

MINUTES of the three-hundred eleventh meeting of the Board of Directors of the Chemical Manufacturers Association, Inc., held in Salon I of the Ritz Carlton, Naples, Florida, on Monday and Tuesday, January 26 and 27, 1987. There were present:

Directors:	W. H. Clark, Jr. - Chairman	
	Robert C. Forney - Vice Chairman	
	Robert A. Roland, President	
	Lee K. Bailey (2)	Carl W. Lorentzen
	Dexter F. Baker	John S. Ludington (1)
	Cyril C. Baldwin, Jr.	H. E. McBrayer
	Robert D. Cadieux	Keith R. McKennon
	Carlyle G. Caldwell	George J. McNally, (1)
	Paul W. Chellgren (1)	L. John Polite, Jr.
	Harry Corless	M. Whitson Sadler
	Robert W. Davis	Roy Sambrook
	John T. Files	Vincent A. Sarni
	Vincent L. Gregory	James F. Schorr (1)
	Earle H. Harbison, Jr.	Harold A. Sorgenti
	D. George Harris	Edwin L. Stenzel
	P. W. Ifland	S. Jay Stewart
	Ray R. Irani (2)	Otto Sturzenegger
	John W. Johnstone, Jr.	O. Edward Wall
	Emerson Kampen	Konrad M. Weis
	Robert D. Kennedy (1)	Chong Y. Yoon

Secretary:	Charles W. Van Vlack
Treasurer:	Gary C. Herrman
General Counsel:	David F. Zoll

By Invitation:	Frank W. Berryman - Chevron Chemical Company
	J. Ronald Condray - Monsanto Company
	Geraldine V. Cox - CMA
	Scott S. Cunningham - Union Carbide Corporation (2)
	Kenneth E. Davis - Rohm and Haas Company
	Myron T. Foveaux - CMA
	Clyde H. Greenert - Union Carbide Corporation
	Edward D. Griffith - ARCO Chemical Company
	Patrick L. Henry - Allied-Signal Inc.
	Jon C. Holtzman - CMA
	E. Hamilton Hurst - Nalco Chemical Company
	Hubert R. Irvine - Exxon Chemical Americas (1)
	Ronald M. Jacobson - Rohm and Haas Company (1)
	Bruce W. Karrh, M.D. - E. I. du Pont de Nemours & Company (1)
	Conrad S. Kent - (SOCMA) Stauffer Chemical Company
	Paul M. King - PPG Industries, Inc. (1)
	Charles D. Malloch - Monsanto Company (2)
	Michael A. Pierle - Monsanto Chemical Company
	James C. Pugh, PPG Industries, Inc.
	Vernon R. Rice - E. I. du Pont de Nemours & Company
	Randal P. Schumacher - CMA
	Charles T. Seay - Exxon Chemical Americas
	William M. Stover - CMA

CMA general principles on air toxics. Meetings between the coalitions and key legislators will be held during the spring and summer to educate legislators on industry operations and CMA's positions.

Members of Congress have been identified as key members on air toxics on the basis of membership on the congressional committees of jurisdiction as well as a large industry constituent presence in their districts. The list of members so identified for activity in the Grassroots Program will be reviewed as new congressional committee assignments are made, and revised, accordingly.

4. Regulatory Developments and Response

Industrial Boilers New Source Performance Standards. CMA submitted comments on EPA's proposed standards of performance for new stationary sources, industrial-commercial-institutional steam generating units. CMA criticized the 90% reduction requirement as neither practical nor cost effective for small boilers. CMA recommended that the Agency set emission limits that can be met by either fuel election, pre-cleaning, or scrubbing whichever is most cost effective.

In addition, CMA noted that the proposed NSPS is inconsistent with other important national goals. In this regard, it contradicts U.S. energy policy by discouraging the use of coal, our most abundant energy resource. Additionally, the effects of the proposed regulation could run counter to the intent of the Clean Air Act in reducing emissions. The unrealistic requirement for SO₂ emission reductions could encourage continued operation of existing, less efficient boilers. CMA urged EPA to reconsider its proposal and issue a less onerous standard which would not deter the use of coal and would be cost effective.

5. Litigation and Related Activities

Vinyl Chloride Litigation. CMA won a major victory in a case involving Section 112 of the Clean Air Act. The decision provides EPA with more discretion in setting reasonable clean air standards. CMA participated in this case, supporting EPA's position that the Agency can consider cost and technological feasibility in setting emission standards.

The Natural Resources Defense Council (NRDC) argued that Section 112 permits only the consideration of health-based factors. Therefore, in their view, EPA could not take into account cost and technological feasibility.

The U.S. Court of Appeals for the D.C. Circuit, however, held that EPA has some discretion in setting emission standards. Its November 4, 1986, decision affirmed that EPA had acted reasonably in withdrawing proposed amendments on vinyl chloride after considering the cost to industry and the technological feasibility of compliance.

NRDC has asked for a rehearing of the case. If the decision is upheld, it is expected to affect similar litigation involving benzene and radionuclides standards.

Benzene and Radionuclides Litigation. On November 20, 1986, CMA filed supplemental briefs in the benzene and the radionuclides litigation with the U.S. Court of Appeals for the D.C. Circuit. The briefs were requested by the court to help assess the impact of the recent vinyl chloride decision on these two cases. Both involve an issue similar to that in the vinyl chloride case: whether EPA may consider cost and technological feasibility in setting emission standards. Oral argument has been scheduled for May 26, 1987.

6. Communications

Communications Department is producing an issues book for the Ad Hoc Accidental Release Prevention and Control Group. Distribution is targeted for mid-January. The book will describe legislative and regulatory issues focused on prevention and control of accidental releases from chemical facilities.

A seminar on air toxics policy communication was conducted for an expected 150 attendees in Houston. The seminar targeted for plant managers, was designed to assist those attending develop site specific communication plans.

With the support of the Communications Committee and CMA's communications staff, the Louisiana Chemical Association is developing plans to implement an air toxics communication plan. Their experience will be shared with other state organizations.

I. Chemical Product Distribution Advocacy

1. Congressional Developments and Response

Hazardous Materials Transportation Act. The Hazardous Materials Transportation Act (HMTA) was scheduled to be considered for reauthorization in the 99th Congress. With the exception of one day of hearings before a subcommittee, no action was taken on the matter. Funding to continue the activities which the Act regulates was included in the continuing resolution which Congress passed just prior to adjournment. As the Act contains no sunset provisions, officials at the Department of Transportation are satisfied that, for the time being, this congressional action was sufficient to maintain the programs covered by the Act.

Nevertheless, it is anticipated that there are a number of Congressmen who would like to see the Act reopened for additional amendments. Accordingly, extensive activity on HMTA is expected in the 100th Congress.

CMA plans to take the position paper approved by the Board last January and draft proposed legislative language which could be used for the Act's reauthorization. The Government Relations Committee's

taken up and eliminated from the body following intravenous and oral dosing.

Vinylidene Chloride. The Panel is preparing comments in response to EPA's Proposed Test Rule for 1,1-dichloroethylene (VDC) (51 FR 28840). The proposal requires additional toxicology testing under TSCA Section 4(a). The Panel feels additional testing is not necessary since more than twenty VDC studies have indicated no health concern. Comments on this proposal are due to EPA by January 14, 1987.

2. Communications Support

The department assisted in preparation of materials for submission of a request for a "prior exemption" for BHT and developed proposed media strategy for the submission.

The staff also continued to coordinate response to press inquiries related to CFC research.

III. DEPARTMENTAL PROGRAM NOTES

A. Government Relations Department

1. Federal Grassroots Activities

During 1986 the Grassroots Program has undergone a transition in its focus. Upon completion of the Grassroots effort in support of the Superfund Reauthorization, the program has been expanding its base among CMA member companies and identifying several new issue areas for involvement during 1987-1988. The objective is to evolve the program into a multi-issue, permanent contact mechanism to advance CMA's federal legislative advocacy efforts in environment, worker health and safety, and economic/trade issues.

The priority issue for the Grassroots program during 1987 will be air toxics emissions. Already much activity has begun toward developing a grassroots network on air toxics. Eighty-nine Members of the House and Senate have been targeted as key legislators in Congressional activity on air toxics. Earlier this year member company Grassroots Managers assigned Congressional Liaison Representatives (CLRs) to lead the grassroots effort in their Congressional Districts. CLRs have been involved in program and issue orientation, in establishing relationships with assigned legislators, and in the development of coalitions within their districts. These coalitions, comprised of chemical company representatives and other interested constituents, have been meeting and will continue to meet in early 1987 to discuss the air toxics message and strategies for communicating with key legislators. Meetings between CLRs, coalitions and key legislators, will be scheduled for February-March 1987, during the preliminary stages of debate on air toxics emissions.

Other program activities are underway and will continue in 1987 to develop an adaptability to changes in issue emphasis. In addition