bcc: P. G. Benignus
W. B. Papageorge
J. G. Bryant - 1650
P. L. Slayton - 1650

January 8, 1973

Mr. Michael Harding
Sperry-Univac, Inc.
P. O. Box 500
Bluebell, Pennsylvania
19422

Dear Mr. Harding:

Further to our conversation on PCB replacement fluids for capacitors I enclose the literature I referred to, viz., a copy of the U. S. PCB Task Force report supporting the continued use of PCB's in capacitors and transformers, and a copy of a Monsanto presentation to the Task Force on the biodegradation of PCB's.

At least 99.8% of PCB capacitors made in U.S.A. and Canada now use Aroclor 1016 which contains significantly lower levels of penta- and higher chlorobiphenyl homologs.

A sector meeting of OECD took place in Paris in October 1972 and recommended that the use of PCB's in capacitors and transformers continue. It is my understanding that delegations from some OECD countries were alarmed about possible non-tariff trade barriers that could arise because of non-uniform application of PCB restrictions. Japan is a member of OECD.

I also enclose a copy of the final Environmental Impact Statement Rule Making on PCB's published by F.D.A. on December 18, 1972. While this document addresses itself to PCB's in animal feed, food packaging and food establishments, it is of importance to note that "the use in these establishments of electrical transformers and capacitors that contain PCB's are not expected to cause the contamination of (these products) and are exempt from the above-mentioned provisions." (See pages 14, 15, 16).

MONS 094730

Monsanto has ongoing research programs on PCB replacements for capacitors. Naturally any likely replacements would have to undergo strict environmental acceptance testing in addition to normal, length performance testing to qualify, in our view, for serious consideration as a PCB replacement. These requirements therefore stretch out the period before any promising laboratory candidate could become a commercial reality.

We appreciate the difficulties facing Sperry-Univac in obtaining non-PCB replacements.

If you feel a meeting with yourself or your Vice-President for World-Wide Development would be helpful, please do not hesitate to contact us again.

Very truly yours,

Cumming Paton
Product Manager
Fluids

/pp
Encls.