EPA Hearing on Proposed Regulations
on PCB Transformer Use

Statement of Dr. John Craddock, Chairman
Chemical Manufacturers Association
PCB Program Panel

January 15, 1985

Good afternoon. I am John Craddock, Chairman of the Chemical Manufacturers Association PCB Program Panel. CMA appreciates the opportunity to appear here today.

CMA has actively participated in many EPA proceedings concerning PCBs. Following remand from the Court of Appeals in 1980, CMA conducted surveys for the Agency of PCB use in electrical equipment in the chemical industry and of inadvertent generation of PCBs in chemical manufacture. CMA has filed extensive comments in each of EPA's many PCB rulemakings. We also worked jointly with the Environmental Defense Fund and Natural Resources Defense Council to develop the consensus proposal that EPA employed as the basis for its final rule on inadvertant PCB generation. Most recently, the Panel has submitted comments in response to both the ANPR and the current proposal concerning risks should PCB transformers be involved in fires.

As our comments detailed, CMA believes the incidence of fires involving PCB transformers has been greatly overestimated because a few unusual incidents in recent years focused

0754893

public attention on this issue. Indeed, CMA's survey of transformer use in the chemical industry over the past 40 years found no fires involving PCB transformers. Our comments thus conclude there is insufficient information to justify new regulations on PCB transformers, especially those in use under controlled conditions in the chemical industry.

This ~~morning~~ afternoon -- rather than restating CMA's previously detailed position -- I would like to address the issues in this proceeding by posing several questions to the Agency and to other interested parties. The fundamental question underlying this proceeding is whether any of us can conclude with confidence that any of the wide range of measures being proposed by EPA or other parties will in fact reduce the number of transformer fires or the risks associated with such fires. CMA suggests the answer is no, and, accordingly, concludes this regulatory initiative should be abandoned until considerably more information exists.

EPA believes that a health risk exists when a fire occurs in the vicinity of a PCB transformer. It is concerned that PCBs, dioxins and dibenzofurans will be released and spread through nearby buildings. It has thus proposed a variety of controls that EPA believes will make it less likely that fires will get out of control or that their combustion products will spread. As we have determined from talking to companies within the chemical industry, and as

EPA's economic consultants recognize, the expense involved in EPA's proposals may lead many operators to choose retrofill or removal even if such actions are not mandated. Thus, CMA believes that the practical impact of the regulation will be a forced phaseout of many transformers currently in use.

Serious questions for which the record currently offers no firm answers are raised:

-- Will fires involving transformers be more, or less, likely should any of these controls be imposed?

-- Will the consequences of such fires be more, or less, dangerous?

-- Will combustion products should a fire occur be more, or less, dangerous?

-- What risks will be posed by the storage and disposal of PCBs forced out by regulation?

Without answers to these questions -- answers that are not at all clear today -- it is possible that the new EPA controls will create risks that are greater than any risks EPA hopes to reduce. I would like to review briefly each of these questions to explain why CMA believes EPA may be embarking on a potentially counter-productive rulemaking.

First, the record in this proceeding is woefully lacking in evidence that any particular EPA solution will make it less likely that fires will occur. As is well known, PCBs were initially chosen for transformer dielectric use

precisely because of their fire resistant characteristics. Further, electrical specialists have for many years been aware of the risk of fires with electrical equipment and have thus taken numerous precautions through the National Electric Code and other guidance to minimize fire risks.

For EPA, whose expertise in electrical matters is limited, to attempt to impose new regulations intended to reduce fire risks creates the distinct possibility that wise choices may not be made. As the many comments received by the Agency over the past two months demonstrate, EPA has in fact chosen electrical protective devices whose availability and efficacy are questioned by many experts in the field. At the same time, little data exist on the risks that alternative transformer fluids may contribute to the initiation or spread of fires. In other words, the best protection against fires involving transformers may well be continued use of PCB transformers as they are used today. At a minimum, the record does not indicate whether there will be fewer, or more, fires if new EPA controls are promulgated. Nor does the record indicate whether the isolation requirement will adequately contain the fire and combustion products for any period of time; nor whether there will be more, or possibly different, toxic combustion products as a result of EPA controls.

Furthermore, some of the control measures suggested by the Agency could increase other fire risks. For example,

many building emergency systems depend on continued flow of electricity to allow occupants to evacuate. Deenergization measures that might be useful in limiting fires might at the same time hinder building evacuation. Experts in electrical design and fire safety should be making decisions in this area.

Third, EPA has focused all its attention on the possibility of PCB, dioxin and dibenzofuran contamination. Even if the proposed regulations were to reduce spread of these chemicals -- either through controlling fires involving PCB transformers or removal of PCBs from transformers -- the possibility remains that other combustion products will be formed during fires and pose their own toxic risks -- risks that perhaps will be more significant than those presented by dioxins and by dibenzofurans. We do know that the record demonstrates PCBs are not the source of dioxins, but we do not know whether the regulations would reduce dibenzofuran combustion products while increasing production and dissemination of other toxic compounds. Until all such risks are assessed, no assurance will exist that removal of PCBs will be beneficial.

Finally, if the EPA regulations do in fact cause substantial PCB removal from transformers, we must be concerned with the fate of this fluid. As EPA's economic report recognizes, a three-year phaseout is not a practical alternative. Current approved PCB ininceration capacity in this

country is already overburdened. What risk will be created by the necessary handling and storage of PCBs until such incineration capacity exists is yet another unexplored issue.

In sum, the record reveals an alarming lack of data indicating whether the proposed controls will in effect reduce risks. We all can agree it is undesirable to have any transformers involved in fires and that it is desirable, should such incidents occur, that the fires be quickly controlled and their combustion products handled. But, we must also recognize that EPA should not impose new measures to prevent such fires unless it is sure that those measures will in fact reduce overall risks. If alternative wiring or isolation protection creates new risks, or if alternative fluids increase the risk of fire or the production of toxic combustion products, the nation will not be better off.

As in EPA's prior PCB proceedings, the focus should be on development of reasonable controls to limit human or environmental PCB exposure. In this proceeding EPA has ventured far afield into complex questions of electrical system design, building emergency procedures, relative risks of a wide variety of chemicals under unusual fire conditions, and, indeed, of fire itself. The resulting regulatory proposals thus raise more questions about potential new risks than they answer about the risks initially perceived.

CMA is concerned that the Agency may issue a regulation whose risks are greater than its benefits -- without even considering the costs imposed. We urge the Agency to reconsider and withdraw its proposal until it obtains a more substantial base of information upon which to compare the risks of various fire control alternatives.