CHEMICAL MANUFACTURERS ASSOCIATION

Minutes of Meeting

Chemical Regulations Advisory Committee

CMA Terrace Conference Room
2501 M Street, N.W.
Washington, D.C. 20037

Wednesday
January 28, 1981
9:30 a.m. - 4:56 p.m.

Attendees Present	Company	Telephone
F. E. Bentley	Texaco Chemical Company	(713) 666-8000
George Brokaw	Tennessee Eastman Company	(615) 246-2111
Bruce Brubaker	Diamond Shamrock Corp.	(214) 745-2869
C. E. Colwell	Union Carbide Corporation	(914) 789-2184
J. R. Condray	Monsanto Company	(314) 694-8883
Donald E. Ellison	Virginia Chemicals Inc.	(804) 483-7353
Gerald A. Hapka	E. I. du Pont de Nemours	(302) 774-9466
E. H. Hurst	Nalco Chemical Company	(312) 887-7500
Dean E. Leib	Rohm and Haas Company	(215) 592-3563
August B. Lindquist	Stauffer Chemical Company	(203) 222-3233
J. P. McCarthy	Koppers Company, Inc.	(412) 227-2262
Thomas W. Mooney	The Procter & Gamble Co.	(513) 763-5187
Lee Starr	Celanese Corporation	(212) 764-7953
Carl W. Umland	Exxon Chemical Americas	(713) 870-6762

CMA Staff Present

Chris Nolde	(202) 887-1134
Randal P. Schumacher	(202) 887-1386
Gordon D. Strickland	(202) 887-1388
David Zoll	(202) 887-1158

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Action Items:

- Charters for the CSIN Task Group and the Economic Impact Task Group should be received by CMA no later than Friday, February 6.
- David Zoll will review the draft debate issue statements. Corrected copies will be forwarded to CRAC members. Those making presentations will include recommended objectives and strategies in their concluding remarks.
- The RTG will investigate allegations of inefficient EPA procedures for handling 8(e) notifications, and define the extent of the problems reported to CRAC.

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1. Lee Starr, Chairman, called the meeting to order at 9:30 a.m. and, along with staff, briefly reviewed the CMA Board of Director's very favorable acceptance of CRAC's Annual Report. (A copy of the oral report and the written one are included respectively on pages 14-33 and pages 226-250 of the January 28, 1981, CRAC Meeting Book.)

2. Minutes of the December 17, 1980, Meeting were approved with the following corrections:

   A. Page 3, Attendees - correct Mr. Hapka's initials to read G. J. rather than G. Q.

   B. Page 11, paragraph 8.G. - change to read, Dr. Broecker Hoechst A.G. Abt., supports....

   C. Page 11, paragraph 9.C. - change to read, The Control Regulations Task Group, having....

3. Page 92 of the January 28, meeting book should also be corrected as follows:

   A. Paragraph 2 - delete sentence three beginning "A letter...." Explanation: Open discussions with EPA preempted the need to mail the letter after it was drafted.

   B. Paragraph 3 - sentence two should not be read to imply that an insufficient number of companies participated in the survey. Although all questionnair recipients did not respond, the number of respondents was sufficient to yield a good database for analysis.

4. Communications Task Group Report - R. Condray

   A. A member of the press has asked for and has been granted permission to attend Mr. DeSantis' presentation on SNURs during the January 29, CRAC Informational Meeting. Members of CRAC unanimously agreed that future CRAC Informational Meetings will be restricted to attendence by CMA company representatives and special guests invited on a case-by-case basis. The Informational Meetings are not intended to be media events.

B. The Task Group has considered video taping the Informational Meetings for the benefit of member company representatives who are not able to attend. Currently, CMA has no video recording equipment; contracting the effort ($3-4,000 per hour) is too costly to be practical.

C. CMA has continued to encourage industry participation in ITC's testing prioritization of the 107 candidate chemicals. (See also comments under the Testing Task Group Report.) Participation could avoid a chemical being listed on the ITC list of chemicals recommended for testing.

D. The following dates, places and themes were selected for this year's Informational Meetings:

Date	Place	Theme
15 April 1981	Chicago, IL	Economic Impact of Regulations
16 July 1981	Washington, D.C.	EPA Administration
22 October 1981	Washington, D.C.	Not Specified

Additionally, the CMA Semiannual Meeting will be held on November 2 and 3, 1981.

5. CRAC Budget - G. Strickland and E. Frost

A. CMA staff, Edmund Frost and Gordon Strickland, briefed the Committee on FY81/82 prospects for funding legal and technical consultants. Copies of draft projections for technical consulting -- based upon 3 factors: EPA's regulatory calendar, CRAC's and its task group's charters, and FY80/81 expenditures -- were distributed for review by the members.

Members objected that:

1. A single line item of $250,000 should not be used to support a follow-on TSCA impact study and to fund CRAC activities related to EPA's Meta system study. The line item was subdivided to allow separate entries.

2. Providing the Committee a copy of the proposed budget at the meeting, only hours prior to internal CMA deliberations, preempted (1) thoughtful contributions by the Committee and (2) a chance to include other potential line items such as a study of the impact of Section 8(e). Staff pointed out that: (1) the line items identified in the handout, if funded, would exceed the probable total amount to be allocated for all of the Health, Safety and Chemical Regulations Division -- an amount that must be shared with three other Committees, OSHC, PRASC and HCSC; (2) unlike the detailed CRAC support document distributed to the Committee, the Division budget contained only two broad categories, economic and regulatory analyses, with subdivisions by sections of TSCA. The categories were used to allow flexibility in dealing with changes in the regulatory calendar that may be precipitated by the new administration.

   Members stressed that funds must be available to support a follow-on TSCA impact study if CRAC recommends one and if the Executive Committee endorses such an expenditure next March or April.

6. Planning and Audit Task Group - G. Brokaw

Audit Actions: Members reviewed and adopted, with the indicated changes, the following Task Group Charters:

A. Communications Task Group: paragraph 3, line - change chairman to chairmen.

B. Control Regulations Task Group: without changing the meaning, break up the Mission statement by using several sentences.

C. Oversight Task Group: Mission statement,

- item 1. Change to read, "In cooperation with other task group chairmen, identify and...."
- item 5. Change to read, "In conjunction with CMA Government Relations recommend, through...."
- item 6(added) "Develop briefing papers for any new administrations.

- Charter Statement, line one. Change to read, "This Task Group is responsible for developing positions to be taken...."

  Paragraph two, last sentence. Change MCA to CMA.

  Include entries that state: The chairman will be a member of CRAC, and membership will be at the invitation of the chairman.

D. Planning and Audit Task Group - Charter Statement,

Delete sentence one and insert, "The Chairman of the Task Group, and a majority of the membership will be members of CRAC. The Task Group shall consist of no more than five(5) members.

E. Reporting Task Group - Missions Statement,

- item 1, line 1. Change to read, "Achieve through...;" and last line delete "...EPA's needs and...."
- item 2, line 3. Delete "...cost...."
- Charter Statement, paragraph 1, last sentence. Change to read, "RTG will oversee the rulemaking process under sections 8, 12 and 13 of TSCA."

F. Testing Task Group - Charter Statement,

- paragraph one, last sentence. Change to read, "as appropriate, representatives of other trade... in testing issues will be invited to participate in the deliberations...."
- Objectives, item 2. Change to read, "Increase scientific input from industry to these standards proposals through appropriate discussions."

The charters for the CSIN Task Group and the Economic Impact Task Group will be included in the February Meeting Book for review. Drafts should be mailed to arrive at CMA by Friday, February 6.

Planning Actions: Dr. Brokaw briefed the Committee on methods used to select and to combine issues to be debated during the CRAC Retreat. Copies of the issues were distributed to members, and individual assignments for each issue were made.

David Zoll will provide antitrust review of the draft debate issue statements. Corrected copies will be forwarded to CRAC members. Those making presentations will include recommended objectives and strategies in their concluding remarks.

7. Oversight Task Group Report - B. Brubaker

The Task Group met two days in January and developed the foundation for CMA's future positions on Sections 4 and 5 of TSCA. The group will meet in February to complete its review of the remaining portions of the Act and to develop CMA issues and position papers. TSCA reauthorization and oversight hearings could be held in late February or early March.

8. Testing Task Group Report - T. Mooney

Additions to the written report, page 57, of the January 28 CRAC Book.

A. EPA's New Chemical Testing Guidelines were published in the January 27, 1981, Federal Register. EPA has not asked for comment, and Mr. Hutt, after reviewing the guidelines, has concluded that there is little basis for legal comment on them. The guidelines include or suggest the following:

1. failure to use the guidelines does not initiate a 5(e) action.
2. variance from the guidelines should be justified.
3. generally endorses use of OECD Base Set on a voluntary basis, or use of IRLG, FIFRA or other reasonable guidelines.
4. the Base Set suggested is essentially the OECD elements.
5. costs of the tests have not been well documented.

B. David Zoll briefed members on what is currently known by CMA about the United States obligations as a member of OECD. A detailed analysis of the U.S.-OECD relationship will be completed within two weeks for review by CRAC.

C. The deadline for comment on EPA's GLPs and Physical/ Chemical rules was extended to March 16, 1981.

D. A copy of AIHC's comments on EPA's mutagenicity testing proposals has been distributed to OSHC, CRAC and the Testing Task Group. Comments will be sent to AIHC for their consideration.

E. CMA should continue to stress the importance of industry response to ITC candidate lists. Mr. Greif, Executive Secretary of ITC, has indicated that comments, if persuasive, could avoid a chemical being recommended to EPA for testing or may be sufficient to limit the types of testing recommended.

F. CMA has filed an FOIA request to ITC to obtain copies of support documents used by ITC in its deliberations. When the request is honored, copies can be made available to CMA's member companies.

G. OECD's Exposure Work Group is now developing its guidelines. Although no industry scientists are members of that group, information from EPA indicates the group's early drafts are reasonable.

H. NRDC V. Costle, 79 Civ. 2411 (LWP) Final Judgement and Order

Judge Pierce has handed down a final judgement in the NRDC V. Costle case concerning EPA's failure to respond within 12 months to ITC recommendations for testing. EPA is to respond to the current list as indicated on the Jellinek schedule, and to all future lists within 12 months as required by TSCA. (See attached judgement and schedule.)

CMA will urge EPA to challenge the decision in the Second Circuit on the grounds that the Carter Administration's EPA committed the Agency to an unreasonable by the new freeze on hiring.

9. CSIN Task Group Report - A. B. Lindquist -

A. The Task Group's "White Paper" on CSIN has been completed, and copies have been mailed to CRAC. The Paper has also been reviewed by company counsels without significant comment. The following is a summary of the methods used by the Task Group to analyze the network and its major findings.

1. Preparation of the paper:

The Task Group evaluated CSIN by obtaining information from EPA (development documents and instruction manuals), by contacting system contractors, and by auditing one of the nodes - CIS.

2. Findings:

The Task Group has concerns about the quality, validity and origin of data, e.g., no differentiation was made in some lists of hazardous effects between chemicals; no quality audit is routinely performed; no critiques of cost effectiveness and maximum use of private sector systems are included; the issue of confidentiality of data remains; and predictive modeling capabilities are included in the network.

B. Discussion

1. At this time, recommendations of the Task Group focus on continued monitoring of the CSIN system, assuring protection of confidential information, assessing quality assurance, recommending that EPA assess the extent of duplication of private sector systems, and whether CSIN could be shifted to other systems.

2. There is a divergence of opinions among Task Group members that ranges from support to non-support of the network. Some feel it should be allowed to collapse through benign neglect. Others assume the more moderate view that there appears to be adequate benefits that could be accrued with a minimum effort of monitoring by industry.

Mr. Lindquist stressed that EPA has progressed beyond the point where industry could stop development of the system, but that adequate

controls can be put in place to slow down development until a real assessment of benefits can be made.

3. Proposed methods for implementing Task Group recommendations:
   (a) meet with EPA at the Deputy Administrator level.
   (b) organize the Task Group to interface with EPA to assure adequate control on expansion of CSIN.
   (c) EPA should use the Task Group as a sounding board for future development of CSIN.

C. CRAC was asked to make its recommendations to the Task Group during the February meeting.

D. A symposium on the use of chemical structure analysis to predict toxic effects of chemicals - sponsored by EPA - will be held at Research Triangle Park, North Carolina, on February 10-12. The symposium will be co-sponsored by CIIT, Burroughs Wellcome and NIEHS. Ron Condray will attend for CMA.

E. The Task Group will meet next on February 19, 1981.

10. Reporting Task Group Report - D. Leib

Additions to written report, page 208, January 28, 1981, CRAC Book.

A. The Asbestos rule may be published as early as Monday, February 2. The Task Group will review it for new precedents.

B. The TSCA Section 8(d) rule has not been cleared by the Office of Toxic Substances.

C. The Task Group will review the Section 12 export notification rule after David Zoll and Pat Joyce complete their analysis. Currently, two problems are obvious:

1. The rule does not set a lower concentration cut-off for known impurities, and

2. Export notification is triggered by a proposed (rather than final) rule under Sections 5 and 6 of TSCA.

D. The Task Group now has, for its review, a copy of the draft rule on delisting chemicals on the TSCA inventory.

E. The Reporting Task Group also reviewed the proposed Section 13 Import Notification Rule, and has the following observations:

1. The rule does not exempt Research and Development chemicals.

2. The rule does not specifically mention exemptions for non-TSCA chemicals.

3. Personal liability of the person signing the notice is unclear.

4. The Rule's definition of importer is ambiguous.

Formal comments on the proposal are due March 2, 1981.

F. The Reporting Task Group will investigate allegations of inefficient EPA procedures for handling 8(e) notifications, and define the extent of the problems reported to CRAC.

11. Control Regulations Task Group Report - C. Umland

The following additions to the chairman's written report, page 92 of the January 28, 1981, CRAC Meeting Book, were covered in oral discussions.

A. Dr. Ken Burgess, Dow Chemical Company, has written to CMA requesting that a special project on PCGs be authorized. A letter soliciting support for the project has been mailed to CMA's member companies, and to others who might participate. CMA must tell EPA and EDF, prior to their court appearance on February 20, and how it will study and collect data on the prevalence of PCB below 50 ppm.

B. CMA's analysis and critique of ICF's PMN impact study is progressing well. Both the number of companies responding to the questionnaire and the detail of the data received suggest that CMA's efforts are well justified.

C. In a recent oral presentation, Warren Muir (EPA) stated that the Agency's prime interest for 1981 included: the PMN process, Section 5(e) and 5(f) orders, testing guidelines, SNURs, risk lists and exemptions, and publication of an advisory circular.

12. Economic Impact Task Group Report - D. Ellison

The chairman's written report, page 209 of the January 28, 1981, CRAC Meeting Book was expanded to include the following:

A. Questionnaire Revision - NERA's proposal for revising its survey questionnaire and for conducting a limited follow-on TSCA impact study was received by the EITG chairman during the CRAC meeting. The proposal will be reviewed by the EITG at its next meeting. Recommendations to CRAC will be made on February 18.

B. Mr. Ellison stressed the importance of not allowing CMA's budget process to foreclose options for conducting additional TSCA impact studies if such studies are necessary. To do so is to presume, in advance of evidence, that the Task Group, the advisory panel, the Executive Committee, and CMA's Board of Directors will decide that continued study is unwarranted.

C. EPA has been told that CMA is interested in working with the Agency or its contractor, Meta Systems Inc., on their TSCA impact study. That study, funded by EPA, is projected to continue from 1981 to 1983.

13. The meeting was adjourned at 4:56 p.m.

Gordon D. Strickland

Gordon D. Strickland
Director
Health, Safety and
Chemical Regulations

Minutes Subject to Approval

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