

Interoffice Communication

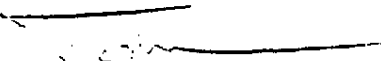
To W. J. B. Vogel
From Tom Grumbles
Date April 23, 1981
Subject ETHYLENE OXIDE INDUSTRY TASK FORCE PARTICIPATION

I recommend that Conoco Chemicals participate in a recently formed Industry Council on Ethylene Oxide. Preliminary estimates based on commitments to date indicate that approximately 90% of the world production and use will be represented on this council. With the status of our involvement in Calcasieu Chemical still in doubt we would participate as a derivatives producer. The initial cost would be \$20,000. A proposed budget for the council's first 18 months of activity is attached.

Recent toxicological testing results have raised new issues concerning the potential chronic health hazards of Ethylene Oxide. Specifically, results from a long-term animal inhalation study have resulted in a statically significant increase in various cancers at a 100, 33, and 10 ppm exposure level. As a result, Ethylene Oxide has become a priority subject with many federal regulatory agencies.

In recent years it has become clear that well organized industry efforts based on sound scientific principles have reduced the impact of regulatory actions by developing input at all stages of the rule making process. The Benzene standard is a good example of such an effort. In view of this, an Industry Ethylene Oxide Council is being organized. The objective is to establish a broad-based industry organization to assist in the development of well-founded industry programs based on sound product stewardship, and assure that any regulation being considered is scientifically sound, cost effective, and consistent with the nature of the risk. A draft press release succinctly describing the Council is attached.

Please let me know if you need to discuss this with me. Commitment forms have to be back by May 11. Early consideration of the matter would be appreciated.


Thomas G. Grumbles

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cc R. J. Anderson
R. A. Klein
R. E. Swankoski
M. Berretz

Attachments

CCR 000000228

Draft Press Release

ETHYLENE OXIDE INDUSTRY
COALITION ANNOUNCED

Formation of a new Ethylene Oxide Industry Council was announced at a meeting in Washington, D.C. today. The Council membership includes producers and users of ethylene oxide, a major industrial chemical manufactured in the United States and abroad.

Arlin Voress of Union Carbide Corporation, chairman of the Council's organizing committee, said, "The Ethylene Oxide Industry Council will be a broadly based organization founded on principles of sound product stewardship." Voress described the major objectives of the Council as:

- To develop scientific, technological and economic data regarding the safe use and handling of ethylene oxide;
- To acquaint government and the public with responsible industry programs for control of occupational exposure to ethylene oxide; and
- To provide effective representation of the industry's views and interests before government agencies and scientific organizations.

Voress said the Council would operate through a variety of task forces to assemble a valuable data base to ensure that the industry's response to any health and environmental concerns about ethylene oxide are scientifically valid, health-protecting and cost-effective.

The Ethylene Oxide Industry Council will operate as a part of the Special Projects Programs^{Division} of the Chemical Manufacturers Association. CMA is located at 2501 M Street, N. W., Washington D. C.

PROPOSED BUDGET

JUNE 1981 THROUGH DECEMBER 1982

	\$
	000
SCIENTIFIC/TOXICOLOGY TASK FORCE	500
OCCUPATIONAL HEALTH TASK FORCE	300
ECONOMICS TASK FORCE	300
LEGAL TASK FORCE	250
RISK ASSESSMENT ANALYSIS	30
START UP	10
CMA MANAGEMENT ACTIVITIES	<u>.60</u>
TOTAL	1,450

COST ALLOCATION

PRODUCERS

- \$100/MMLES EXISTING AND ANNOUNCED
WORLD WIDE ANNUAL CAPACITY
(\$220M/MM TONNES) AS OF 12/31/80

USERS

DERIVATIVES PRODUCER	- \$20M
HEALTH PRODUCE MANUFACTURER	- \$5M
HEALTH PROVIDER (HOSPITALS AND FOOD STERILIZATION)	- \$500

Producers to carry ~90% of costs