



CONFIDENTIAL

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Interoffice Communication

To : R. D. Gamblin
From : John Friend
Date : January 24, 1983
Subject : 1983 OBJECTIVES - ABERDEEN CHEMICAL PLANT

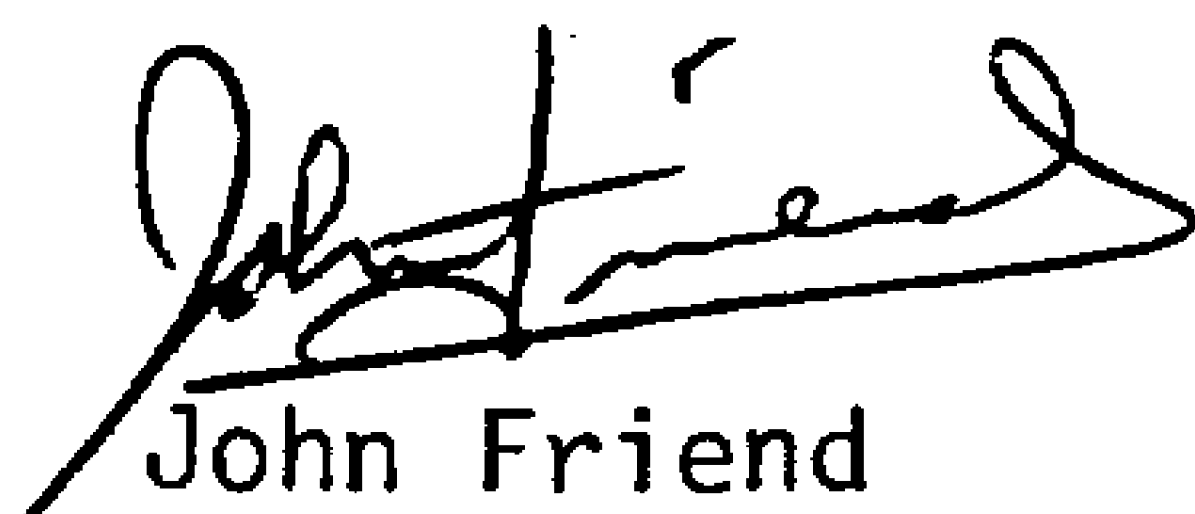
Attached are the proposed 1983 objectives for the Aberdeen Chemical Plant. The production and cost objectives are based on this month's reforecast, although variances are versus budget.

Our highest priority in maintenance improvement is training. Our primary weakness is maintenance supervisory skills which will be addressed in a thorough supervisory improvement program conducted by MED and the plant. Our maintenance supervisors need to be trained in making a plan, working the plan and followup. Some close one-on-one, on-the-job training is included. Also, general skills upgrading is a serious need and is addressed in the objectives. We too often see repairs which fix the symptoms rather than the problem. By developing and implementing some training programs specific to our plant, we hope to see improvements in the quality of repairs. Although not addressed in the objectives, Rick Snowden has developed a maintenance cost performance equation (discussed in his recent memo to you) which we hope will allow us to measure our maintenance performance on a cost basis.

Overall quality control in the resin area is a major concern of mine. This year we hope to implement tracking systems which will specifically define our performance. With the tracking data generated this year, we can then identify our true performance and set quantitative objectives in 1984.

Another very important program for us in 1983 is our resin dryer improvement project. We know that our dryers have been neglected over the years, but we will begin to upgrade them with the extraordinary maintenance money in this year's budget. However, by using the knowledge already gained in Oklahoma City and the input of DuPont dryer experts, we will be able to prioritize the upgrading to achieve the most benefits the quickest. We should also gain significant energy savings with this program as evidenced by the improvements made at Oklahoma City.

I hope the objectives can be finalized soon so that I can get back to the department heads with the official objectives for 1983.



John Friend

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attachments

VAB.0001183713

PART A. QUANTITATIVE GOALS

	Results 1982	Objectives 1983	Actual Results 1983
<u>SAFETY</u>			
1. Occupational Injuries			
a) Lost Time	0	0	
b) Medical Treatment	6	4	
c) Total Injuries	36	32	
d) Restricted Workday Cases	3	2	
2. Improve VCM exposure for vinyl department employees exposed above the PEL without respiratory protection (% of personnel dosimeters).	7.9% > PEL	4% > PEL	
3. Assure reliability of the plant fire-water system through implementation of a comprehensive PM program.	-	4-1-83	
<u>PRODUCTION</u>			
1. Achieve the 1/83 reforecasted resin production (assumes no sales, transportation or raw material supply constraints).	314 MM lbs.	380 MM lbs.	
2. Produce 50 MM lbs. of PVC compounds (assumes no sales limitations).	38 MM lbs.	50 MM lbs.	
3. Achieve the 1/83 reforecasted dry blend production (assumes no sales limitations).	42 MM lbs.	50 MM lbs.	
4. Demonstrate ultimate unit capacity for the high margin rigid profile dry blend (168A) produced to gaylord boxes.	100 M lbs/day	200 M lbs/day	
5. Improve waste reclaim by processing pond resin through the new pond resin reclaim system.	400 M lbs.	2000 M lbs.	

PART A. QUANTITATIVE GOALS

	Results 1982	Objectives 1983	Actual Results 1983
<u>COST CONTROL</u>			
1. Reduce energy consumption per pound of production on an adjusted CMA basis.	41.2% Below 1972	46.0% Below 1972	
2. Minimize the impact of severe cold weather by reduction of downtime due to freezeups.	40 reactor - days downtime	10 reactor - days downtime	
3. Improve efficiencies and thereby achieve a favorable variable cost efficiency variance from budget excluding product mix variances.	\$111 M Favorable	\$300 M Favorable	
4. Achieve a favorable fixed cost variance from budget excluding depreciation variances.	\$856 M Favorable	\$145 M Favorable	
5. Reduce production of sifter overflow.	0.00473 lbs/lb.	0.00319 lbs/lb	
6. Reduce VCM consumption per pound of resin produced.	1.01237 lbs/lb.	1.01190 lbs/lb	
7. Control overtime as a percent of straight time hours worked.	8.7%	8.5%	
<u>QUALITY CONTROL</u>			
1. Reduce plant justified customer action requests by 10%.	21	19	
2. Improve 5385 particle size control and thereby reduce the shipments requiring particle size waiver.	4.1% Waived	2.5% Waived	
3. Continue the significantly improved control of H-grade and millscrap production in compound as measured by the percent of total production.	1.75% H-grade and mill- scrap	1.75% H-grade and millscrap	
4. Improve 5465 viscosity control and thereby reduce the shipments requiring viscosity waiver.	10.8% Waived	7.0% Waived	

PART A. QUANTITATIVE GOALS

	Results 1982	Objectives 1983	Actual Results 1983
<u>ENVIRONMENTAL</u>			
1. Receive no penalizing citations for pollution violations.	0	0	
2. Eliminate reportable VCM relief valve discharges since the two that occurred in early January, 1983.	3	0 After 1/15/83	
3. Improve slurry stripping performance and reduce the number of days the slurry average is above 400 ppm VCM.	18 days	10 days	
4. Obtain a new, favorable State operating permit for air emissions.	-	3-1-83	
5. Demonstrate compliance with the revised NPDES discharge limits by startup and operation of the biodisc unit.	-	4-1-83	
6. Improve operation of the wastewater treatment system by implementation of revised operating procedures and operator training by 6-1-83.	-	6-1-83	
<u>PERSONNEL</u>			
1. Improve employee communications through more plant manager's information meetings with all employees.	One series of meetings	Six series of meetings	
2. Maintain current utilization of minorities in the blue collar workforce.	38%	38%	
3. Achieve a female hiring rate of at least 10% of new hourly hires.	No hourly hiring in 1982	10%	
<u>OTHER</u>			
1. Reduce combined 0739 and 0744 inventories.	\$2.79 MM year-end inventory	\$2.60 MM year-end inventory	

PART A. QUANTITATIVE GOALS

	Results 1982	Objectives 1983	Actual Results 1983
OTHER - (Continued)			
2. Complete total fixed assets inventory	20% complete	100% complete	
3. Achieve a capital expenditure level within <u>±</u> 15% of the 1/83 reforecast.	34% below cash flow improvement target	<u>±</u> 15%	
4. Improve capital project execution by use of the newly implemented scheduling procedure and thereby achieve a year-end net for all projects of no more than two months behind the total project schedule.	-	-2 project months	

PART B. STRETCH GOALS

	Results 1982	Objective 1983	Actual Results 1983
<u>SAFETY</u>			
1. Occupational Injuries			
a) Medical Treatment	6	3	
b) Total Injuries	36	28	
c) Restricted Workday Cases	3	1	
<u>PRODUCTION</u>			
1. Produce 420 MM lbs. of resin.	314 MM lbs.	420 MM lbs.	
2. Produce 53 MM lbs. of PVC compounds.	38 MM lbs.	53 MM lbs.	
3. Produce 80 MM lbs. of low molecular weight resins.	48 MM lbs.	80 MM lbs.	
<u>COST CONTROL</u>			
1. Reduce energy consumption per pound of production on an adjusted CMA basis.	41.2% Below 1972	48.0% Below 1972	
2. Eliminate reactor downtime due to freezeups.	40 reactor - days downtime	0 reactor-days downtime	
3. Improve variable cost efficiencies excluding product mix variances.	\$111 M Favorable	\$450 M Favorable	
4. Reduce fixed costs excluding depreciation variances.	\$856 M Favorable	\$300 M Favorable	
<u>QUALITY CONTROL</u>			
1. Reduce plant justified customer action requests by 19%.	21	17	
2. Improve 5385 particle size control and thereby reduce the shipments requiring particle size waiver.	4.1% Waived	1.5% Waived	
3. Reduce H-grade and millscrap production in compound.	1.75%	1.50%	

PART C. SPECIAL PROJECTS TO BE ACCOMPLISHED DURING YEAR (NON QUANTITATIVE)

Results Achieved

1. Improve our most pressing deficiency in maintenance through a supervisory skills improvement program conducted by plant and MED personnel.
2. Improve maintenance performance by implementing an extensive skills upgrading program:
 - a) Send two I&E personnel to MED's basic instrumentation course.
 - b) In conjunction with MED, develop and begin implementation of site specific instrumentation training.
 - c) Provide basic instrumentation and mechanical seal training for operations personnel.
 - d) Send three mechanics and three supervisors to MED craft school.
 - e) Send the I&E supervisor to MED's instrumentation for engineer's course.
 - f) Re-train all mechanics in alignment.
3. Work with R&E, Marketing and the Business Area to fully develop 168A dry blend (RP-200) such that consistent quality product can be supplied at high production rates.
4. Design and install a system which minimizes the falling hazard associated with hopper truck loading.
5. Develop and implement a comprehensive resin dryer improvement program in conjunction with DuPont dryer experts, Oklahoma City and PED.

PART C. SPECIAL PROJECTS TO BE ACCOMPLISHED DURING YEAR (NON QUANTITATIVE)

	Results Achieved
6. Provide a management tool for better resin quality control by implementing a tracking system for amount of resin waived, graded "B" and ungraded.	
7. Evaluate the feasibility of consolidating two large vinyl cooling towers and thereby shut down the two old cooling towers.	
8. Develop and implement a comprehensive pre-trip inspection program for empty VCM, alcohol and phthalic anhydride cars.	
9. Evaluate a backwash filter on the VCM charge line for reduction in personnel exposure caused by filter element changeout requirements.	
10. Improve low molecular weight resin production by working with R&E to minimize condenser fouling.	
11. Develop a plant emergency communications plan.	
12. Improve relations with local media and governmental authorities by conducting orientations and plant tours.	
13. Develop a supervisory identification program to improve the selection and development of potential supervisory candidates.	
14. Install a new bed plate in the fluid bed dryer to increase drying rates and minimize plate pluggage due to localized stagnation.	

PART C. SPECIAL PROJECTS TO BE ACCOMPLISHED DURING YEAR (NON QUANTITATIVE)

	Results Achieved
15. Develop the Line I modernization project to provide an adequately modernized system in a timely manner.	
16. Complete Manufacturing's Compound/Dry Blend/Plasticizer Study in order to improve the plant's abilities to determine each product's cost and each operation's weaknesses in cost performance.	
17. Develop a new hourly hiring program to improve interview procedures, establish applicant testing and provide expanded new employee orientation.	
18. Maintain adequate inventory to fill all 5465 orders which have at least five days lead time (unless production priorities are shifted by the Business Area.)	
19. Work with the Business Area, R&E and DuPont to determine the most mutually beneficial plan for interim production of EPD's new compounds.	