is now working closely with Dow-Corning.

ATTN. BOB BEVACQUA:

Jim Moreau has secured orders which will require 10M gallons of askarel at their Medford, Oregon plant between now and the end of the year.

FUTURE ACTION (MAP):

1. Monitor askarel usage at Standard monthly with Terry Bowman/Jim Moreau.
2. Call on Jim Moreau again in late May to give status report on our non-PCB program and monitor competitive activity.

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Mike Petrilli

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