

From: Tsai, Shan SP SHLOIL-SHLOIL-HE
Sent: Monday, April 14, 2003 10:04 AM
To: Cagen, Stuart Z SCC; Clegg, Patsy M SCC-CHSE-PC; Tholstrup, Susan C SCC; Iannarone, Lauren B SCC-CSEA; Owen, David DE SC-CHSE-DO
Subject: RE: Benzene Shanghai
Stuart,

I made some minor changes. See below.

-----Original Message-----

From: Cagen, Stuart Z SCC
Sent: Saturday, April 12, 2003 10:36 PM
To: Clegg, Patsy M SCC-CHSE-PC; Tholstrup, Susan C SCC; Tsai, Shan SP SHLOIL-SHLOIL-HE; Iannarone, Lauren B SCC-CSEA; Owen, David DE SC-CHSE-DO
Subject: RE: Benzene Shanghai

All:

Shan: Please embellish or correct as necessary, but here are some observations from Thursday and Friday's Shanghai technical committee meeting:

1) The Shanghai is projected to be about 9 months behind the original schedule, as Sept 1 2002 was estimated as the date for the first case and it is now projected to be somewhere between 15 April and 31 May 2003. **[Tsai, Shan SP SHLOIL-SPS]** The expected completion date is Q4 2007.

2) The technical committee agreed to draft a letter to the investigators (Rich Irons and Otto Wong) that will request an update in the study plan including cost parameters. The current committee recommendation is that a response will be requested in time for the August 2003 annual meeting and not in preparation for the 19 June API executive committee meeting. The expectation is that a) the API executive committee will only consider helping a study at its current cost (\$ 22.7 million) and that b) there are contractual expectations with the University of Colorado that the study will be completed with previously defined costs.

3) API staff will develop written procedure listing tracking mechanisms that this Committee is using to track / chart / steward the financial performance of the investigators, staff costs and other costs associated with the Shanghai study.

4) API staff will contact UC financial department (Mary McConnell) to assist with tracking of Irons' expenditures, with level of detail that we need and in a useful format.

5) A possibility of help from a Shell finance expert was suggested and, if this happens, a set of financial information from the investigators will be delivered via API staff.

6) Some personal notes: a) Regarding # 2, above: While I was more in favor of getting a more accurate picture of expected costs before the 19 June API executive session, the group voted me down. Their reasoning was that it would not help to know the study costs would increase beyond \$ 22.7 million earlier because even if the consortium is successful in getting API as a safety net, they will not pay more than the current shortfall. My argument in favor of finding out sooner rather than later was in response to an earlier question of budget creep from the API executive committee (and Nancy, as you might recall) and I would anticipate the same question on 19 June. **[Tsai, Shan SP SHLOIL-SPS]** Stuart - It is critical for the investigators to realize that the costs can not be escalated without limit. b) It still seems that Patrick Beatty **[Tsai, Shan SP SHLOIL-SPS]** (Chair of the technical committee) is in contact with the investigators (with or without API staff) on some regular basis without including the rest of the technical committee, and although I asked about this, there was no time or inclination by others for clarification or correction of this. c) Finally, the next benzene symposium was discussed. Patrick is working with a steering committee for a 2 day meeting in Lyon (IARC HQ) in Oct or Nov of 2004. The vision is for a limited session with only about 80 participants,

by invitation only. Discussed will be new data since the 1995 benzene symposium, such as the NCI China study, the Australian study and an introduction to the Shanghai study that will be well underway but not nearly completed (expected completion in 2007). Shan asked about presenting some of his work.

Next steps: I recommend we collect our Shell thoughts regarding the above, with some possible actions, such as identify a Shell finance person to help the consortium understand the budget, accounting and payment program, and agree on Shell positions on some of my gripes, with possible resolution via future technical or oversight committee discussions.

Stuart

Stuart Cagen

Shell Chemical LP
One Shell Plaza, 910 Louisiana, Houston, TX 77002-4916

Tel: +1 713 241 1407 **Fax:** +1 713 241 3325 **Other Tel:** +1 832 646 3987

Email: stuart.cagen@shell.com

Internet: <http://www.shell.com/chemicals>

-----Original Message-----

From: Cagen, Stuart Z SCC
Sent: Thursday, April 10, 2003 4:19 PM
To: Clegg, Patsy M SCC-CHSE-PC; Tholstrup, Susan C SCC; Tsai, Shan SP SHLOIL-SHLOIL-HE; Iannarone, Lauren B SCC-CSEA; Owen, David DE SC-CHSE-DO
Subject: RE: Benzene Shanghai

All:

In preparation for the Benzene Shanghai Technical committee meeting tomorrow, I met (via telephone) with Pat Beatty, Shan Tsai, and API Staff this afternoon to review financials from the University of Colorado and Applied Health Sciences (Otto Wong). We seem to be making progress in understanding how close budgets are matching costs and how costs match study milestones. In this regard, I offered a suggestion that there might be a Shell financial person resource available to help us through the paperwork and perhaps work with the University of Colorado financial office, as we discussed. Notice I offered the suggestion but I did not officially offer someone to help us.

I think it is still a good idea to get expert advice and a Shell person helping the consortium seems to me to be an effective strategy.

Thoughts ?

Stuart

Stuart Cagen

Shell Chemical LP
One Shell Plaza, 910 Louisiana, Houston, TX 77002-4916

Tel: +1 713 241 1407 **Fax:** +1 713 241 3325 **Other Tel:** +1 832 646 3987

Email:

Internet: <http://www.shell.com/chemicals>

-----Original Message-----

From: Cagen, Stuart Z SCC
Sent: Friday, April 04, 2003 2:45 PM
To: Clegg, Patsy M SCC-CHSE-PC; Tholstrup, Susan C SCC; Tsai, Shan SP SHLOIL-SHLOIL-HE; Iannarone, Lauren B SCC-CSEA; Owen, David DE SC-CHSE-DO
Subject: Benzene Shanghai

All:

For your information.

The long overdue technical committee meeting of the Shanghai consortium will take place next Friday at API. Shan and I will attend. I have not seen an agenda yet but it is encouraging that Patrick Beatty (Chevron) has called the meeting and that he invited Shan and myself to help him review some of the financial books the day before.

Stuart Cagen

Shell Chemical LP
One Shell Plaza, 910 Louisiana, Houston, TX 77002-4916

Tel: +1 713 241 1407 **Fax:** +1 713 241 3325 **Other Tel:** +1 832 646 3987

Email: stuart.cagen@shell.com

Internet: <http://www.shell.com/chemicals>

Project/TOR Summary Sheet

Project Name: Shanghai Benzene Health Study	Project Lead: Patsy Clegg	Date: September 30, 2002
Purpose: The purpose of the Shanghai Benzene Health Study is to do studies in Shanghai of workers who have been identified as having diseases related to benzene exposure. The 3 studies are: 1. Case-Control Epidemiology Study, 2. Disease Progression Study, 3. Molecular Epidemiology Study. At the end of the 5-year program, report projected for 2007, we will have a better understanding of the level of benzene exposure that causes adverse health effects, what those effects are and the progression of the disease(s) from benzene poisoning to cancer. The 3 rd study will attempt to identify biomarkers for the disease(s).		
Case for Action: (What is the issue/barrier being addressed.) In 1998, NCI (National Cancer Institute) published a study conducted in Shanghai of benzene-exposed workers that concluded (1) AML (acute myelogenous leukemia) occurs after exposure to benzene at lower levels than previously known and (2) benzene causes NHL (non-Hodgkin's lymphoma). The Chinese government is interested in the data from the new study to implement lower exposure limits. A state-of-the-art clinical laboratory with trained Chinese technicians will be left behind at Fudon University School of Medicine.		
Fit with KBA's and KPI's: KBA: Gain HSE Leadership		
Key Measure/Indicator of Success: Data is accepted in the scientific and regulatory communities.	Size of the Prize: (Order of Magnitude) Revenue increase and/or savings (\$, Time, people) This is a high-profile product stewardship project that demonstrates aromatics commitment to gaining HSE leadership.	
Dependencies and links to other projects (Issues Management): None identified.		

Resources Required: (People time, consulting support, and materials and system costs, travel expenses) (Order of Magnitude) Patsy Clegg – Shell representative to Consortium Oversight Committee - .1 FTE Stuart Cagen – Shell representative to Consortium Technical Committee - .1 FTE Shan Tsai - Shell representative to Consortium Technical Committee - .05 FTE Sarah Colletti - Shell representative to Consortium Communications Committee Dave Waskowiak - Shell representative to Consortium Legal Committee Costs – Shell committed \$3M to the 22.8M budget Travel - \$10K/yr		
High level Timeline: 01: Consortium formed (BP, ChevronTexaco, ConocoPhillips, ExxonMobil, Shell) Protocols reviewed by independent scientific and ethics panels 02: Laboratory built and equipped; technicians trained 03: First subjects taken; Opening ceremony in Shanghai; First annual meeting 07: Final report		
Approval Date:	First Review Date:	CF HSE LT Sponsor: Elizabeth Williams