

SAFETY - C. M. Markerson/J. V. Uptain

	<u>July</u>	<u>Fiscal</u> <u>Y.T.D. 1995</u>	<u>Y.T.D. 1943</u>
First Aid	1	1	2
OSHA Recordable	<u>0</u>	<u>0</u>	<u>0</u>
Total Injuries	1	1	2
Number of Restricted Workday Cases	0	0	0
Number of Lost Workday Cases	0	0	0
<u>Injuries by Department</u>			
Vinyl Operations	0	0	0
Compound Operations	0	0	1
Maintenance	0	0	1
Laboratory	0	0	0
Receiving/Warehouse	0	0	0
Office	<u>1</u>	<u>1</u>	<u>0</u>
Totals	1	1	2
<u>Injuries by Type</u>			
Cuts and Abrasions	1	1	2
Eye Injuries	0	0	0
Burns	0	0	0
Bruises	0	0	0
Strains/Sprains	0	0	0
Stings	0	0	0
Other	<u>0</u>	<u>0</u>	<u>0</u>
Totals	1	1	2
<u>Non-Occupational Injuries</u>			
Lost Workday Cases	0	0	1
Days Lost	0	0	3
<u>Contractor Injuries</u>			
First Aid Cases	0	0	0
Medical Treatment Cases	0	0	0
Lost Workday Cases	0	0	0

Safety Record

Last lost time injury - 01/22/94
Days since - 190
Employee hours since - 242,952

On July 31, 1994, the employees of the Aberdeen Plant completed 190 days with no lost time injury.

SAFETY - Continued

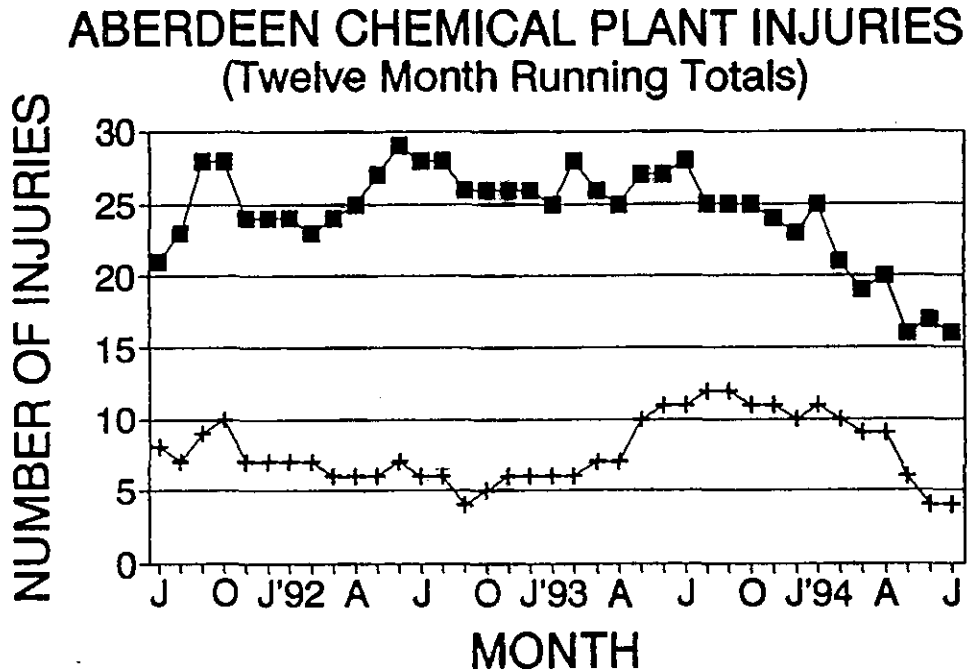
Routine dosimetry results for the month were:

<u>Chemical</u>	< PEL		> PEL	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
VCM	66	100.0	0	0
Lead	6	100.0	0	0
Total Particulates	3	100.0	0	0

Monthly Injury Summary

<u>Injury Class</u>	<u>Department</u>	<u>Description</u>
FA	Quality	Small puncture, middle finger of right hand.

9 August 1994



—■— TOTAL INJURIES —+— OSHA RECORDABLE

QUALITY MANAGEMENT PROCESS - J. M. Edwards

- The Aberdeen ISO 9002 Training Manual was completed. Training sessions will occur in August during the natural team meetings.
- 90% of all ISO plant Tier III documents are complete; 80% of all Tier II documents are complete.
- The Compound Raw Material Spec Book was completed and issued.
- Natural Team Activity
 1. The Compound Operations Supervisor's Natural Team is working on the elimination of gaylord box strapping.
 2. The Compound "A" Shift is working to upgrade the color weigh staging area.
 3. The Compound "B" Shift is working to improve the mill scrap reporting/labeling.
 4. The Compound "C" Shift is completing its project on eliminating powder and oil leaks.
 5. The Compound "D" Shift is working on a justification for a second drum pump.
 6. The Compound Superintendent's Natural Team project is reducing inventories of obsolete raw materials. They are still collecting data and monitoring the progress on reducing off-grade compound inventories.
 7. The QC Supervisor's Natural Team is collecting data on gas cylinder usage.
 8. The Vinyl Superintendent's Natural Team project is reducing offgrade resin.
 9. The Vinyl Operations Supervisor's Team is working on RVCM pump evaluation, recovery system cooling supply and the fluid bed plenum recycle line.
 10. The Vinyl "B" Shift is working on replacement of the replacement of reactor ram valves.
 11. The Vinyl "C" Shift is working on revising power supplies to the 281/282 transfer systems.
 12. The Vinyl "D" Shift is working on improving the procedures for clearing the ERS seal water exchangers.
 13. The Yard Supervisor's Natural Team is working on the cleanout of compound railcar heels.

COST VARIANCES - C. W. Turner**Variable Costs**

<u>Product</u>	<u>July, 94 Variance, \$M</u>		
	<u>Efficiency</u>	<u>Price</u>	<u>Total</u>
PVC	96.0	<719.3>	<623.3>
Flexible Compound	<27.8>	1.1	< 26.7>
Plasticizer	<11.8>	< 28.6>	< 40.4>
Total	56.4	<746.8>	<690.4>

PVC Resin

The favorable efficiency variance for PVC was due to a favorable catalyst efficiency of \$73.3M and a favorable energy efficiency (electricity and natural gas) of \$49.4M. The favorable catalyst efficiency was due to inventory swings associated with catalyst delivery timing. The favorable energy efficiency resulted from high production and hot weather.

Flexible Compound and Plasticizer

The negative efficiency variance in Compound is primarily due to higher than budgeted off-grade production. The negative price variance in Plasticizer is primarily due to higher than budgeted costs related to 610AI alcohol.

Major Price Variances

	<u>Variance - \$M</u>
- VCM	<720.9>
- Plasticizer to Compound	< 10.5>
- Resin to Compound	<u>9.7</u>
	720.1

VINYL - J. D. Olson, W. S. Carroll**Safety**

The Vinyl Department had no injuries in July.

The monthly safety meetings were held on shift.

General

1. July production was 47.9MM pounds of which 46.7MM pounds was prime grade resin. Percent asset utilization was 91.9%. July prime production is a new all-time monthly record.

VINYL - Continued

	<u>July</u>	<u>YTD</u>
- Production, MM Lbs.	47.9	47.9
- Reactor Stream Factor, %	96.3	96.3
- Resin Quality, % Prime	97.7	97.7
- VCM Efficiency, Lbs./Lb.	1.0284	1.0284
- Daily Rate, M Lbs./C.D.	1543.9	1543.9
- Capacity Utilization Factor, %	107.4	107.4
- Total Reactor Charges	1070	1070.0
- Charges/C.D.	34.5	34.5
- Rotary Dryer Stream Factor (#4-#8), %	96.5	96.5
- Fluid Bed Dryer Stream Factor, %	99.3	99.3

Reactor Downtime**Hours**

- Operational downtime (recovery scheduling conflicts - 157 hours, plugged recovery line - 43 hours).	226.0
- Mechanical downtime (D-300 gearbox - 14 hours).	50.0

Dryer Downtime**Hours**

- Operational downtime (cleaning, product changes, and centrifuge plugs).	54.0
- Mechanical downtime	17.0
- Reactor limited production.	66.0

COMPOUND - E. T. Stouder**Safety**

The Compound Department had no OSHA recordable injuries during the month.

General

Orders for Lines I, III, and V continue to be very strong. Several customers have been shifted back to Aberdeen from Mansfield (Triangle, Pirelli, Cerro) to take advantage of more favorable freight economics. In all likelihood, these customers will be shifted back to Mansfield once Aberdeen begins production of 757C for AT&T - Phoenix. Production volumes were positively impacted in July due to long product runs on Line III. Production was impacted negatively in July by product change downtime and quality problems on Line V associated with the initial production of several AT&T compounds. These quality problems have since been resolved.

COMPOUND - Continued

Plasticizer production continued to run at almost a 23MM pound per year rate. Additional studies will be conducted in August in an attempt to further increase plasticizer production. The possibility of outside sales of 610P is also being investigated due to growing plasticizer inventories.

<u>Compound Production</u>	<u>Operating Days</u>	<u>Production M (Lbs.)</u>		
		<u>Month</u>	<u>Avg./Day</u>	<u>Fiscal Y.T.D.</u>
Line I	31	1982	64	1982
Line III	31	4050	131	4050
Line V	31	1098	35	1098
Total		7196	230	7196
% Prime		96.9		96.9
Capacity Utilization Factor		95.3		95.3

Downtime**Hours****Line I**

- Product Changes	119
- Miscellaneous Maintenance	4
- Quality	16

Line III

- Product Changes	66
- Miscellaneous Maintenance	29
- Quality	6

Line V

- Product Changes	100
- Miscellaneous Maintenance	29
- Quality	49

	<u>Operating Days</u>	<u>Production (M Lbs.)</u>		
		<u>Month</u>	<u>Avg./Day</u>	<u>Fiscal Y.T.D.</u>
Plasticizer	31	1846	60	1846
% Prime		84.5		84.5
Capacity Utilization Factor		82.9		82.9

ENGINEERING - J. E. Nickerson, T. R. Mackay, R. H. Sneed**PROJECTS IN DEVELOPMENT - GENERAL****EXPRESS**

The plant is working with PED to redefine the scope of the Aberdeen EXPRESS Project. A new expanded scope was turned into GED estimating at the end of July. The new scope includes the addition of two more large reactors in the Old Module.

ENGINEERING - Continued**PROJECTS IN DEVELOPMENT - GENERAL - continued****EXPRESS - continued**

Cyclone dryer P&IDs and equipment specification sheets were received from UHDE as part of the Basic Engineering Package. Instrument specifications are expected in early August. A plant process hazards analysis was completed on the dryer portion of the EXPRESS Project.

OSHA Process Safety**Process Safety Information**

Work is progressing on locating and developing equipment specifications and documentation for the New Module. New Module relief systems documentation are also started.

Procedures

Procedures for New Module and SA Module are in the review process. Procedures for the boilers are 75% complete.

HAZOPS

The Old Module HAZOP study is complete. The report is currently in review.

RVCM Reduction Efforts

The "Hot Air to Blend Tanks" project AFE is approved. RVCM levels this summer have been lower than last year. The hot air supply to Tank 407 has not caused quality problems to-date. The remainder of the project will be installed before winter.

New Blades for Reactor 600

New larger blades for reactor 600 have been ordered. This is part of the larger batch study that is on-going. When the production schedule will allow, the new blades will be installed. R&D and the Plant can then continue the larger batch development work that has been taking place.

Plant Wet Air and Instrument Air

Work on the Class "A" design and definitive estimate continues. An alternate compressor has been identified with the possibility of reducing operating costs by \$60M per year.

Iron Sludge Disposal Removal

Gravity Flow Systems Inc. is expected to be in Aberdeen mid-August to perform a test run using their sludge dewatering system.

ENGINEERING - Continued**P-1 Reactor Header Modifications**

A definitive estimate has been completed. An AFE submittal form has been completed and sent to Houston.

Boiler 4 Addition Project

Design calculations by the fabricator for the new blowdown flash tank were approved by GED.

Fabrication of the vessel should be complete in mid-August and installation of the vessel complete by September.

Boiler Blowdown Heat Recovery

Construction is in progress. Start-up is scheduled for August.

Cascade Boiler Blowdown

A miscellaneous capital request was approved for piping revisions to circulate hot boiler blowdown from the on-line boilers to the off-line boiler. This project will provide for faster start-up of Boiler 1 or 2 and will provide protection from corrosion when the boiler is not in use.

Bullets for Inerts Pressure Reduction

An unallocated AFE was submitted to start getting the bullets put back in service. This project has the potential of greatly improving reactor recovering times.

Calcium Stearate Addition Upgrade

A project for upgrading calcium stearate addition to 5385 is currently being redesigned based on the suggestions from the preliminary review.

Activator Reliability Improvements

This project moves the activator controls from the field to the DCS. Operators will be able to reduce activator cycle times through optimization. The Class "A" design has been issued and an estimate is scheduled for the end of August.

CRC Replacement for Catalyst Freezers

This project will replace the existing catalyst dry freezers with industrial grade freezers equipped with non-regulated HFC refrigerant. This project will also replace the old water cooled refrigeration units for the walk-in catalyst freezers with new air cooled units. All the walk-in units will finally be equipped with non-regulated HFC refrigerants.

ENGINEERING - ContinuedFluid Bed Feed Conveyor Revisions

The Niro Company is working on a proposal to replace the existing single fluid bed feed screw conveyor with two vibrating bin conveyors. The system will reduce downtime and make repairs easier and less costly.

ENVIRONMENTAL - K. G. AkinsWater

All wastewater discharge parameters were within permitted limits for the month of July.

Groundwater

Field work began in July on the TCE plume bioremediation pilot study.

KEY ENVIRONMENTAL COMPLIANCE DATA

	<u>MONTH</u>	<u>FYTD</u>
Stormwater Outfall Excursions	0	0
Wastewater Outfall Excursions	0	0
Reportable NESHAP Excursions	0	0
Reportable non-NESHAP Air Excursions	0	0
CERCLA/SARA Reportable Incidents	0	0
Other Reportable Incidents	0	0
Citations and NOV's Received	0	0

ABERDEEN ENERGY EFFICIENCY

BTU/LB TOTAL PRODUCTION

