

Springfield

May 2, 1967

VCM Supply for Springfield Plant

F. W. Griason - Texas City
C. E. Knight
D. J. Miller
C. W. Spinn - Texas City

W. W. Latimer - Texas City

Your letter concerning capital requirements for Springfield in the evaluation of VCM ship transportation has been referred to me to answer.

As you know, VCM transfer from Texas City to New Haven by ship was investigated when the present ship contract was negotiated in 1963 and 1964. At the present time, usage is forecast to be somewhat higher and in the following quantities:

1968	134	M pounds
1969	140	M pounds
1970	149	M pounds
1971	166	M pounds
1972	197	M pounds

In essence the capital requirements remain the same with variations due to escalation in quantity handled and in unit prices.

Specifically receipt by tank car will require the installation of one additional 45,000 gallon capacity storage tank with the necessary fire protection. Timing for completion of this project would be prior to January 1, 1972 and the cost estimated at \$38,000.

If we were to move VCM by tanker to New Haven and by tank truck from New Haven to Springfield, it would be necessary to establish a tank truck unloading station at the plant site capable of unloading up to 19-40,000 lb. loads per day on a three-shift basis. This would require seven unloading stations on a three-shift basis. Initial capital required for site work, roadway, and piping and five unloading stations initially required is estimated at \$115 to \$140 M with an additional \$25 to \$50 M dollars required in 1972.

My suggestion, however, is that we consider the use of a tank car movement from New Haven to Springfield using a portion of our present tank car fleet. On this basis, the added capital here would be only the added tank storage space or a net capital reduction of \$190 M.

R. W. Bueker

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RSV0024351

From the desk of
J. W. BARTON

4/25/6

Dick Buckner

Please prepare
data for WW & per
request.

Do I or I should see
what you are telling
him Jim