

PRESENTATION BY TENNECO CHEMICALS
AT TENNECO INC. LOSS CONTROL & INSURANCE MEETING
BAKERSFIELD, CALIFORNIA
MAY 7, 1979

GOOD MORNING ~~SEVERAL~~ GENTLEMEN.

MAY I FIRST SAY THAT I APPRECIATE THIS OPPORTUNITY TO PARTICIPATE IN THIS MEETING, ~~TO REKNEW OLD ACQUAINTANCES~~ WITH THOSE OF YOU FROM OTHER TENNECO COMPANIES THAT ARE INVOLVED IN THE AREAS OF LOSS CONTROL AND INSURANCE, ~~AND TO LEARN ABOUT YOUR ACTIVITIES.~~ GAWAIN BONNER HAS ASKED THAT I TELL YOU ABOUT THE OPERATION OF ^{OUR} ~~MY~~ DEPARTMENT, THE ENVIRONMENT & REGULATORY AFFAIRS DEPARTMENT AT TENNECO CHEMICALS, AND I AM VERY PLEASED TO DO SO. AFTER I DESCRIBE OUR FORMAL ORGANIZATION, I WILL SPEND SOME TIME TALKING WITH YOU ABOUT THE TOXIC SUBSTANCE CONTROL ACT AND ITS IMPLICATIONS FOR US AS A CHEMICAL COMPANY AND TO YOUR INDIVIDUAL COMPANIES IN YOUR AREAS OF ACTIVITIES. IT IS A VERY SIGNIFICANT REGULATORY ACT--ONE THAT WILL HAVE A PROFOUND EFFECTS ON THE CHEMICAL INDUSTRY AS WE KNOW IT TODAY.

[THE ENVIRONMENT & REGULATORY AFFAIRS DEPARTMENT AT TENNECO CHEMICALS WAS ESTABLISHED IN APRIL OF 1977] SO AS A DEPARTMENT WE'VE BEEN IN OPERATION A LITTLE OVER TWO YEARS. OF COURSE OUR ACTIVITIES IN SOME OF THE AREAS THAT WE NOW ARE RESPONSIBLE FOR PRECEDED THE FORMAL ESTABLISHMENT OF THE DEPARTMENT BY MANY YEARS. TO GIVE YOU AN OVERALL IDEA OF THE MULTI-FACETED INTERESTS THAT WE HAVE, [LET US LOOK AT AN ORGANIZATION CHART OF THE ENVIRONMENT & REGULATORY AFFAIRS DEPARTMENT AS IT EXISTS TODAY. (SLIDE 1) FIRST, IN THE AREA OF ENVIRONMENT, AS SOME OF YOU MAY KNOW, PAT ANDERSON, WHO FORMERLY HEADED THIS FUNCTION IN TENNECO CHEMICALS, HAS BEEN PROMOTED TO HOUSTON AND IS NOW A MEMBER OF DR. CASEY WESTELL'S INDUSTRIAL ECOLOGY DEPARTMENT WHERE HE WILL BE RESPONSIBLE FOR ENVIRONMENTAL AUDITS AT THE INDIVIDUAL TENNECO COMPANIES. PAT HAS BEEN SUCCEDED BY JOHN SANDSTEDT (SLIDE 2) WHO IS MANAGER OF ENVIRONMENTAL AFFAIRS AND ^{MANAGER} ~~HAS~~ IN HIS DEPARTMENT ONE ENVIRONMENTAL AFFAIRS SPECIALIST. WE HAVE TWO PEOPLE AT OUR PASADENA

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ANT WHO ARE INVOLVED FULL-TIME ON ENVIRONMENTAL MATTERS THERE, AND WHILE THEY ARE MEMBERS OF THE ENGINEERING DEPARTMENT, THEY HAVE A DOTTED-LINE RELATIONSHIP WITH JOHN SANDSTEDT. AT OUR 21 PLANTS SITES THROUGHOUT THE UNITED STATES, THE MONITORING, SAMPLING, AND ASSURANCE OF COMPLIANCE WITH THE CLEAN AIR ACT, THE CLEAN WATER ACT, AND THE RESOURCE CONSERVATION & RECOVERY ACT IS THE RESPONSIBILITY OF OUR OPERATING PLANT MANAGEMENT. AT THESE PLANT SITES, VARIOUS PRODUCTION OR ENGINEERING PERSONNEL HAVE RESPONSIBILITIES FOR THIS EVEN THOUGH, IN SOME CASES, THEY ARE INVOLVED IN ENVIRONMENTAL MATTERS ON A PART-TIME BASIS. THERE ARE APPROXIMATELY 35 PEOPLE SO INVOLVED.]

[THE SECOND AREA OF ACTIVITY IN OUR DEPARTMENT IS THE MEDICAL DEPARTMENT WHICH IS HEADED BY OUR CORPORATE MEDICAL DIRECTOR, DR. RUDOLPH GOSZTONYI.

LIDE 3) IN THE PAST THREE YEARS, WE HAVE UNDERTAKEN THE ESTABLISHMENT OF FULL MEDICAL FACILITIES AT A NUMBER OF OUR LOCATIONS, AND TODAY WE HAVE SIX SUCH FACILITIES IN OPERATION. THERE ARE FULL-SCALE FACILITIES AT OUR BURLINGTON, FLEMINGTON, AND FORDS, NEW JERSEY PLANTS; AT OUR HAZLETON, PENNSYLVANIA, AND PASADENA, TEXAS LOCATIONS; AND IN JANUARY OF THIS YEAR, WE STARTED OPERATING A CENTRAL FACILITY IN PARAMUS, NEW JERSEY THAT SERVICES SIX NORTHERN NEW JERSEY LOCATIONS. WE ALSO HAVE MANY FACILITIES AT THREE OF OUR SMALLER PLANTS INCLUDING OUR NIXON, NEW JERSEY PLANT AND TWO THAT WE HAVE JUST PUT INTO OPERATION THIS YEAR AT NEWTON UPPER FALLS IN MASSACHUSETTS AND CHESTERTOWN, MARYLAND. WE HAVE SEVEN PHYSICIANS, SOME ON RETAINER, SOME ON STAFF, AND TWO PHYSICIAN'S ASSISTANTS WHO CARRY OUT EXAMINATIONS UNDER THE SUPERVISION OF A PHYSICIAN. WE ALSO HAVE FIVE FULL-TIME NURSES. THIS PROGRAM IS AIMED AT PROVIDING PERIODIC HEALTH EXAMINATIONS FOR ALL OF OUR EMPLOYEES TO DETERMINE IF THERE ARE ANY APPARENT MEDICAL PROBLEMS THAT MAY BE OF AN OCCUPATIONAL EXPOSURE GENESIS. WE EXPECT THIS YEAR THAT APPROXIMATELY 90% OF OUR EMPLOYEES WILL HAVE PHYSICAL EXAMINATIONS IN OUR

OWN INTERNAL FACILITIES, WHILE THE REMAINDER WILL BE OFFERED PHYSICALS AT COOPERATING CLINICS AND HEALTH EXAMINATION FACILITIES.] IT IS OBVIOUSLY NOT ECONOMICAL FOR US TO CREATE THESE FACILITIES WHERE WE HAVE A LIMITED NUMBER OF PERSONNEL. WE BELIEVE OUR PROGRAM IS COST-EFFECTIVE, AND IN 1979 WE EXPECT TO SAVE WELL OVER A \$130,000 IN COSTS OVER WHAT THEY MIGHT BE IF WE WERE TO PURCHASE THESE EXAMINATIONS COMPLETELY AT EXTERNAL FACILITIES. WE EXPECT TO HAVE ABOUT A 86% PARTICIPATION IN THIS PROGRAM.

DURING THE PAST TWO YEARS, [WE HAVE ALSO BUILT CONSIDERABLY IN OUR INDUSTRIAL HYGIENE PROGRAM WHICH IS HEADED BY DR. JOHN HOCHSTRASSER.] (SLIDE 4) JOHN IS AT THIS MEETING AND WILL BE TALKING TO YOU SEPARATELY ABOUT A RESPIRATORY PROTECTION MANUAL PROGRAM THAT HE HAS DEVELOPED. [JOHN JOINED US IN JANUARY OF 1978 FROM G. D. SEARLE COMPANY AND HAS SUCCEEDED FRED TOCA WHOM SOME OF YOU MAY REMEMBER. JOHN IS RESPONSIBLE FOR THE OVERALL PROGRAM AND REPORTING TO HIM IS PHIL OSEN WHO HEADS UP OUR LABORATORY LOCATED AT PISCATAWAY, NEW JERSEY, AS SUPERVISOR OF OUR ENVIRONMENTAL HEALTH LABORATORY. THIS LABORATORY WHICH IS NOW IN FULL OPERATION IS ALSO STAFFED BY PHIL HEINEY, AN ENVIRONMENTAL HEALTH ANALYST. WE ARE WORKING TO HAVE THIS LABORATORY ACCREDITED BY THE AIHA BEFORE YEAR END. WHEREAS THE PROGRAM THAT HAS ORIGINALLY BEEN SET UP USED SAFETY PROFESSIONALS TO CARRY OUT INDUSTRIAL HYGIENE SAMPLING AS TIME ALLOWED JOHN HOCHSTRASSER IS DEVELOPING A NEW PROGRAM WHICH WE EXPECT TO KICK OFF DURING THE THIRD QUARTER OF 1979, AND THIS IS OUR SO-CALLED "KEY MAN" PROGRAM THIS WILL BE HEADED BY THE SUPERVISOR OF INDUSTRIAL HYGIENE FIELD SERVICES, A NEWLY-CREATED POSITION AND THIS PERSON, WHOM WE ARE NOW ACTIVELY RECRUITING, WILL BE RESPONSIBLE FOR THE OVERALL IMPLEMENTATION OF THE PROGRAM. WE EXPECT TO CARRY OUT AN IN-HOUSE TRAINING PROGRAM FOR SELECTED INDIVIDUALS AT EACH OF OUR PLANT SITES WHO THEN WILL GO BACK TO THEIR

INDIVIDUAL LOCATIONS AND BE RESPONSIBLE FOR ON-SITE SAMPLING AND MONITORING FOR POTENTIAL INDUSTRIAL HYGIENE PROBLEMS.]

[THE THIRD AREA IN OUR MEDICAL PROGRAM IS THAT OF TOXICOLOGY. (SLIDE 5) OUR CORPORATE MANAGER OF TOXICOLOGY, DR. JOHN HODGSON, WHO JOINED US FROM MIDWEST RESEARCH INSTITUTE IN ST. LOUIS IN JULY OF 1978, IS RESPONSIBLE FOR EVALUATING TOXICOLOGICAL HAZARDS OF OUR CURRENT PRODUCTS AND ASSESSING THE TOXICITY AND POTENTIAL HAZARDS OF NEW PRODUCTS BY PLACING THEM INTO TESTS AT APPROPRIATE AGENCIES AND CONTRACT LABORATORIES. JOHN HAS DEVELOPED A COMPLETE TOXICOLOGY PROGRAM WHICH IS AVAILABLE TO YOU AND THE OTHER TENNECO COMPANIES IF YOU THINK IT IS OF INTEREST. THIS BASICALLY DESCRIBES ALL THE PROTOCOLS THAT WE WILL USE FOR TOXICITY TESTING IN ORDER TO INSURE COMPLIANCE WITH APPLICABLE FEDERAL AND STATE STATUTES.]

[TURNING NOW TO OUR NEXT AREA, THAT OF PRODUCT REGULATORY SERVICES, THIS HAS TAKEN ON ADDED IMPORTANCE AS A RESULT OF THE TOXIC SUBSTANCE CONTROL ACT WHICH I WILL DISCUSS IN A SHORT WHILE. THIS PRODUCT REGULATORY SERVICES GROUP IS HEADED BY PAUL REED (SLIDE 6) WHO IS ASSISTED BY THREE PEOPLE. THEY ARE INVOLVED IN INSURING OUR COMPLIANCE NOT ONLY WITH TOXIC SUBSTANCE CONTROL ACT, BUT IN SEEING THAT OUR PRODUCT DOCUMENTATION, THAT IS TO SAY OUR DATA SHEETS, MATERIAL SAFETY DATA SHEETS, AND OUR PRODUCT LABELS ARE ALL IN ORDER. AS YOU ARE AWARE, BECAUSE OF THE HIGH RATE OF PRODUCT-LIABILITY SUITS, IT IS IMPORTANT THAT WE BE CERTAIN THAT ALL PRECAUTIONARY LABELS AND WARNINGS ON OUR PRODUCTS ARE PROPER AND APPEAR AS THEY ARE REQUIRED. THIS, AS YOU CAN APPRECIATE, IS VERY IMPORTANT IN OUR LITIGIOUS SOCIETY.]

[FINALLY, WE ARE INVOLVED IN OUR DEPARTMENT IN HANDLING GOVERNMENTAL AFFAIRS AND LEGISLATIVE CONTACT ON BOTH THE STATE AND FEDERAL LEVEL. WE PRIMARILY CONCENTRATE IN NEW JERSEY BECAUSE WE HAVE 12 OF OUR PLANT SITES

HERE, AND WE HAVE VERY CLOSE RELATIONSHIPS WITH MANY OF THE ELECTED LEGISLATORS. WE ALSO RESPOND WITH COMMENTS ON REGULATIONS AS THEY ARE PROPOSED BY THE VARIOUS FEDERAL AGENCIES SUCH AS OSHA, EPA, FDA, AND SO ON. FOR EXAMPLE, WE PARTICIPATED IN THE OSHA HEARING ON THE GENERIC CARCINOGENS STANDARD; WE GAVE TESTIMONY AT THE EPA HEARING ON AIRBORNE CARCINOGENS; WE FILED COMMENTS WITH REGARD TO THE REGULATIONS PROPOSED UNDER THE RESOURCE CONSERVATION RECOVERY ACT; WE FILED COMMENTS WITH THE AGENCY OPPOSING THE REGULATIONS BEING PROPOSED FOR PRE-MANUFACTURING NOTIFICATION UNDER THE TOXIC SUBSTANCES ACT; AND SO ON. WE FEEL THAT THESE INPUTS ARE VERY IMPORTANT SO AS TO MAKE OUR COMMENTS KNOWN TO THE AGENCY DURING THE RULE-MAKING PROCESS. ^{could} OBVIOUSLY AS WE GO ON, SHOULD WE BE VERY UNHAPPY WITH THE PROPOSED REGULATIONS, OUR COMMENTS FILED DURING THE RULE-MAKING PROCESS ~~CAN~~ BE VERY HELPFUL IN ANY POTENTIAL LAW SUITS THAT WE MAY ELECT TO PARTICIPATE IN.

MY PRESENTATION TODAY WILL FIRST COVER (SLIDE 7) THE TOXIC SUBSTANCES CONTROL ACT WHICH IS ALREADY HAVING GREAT IMPACT ON US AS A CHEMICAL COMPANY. I THINK IT MAY ALSO HAVE IMPACTS ON OTHER COMPANIES IN THE TENNECO FAMILY AS IT COULD RELATE EITHER TO AVAILABILITY OF PRODUCTS OR RAW MATERIALS. I WOULD FIRST LIKE TO START BY MAKING YOU AWARE OF THE TOXIC SUBSTANCE CONTROL ACT AND ITS MAJOR FACETS. THEN I WILL DISCUSS WITH YOU THE MECHANISMS THAT TENNECO CHEMICALS HAS INTRODUCED FOR REPORTING SIGNIFICANT HAZARDS UNDER THIS ACT.

(SLIDE 8) AS YOU ARE AWARE, WE LIVE IN A WORLD IN WHICH WE ARE SURROUNDED BY CHEMICALS. THE AIR WE BREATHE AND ALMOST EVERYTHING WE TOUCH, EAT, OR DRINK CONTAINS THEM. (SLIDE 9) CHEMICAL PRODUCTS PROTECT, PROLONG, AND ENHANCE OUR LIVES AND THE ENVIRONMENT. THEY ARE ESSENTIAL TO MODERN LIVES AS WE KNOW IT, YET IT IS UNFORTUNATELY TRUE THAT TOO LITTLE IS