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W. W. MADDEN

To: SPI-PVC Safety Group
SPI-PVC Manufacturing Technology Committee
SPI-PVC Health Committee

Gentlemen:

The purposes of this communication are to follow-up on our September 29, 1977, letter and to transmit to you some additional information which you might find of interest.

The events of last week began with a meeting of the Manufacturing Technology Committee on Monday, September 26, 1977. A summary of that meeting in the form of detailed minutes is contained in the attached letter from Beveridge, Fairbanks & Diamond. You should note that since this letter discusses options of a legal nature it has been stamped "confidential" and recipients should treat the entire package as privileged and confidential information protected by the attorney - client privilege.

Pursuant to instructions given us at the September 14 meeting, arrangements were made for a meeting between industry and high level officials of EPA on Thursday, September 29, 1977. At that meeting representing industry were Messrs. Nuechterlein, Adams, Becker, Walker, Baise and Hadley. Representing the agency were David Hawkins, Assistant Administrator for Air and Hazardous Waste, Mrs. Joan Burnstein, General Counsel to the agency, Don Goodwin from Research Triangle Park, and Messrs. Bonine and Naveen from the General Counsel's Office. An agenda for that meeting is attached and minutes of it will be distributed in the near future.

Following up directly on the meeting at the Environmental Protection Agency, the Steering Committee held a meeting in Cleveland on Friday, September 30, 1977, and

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all members of the PVC Safety Group were invited to attend. The agenda for that meeting is also attached and, as with the meeting on September 29, detailed minutes are being prepared and will be circulated promptly.

In the briefest form possible so as not to delay transmission of these materials to you, it should be said that during the meeting on September 29, EPA showed no inclination to discuss withdrawal of the Proposal, did not raise the issue of compromise, and informed the attendees that the zero emissions goal concept was a real option under consideration by the agency. With this information in hand, the Steering Committee, at its September 30 meeting, decided to seek yet another meeting, this time with EPA Administrator Costle. The collective judgment of those attending the September 30 meeting was that concern about "zero emissions goal" and "offset" must now be raised to the highest level in the agency.

On a parallel track, it was decided on September 30 that the time was now ripe to begin use of the political support system in order to force the agency to focus more attention on the issues of concern to the industry.

The final item addressed by the Steering Committee last Friday involved a further refinement of the alternative positions sketched out by the Manufacturing Technology Committee. In short, the Steering Committee directed the Manufacturing Technology Committee to meet again on October 5, 1977 to discuss the various options available were the Agency unwilling to compromise on its "zero emissions goal" and "offset."

As to the other enclosures to this letter, there is an October 3, 1977 letter from Scott Bowen covering a Memorandum by Nick Wheeler which is an evaluation of the proposals industry might offer to amend the "Proposal" relative to the residual vinyl chloride monomer. The next enclosure is a letter from Harold Himmelman that provides an update on the status of the field inspection manual being prepared by the agency's Division of Stationary Source Enforcement. The final enclosure is a copy of a letter from William J. Driver, President of the Manufacturing Chemists Association (MCA) to Administrator Costle. In that letter MCA supports the SPI positions on "zero emissions goal" and "offset."

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Finally, on October 3, 1977, Dames & Moore were given the final "go ahead" to conduct an additional study for the Society. This new study of vinyl chloride dispersion modeling will address short term averaging periods using the same scenarios developed for the previous Dames & Moore study. A final report on this new study is expected within four to six weeks.

Should you have any questions, comments, or suggestions relative to any item discussed in this communication, please do not hesitate to let us know.

Cordially yours,

Joseph E. Hadley, Jr.
D&M.

Enclosures