

CHEMICALS

INTEROFFICE / LAKE CHARLES

INDUSTRIES

CONFIDENTIAL

REC'D AUG 31 1971

TO Mr. A. T. Raetzsch

DATE August 30, 1971

FROM J. G. Peck *Peck*SUBJECT Summary Report of
OSHA Compliance Survey

Reference: (1) Memo from Widing to
Raetzsch et al, June 22, 1971
(2) Memo from Duncan to
Widing, July 6, 1971

In mid-July of 1971 a task force was assigned the job of determining the status of the Lake Charles plant with regard to rules and regulations issued under the Occupational Safety and Health Act of 1970. The basis and results of this survey are discussed in this report.

This "Act" includes more than just the regulations issued in the May 29, 1971 Federal Register. It also includes those regulations promulgated under the Walsh-Healey Public Contracts Act, as Amended (41U.S.C.35) and several other acts. It is almost impossible to untangle all the regulations involved; so, as a practical matter, two documents were used as a basis for the survey as follows.

1. Occupational Safety and Health Standards, National Consensus Standards and Established Federal Standards as published in the Federal Register dated May 29, 1971.
2. Inspection Survey Guide for Federal Contracts Programs, Bulletin 326 (Inspector's guide for compliance with Walsh-Healey Act).

Some of the regulations in the Federal Register have delayed effective dates, but the survey was handled as if all regulations were in effect since the delays would, in general, still permit these regulations to become effective during the period of the initial compliance effort.

The plant was indexed by physical areas and non-compliance items listed on this basis. Order of magnitude estimates have been tabulated for each item. It should also be recognized that no costs have been allowed for procedural changes, inspections or record keeping. Most of these costs will be indirect in nature and will be most difficult to define prior to actual implementation of the item in question.

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In answer to the request which brought about this survey, the estimated cost for full compliance with the Act will be \$3,544,141 and will require about two years to complete. A breakdown into categories as requested by J. E. Burrell is as follows.

- a. Those items which can be instituted at minimal cost and time. (We interpreted this as expense items of \$1000 or less.)----- \$81,411
- b. Those items which will require considerable time and/or expense but not in the magnitude of capital expenditure (expense items of \$1000 or more).
----- \$598,273
- c. Those items which will require capital authorization (all capital items)----- \$2,864,457

As would be expected with a program of this type, many of the regulations are not clear; some go too far into details allowing no leeway; some important subjects are not covered by specific standards at all but mentioned in terms of vague, general requirements. There are other regulations which simply do not appear to be reasonable. Because this condition exists, it would appear to be unwise to embark on a program of complete, unquestioning compliance with this Act. Consequently, it is recommended that we proceed on a basis similar to that outlined in Table I where jobs are grouped into classes with an identifying code. The code is identified in the attached Table I along with totals of costs when broken down according to the code system.

In way of explanation, Code 1 and 2 items are more or less valid and deal directly with health in a broad sense and with personal safety. Code 3 items are those where we do not comply because of a technicality or the standard is questionable. One example is lighting levels; it is almost inconceivable that lighting levels in the standard are really desirable or necessary. A further example is handrail toeplates where the space at the bottom of the toeplate is limited to 1/4" while the majority of those in the plant are 1/2" or so above the walkway. Code 4 items for the most part are items which have had some consideration in the past and it is generally agreed that something must be done. These items fall under regulations which are not entirely definitive, especially in the area of heat stress. We should be sure that our solutions for these problems will stand up under the regulations before proceeding.

JGP:ds

Attachment: Table I

cc: R. E. Baker
D. L. Duncan
O. L. Cromeans
W. Graybill
M. Davis
W. Melton

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AREA	TOTAL	CODE #1	CODE #2	CODE #3	CODE #4
000 - Plantwide	\$ 211,758	\$ 80,435	\$ 34,580	\$ 71,743	\$ 25,000
001 - Brine Treatment (A)	17,729	9,955	500	7,274	-
002 - Future Ammonia (A)	59,871	8,695	46,100	5,076	-
005 - Powerhouse "A" & Riverwater Pump House (A)	137,817	41,928	21,410	74,479	-
006 - Powerhouse "B" (A)	125,628	19,785	13,530	92,313	-
007 - Cylinder Loading & Public Relations (A)	18,571	5,175	2,150	11,246	-
008 - Diaphragm Cells, Maint. Shops & Laboratory (A)	1,158,051	148,035	14,994	505,022	490,000
009 - Caustic Production & Rail Shipping (A)	139,012	77,650	1,950	59,412	-
010 - Chlorine Liquefaction & Rail Shipping	117,053	80,414	2,310	34,329	-
011 - Dock Storage & Docks (A)	156,277	15,575	800	139,902	-
012 - Chlorate (A)	105,504	8,290	1,700	25,514	70,000
013 - IPP (A)	12,701	2,750	1,100	8,851	-
018 - Organic Storage & Rail Shipping (B)	64,373	32,005	930	31,438	-
019 - Mercury Cells (A)	276,255	18,720	7,600	99,935	150,000
025 - Anhydrous Caustic (A)	48,071	6,760	100	41,211	-
050 - Adm. Bldg. & Storerooms (A)	96,581	24,960	1,200	70,421	-
060 - EDC (B)	40,910	11,065	1,000	28,695	150
061 - Tri-Ethane (B)	46,534	11,450	1,300	33,784	-
062 - HCl (B)	35,923	16,811	-	19,112	-
063 - OHC-Per-Tri (B)	109,450	44,170	1,400	63,880	-
064 - Ethyl Chloride (B)	24,430	10,670	-	13,760	-
065 - Vinyl Chloride (B)	37,916	10,740	-	27,176	-
080 - Silica Pigments	468,446	30,015	70	70,361	368,000
100 - Butadiene Storage & Salvage Area (A)	25,880	2,480	-	23,400	-
101 - Sportsman Lake	500	-	500	-	-
110 - Sulphur Brine Field	5,900	4,625	-	1,275	-
111 - Starks Brine Field	3,000	2,100	-	900	-
TOTALS	3,544,141	725,258	155,224	1,560,509	1,103,150

- CODES: 1. Item directly affects health or safety and should be done as soon as possible.
2. Item does not immediately affect health or safety, but should be done on a low priority basis.
3. Item does not meet regulations because of technicality -- hold and contest if required or ask for variance.
4. Item represents known hazard, but regulations not definitive enough to risk attempt at corrective action -- hold and force definition.

TABLE I