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W. C. Bradley
Richard E. Lowe

THE MEAD CORPORATION

MEMORANDUM

June 5, 1973

TO: S. D. Weaver

FROM: Richard E. Lowe

The enclosed "Environmental Expenditure" sheet for CAPCO is a compilation of pollution control expenditures (air and water -- both capital and operating) for your plants at Ragland and Van Buren.

This information was submitted by Messrs. Jackson and Gerth to J. D. Montague in mid-March.

Appreciate your review to determine that it is accurate and includes all costs which we have determined should be included (see Guidelines attached).

Your response by June 15th will be appreciated.

Dick

REL:gjk

Enclosure

GUIDELINES FOR COMPUTING

ENVIRONMENTAL EXPENDITURES

Capital Expenditures:

--- Cost for equipment whose sole purpose is pollution control with no significant return on capital expended.

--- Cost for equipment whose primary purpose is pollution control with some financial return but not enough to justify expenditure (these systems would show a return on investment of less than 20% before taxes).

--- Only that portion of the cost for equipment (installed mainly for reasons of economy) which provides pollution control benefits.

Operating Expenditures:

--- Charges for power, chemicals, utilities, maintenance, monitoring, supervision and labor.

--- Charges for taxes, and amortization.

--- Payments to public agencies (discharge or user fees, surveillance, etc.).

ENVIRONMENTAL EXPENDITURES
(000's)

Facility Woodward - Capco
(Location)

Capital Costs	Air	Water
1968 and Prior	$ 5,662	$ 31,595
1969	----	29,200
1970	16,056	7,100
1971	23,534	6,500
1972	----	----
Accumulated Total	$ 45,252	$ 74,395
First Quarter 1973	$ ----	$ ----
Second Quarter 1973		
Third Quarter 1973		
Fourth Quarter 1973		
Total 1973	$	$

Annual Operating Costs		
1968 and Prior	$ 10,386	$ 9,000
1969	3,939	3,000
1970	4,727	6,589
1971	5,365	6,998
1972	8,901	10,836
Accumulated Total	$ 33,318	$ 36,423
First Quarter 1973	$ 1,503	$ 4,509
Second Quarter 1973		
Third Quarter 1973		
Fourth Quarter 1973		
Total 1973	$	$