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BACONS

General Electric Will Pay $3 Million in PCB Dumping

New York State Department of Environmental Conservation & General Electric Company last week agreed to split the cost of a $7 million program to remove the toxic chemicals' polychlorinated biphenyls, (PCB's) from the Hudson River.

Last week's settlement did not affix legal culpability to GE for polluting the river, but is nevertheless regarded as a victory by conservationists who contend that the decision has established a precedent for future questions on the polluter's responsibility.

GE has also agreed to discontinue the use of PCB's in capacitor production at its Hudson Falls and Fort Edward (N.Y.), plants by July 1, 1977. As part of the agreement, the company will spend $1 million on research, some of which will be used to determine the environmental effects of the unnamed PCB substitute which the company will use next year.

New York State and GE have agreed to contribute $3 million each to a joint program that will continuously measure present discharges of PCB's into the Hudson and take action against residual amounts of the chemical in the waters and sediment of the Hudson.

General Electric will move to reduce the present levels of PCB discharge, estimated at about a pound a day, to average levels of one gram per day by April, 1977. This will be accomplished, the company says, by a $3.5 million pollution-treatment facility when it is completed and in operation next year.

After the July 1 curtailment of PCB use in capacitor production, the facility can be used to limit discharges of the substitute compound, as well as monitor the flow of any residual PCB's in GE's effluent.

Environmental officials say that continued monitoring of PCB's from GE's outfall will be necessary because of leaching of the toxic chemical into the ground and waters

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General Electric

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surrounding the two upstate New York plants.

Of the $1 million that GE plans to spend on research, $400,000 will be spent on evaluating the economic impact of possible substitutes; $400,000 on research concerning the removal of PCB's from waters and sediment, and the remaining monies will be used for environmental studies of substances to be chosen by Commissioner of Environmental Conservation, Peter A.A. Berle.

The agreement has been called "an effective precedent for dealing with situations of joint culpability," by Prof. Abraham T. Sofaer, the Columbia University law professor who conducted the hearings. Prof. Sofaer recommended that the settlement be accepted, noting that GE had requested and obtained Federal and state permits to dump PCB's into the Hudson River.

Gov. Hugh L. Carey, who attended last week's joint news conference with state officials and GE representatives, called the agreement "an excellent example of ways that industry and the state can work together."

AGREEMENT INKED

The agreement to stop dumping by July 1977, was signed by Commissioner Berle and John F. Welch, a G.E. vice president, and has been cited by environmentalists as an alternative to costly and time consuming legal proceedings, but no guarantees are being issued by either side. The total amount of money devoted to cleaning up the Hudson is likely to fall far short of the actual cost of the operation.

Commissioner Berle has stated that he feels the actual cost of removing PCBs from the river could run as high as $12 to $20-million, and that he will attempt to procure the additional funds.

General Electric has been discharging PCBs into the Hudson River for about twenty-five years, and there is an estimated 500,000 pounds of the substance in the waters and on the river bottom. An estimated 84,000 pounds of PCB's were dumped into the Hudson during the years 1969 to 1972, according to published reports.

The compound, which has been used in many areas of chemical manufacture, is ideal for the manufacture of capacitors because it is inert, fire resistant and it can hold an electrical charge. It does, however, cling to small particles of matter in lake and river water and will remain in the sediment of bodies of water.

Carcinogenicity of the chemical was established only recently – it had been known to be toxic for some time – and its appearance in high levels in fish taken from the Hudson brought it to public attention late last year. Workers at the two General Electric plants who had come into contact with PCB's for long periods of time have exhibited several different kinds of illnesses.

Mobil Oil Corporation's study of seventy-two workers exposed to a PCB product at a plant in New Jersey found three cases of melanoma and two cases of pancreatic cancer: well above national averages. Monsanto, a producer of PCB's, last week issued preliminary information from an ongoing PCB study that failed to confirm the Mobil findings.

Tentative findings in the Monsanto study, according to Dr. George Roush, director of the company's medical and environmental health department, "is that our PCB workers lived longer than the national average."

Evidence from the preliminary study suggests that the cases of lung tumor are not PCB-dose related, the company says. Dr. Roush adds that Monsanto's extensive long-term feeding studies with animals would further indicate that PCB's are not carcinogenic.

The company announced last January, however, that it will voluntarily cease all PCB production, "as soon as possible."

AROMATIC PRICE CHANGES

Week Ending Sept. 16, 1976

ADVANCED

None

REDUCED

None

COMPARATIVE PRICE INDEXES

(1967=1000 average)

Last Week	Prev. Week	Last Month	Sept. 12, 1975
204.37	204.37	204.33	200.10

For Current Prices See Page 46.

consistent with the ability of transformer and capacitor manufacturers to convert to viable substitutes.

In recent developments, the presence of PCB was detected in the milk of more than thirty women in Michigan. In Japan, contamination of foodstuffs by PCB's resulted in various illnesses in more than 700 persons, who ingested PCB-containing rice bran cooking oil.

Last week, the Georgia Board of Natural Resources ended commercial fishing on the Coosa River for 120 days because of high levels of PCB's, and warned fishermen not to dispose of fish that they have caught.

The ban was imposed after laboratory tests detected up to twenty-five times the safe levels allowed in fish. The emergency ban will affect fishing from Rome, Georgia site of a GE plant, to the state line.

Joe Tanner, Commissioner of Natural Resources, said the contamination emanates from the GE plant at Rome, where electrical equipment is manufactured. The discharge has been ongoing for twenty-years Mr. Tanner, says, but GE has been working to reduce PCB's in its drainage since 1970.

BTX – Spot prices for benzene have softened, according to reports from Gulf Coast sources, and are now at 82c. to 84c. per gallon. This became particularly evident last week when several large parcels of benzene were sold at 82c. per gallon for export.

Demand has been dismal, sources say, and now that Labor Day has come and gone, some marketers are getting a little nervous. Contract prices are reportedly holding to established levels, however, and should continue to do so.

The market picture for toluene has remained basically the same. Material is available for 56c. to 58c. per gallon on the spot market. The impact of the impending EPA lead reductions has apparently not made its presence felt yet, perhaps because gasoline makers suspect that lead levels will not be reduced to 1.4 grams per gallon on the present schedule.

Industry source says that a final decision will be coming from EPA on September 16, and that large volumes of new data have

Aromatic Organic Imports: July 1976

	July		June	
	Volume	$ Value	Volume	$ Value
Benzene ..... gal.	6,250,152	4,978,118	9,097,981	6,999,320
Cresitar ..... lb.	4,229,354	14,033	2,919,760	78,679
Creosote oil ..... gal.	– – –	– – –	2,218,498	1,217,024
Cresols, o-, m-, purity 75 percent ..... lb.	151,788	109,498	171,517	117,404
Cumene ..... lb.	21,307,066	7,658,496	31,197,374	2,776,586
Melamine ..... lb.	– – –	– – –	79,365	24,354
Naphthalene solids, under 79° C ..... lb.	5,040,200	409,592	94,269	81,717
Naphthol AS and derivatives ..... lb.	211,640	843,836	96,284	238,478
Phenol ..... lb.	1,178,000	323,952	1,096,463	302,118
Phthalic anhydride ..... lb.	1,098,821	282,572	2,788,117	638,985
Pitchings ..... lb.	574,680	480,851	523,870	456,083
Styrene monomer ..... lb.	5,378,000	1,121,758	4,029,980	848,483
Toluene ..... gal.	2,514,899	1,018,073	2,039,775	1,188,918
Var prod (CT 73) ..... lb.	465,962	629,130	80,706	198,741
Xylene ..... gal.	6,855,923	4,822,909	2,323,183	1,684,373
Xylenols ..... lb.	– – –	– – –	– – –	– – –

Naphthalene, pitch of coaltar, blast furnace tar, oil gas, etc.

Source: Bureau of Census

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