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bcc: N. T. Johnson
D. R. Hansen -SAN FRANCISCO

January 15, 1971

Mr. W. L. Luke
Purchasing Agent
IRECO Industries, Inc.
P. O. Box 2709
1300 Bethel Drive
Eugene, Oregon 97402

Dear Mr. Luke:

Your letter asking if Pydraul 312 is classified as a pollutant or non-pollutant was forwarded to me for response because I have been very closely involved with the problem of polychlorinated biphenyls (PCB's) and the environment. PCB's are present in Pydraul 312.

You are probably aware that PCB's have been identified as persistent pollutants in our environment and in some cases have been implicated in causing harm to some species of wildlife. There is no evidence that these materials are harmful to mammals or humans. Because of their persistence in the environment, Monsanto management made the decision to discontinue the sale of PCB-containing products for those applications in which control to prevent escape to the environment was virtually impossible.

Following the decision, we started an aggressive research program to reformulate our Pydraul fluids. The program is now well underway with many Pydrauls reformulated, tested and marketed. The remaining reformulations, including Pydraul 312, are expected to be available during the first quarter of 1971.

The new Pydrauls eliminate the problem of contamination by persistent PCB's but like all other industrial liquids should not be freely discharged in public streams and lakes.

All 50 states have established water quality standards to control pollution. There are some differences in these standards from state to state as you can see from the attached summary from "Chemical Week". In every case,

the blatant disposal of an industrial fluid, whether it contains PCB, mineral oil, glycols, phosphates or any other material, is not permitted.

Admittedly, the enforcement of these standards varies from area to area depending primarily on available funds and on political influences. With the formation of the Environmental Protection Agency enforcement activities will be accelerated forcing all present polluters to take appropriate action.

The choice of industrial fluid to be used in any location should be based on a careful consideration of the many factors involved which include price, service, combatibility, fire resistance, etc. A choice based predominately on the fact that today's environmental spotlight is not focused on the materials in the fluid is not a sound business decision since the environmental spotlight will very soon be focused on all materials introduced into the environment.

I recommend that during the next few months that you continue using Pydraul 312. In the meantime we will have completed our test program with a reformulated product and should be able to offer you a fluid compatible with the old, having all of the good properties you expected in Pydraul 312 and at a competitive price.

I hope this information is useful to you. If I can be of further service, please let me know.

Sincerely,

W. B. Papageorge
Manager
Environmental Control

WBP:ms

Enclosure