D R A F T

Dear Mrs. Kuechler:

I note in your letter written to the editor of the St. Louis Post-Dispatch and appearing in the Sunday, September 28 issue, your reference to Mr. John Hanley and Monsanto Company in which you comment on the responsibilities associated with the manufacture of products.

You specifically mention a series of products commonly referred to as PCBs (polychlorinated biphenyls). These have been sold by Monsanto Company and other producers, worldwide, for over 45 years for a variety of applications because of their unique properties, the principal one being fire resistance.

Following the identification of PCBs in environmental samples and long before information regarding their effects on the environment was available, Monsanto voluntarily began its program of terminating the sales of PCBs to applications which resulted in loss to the environment. Currently, PCB manufactured by Monsanto Company is sold only to the electrical industry where it is used as a dielectric fluid in closed systems such as transformers and capacitors. There is no known alternative fluid available which has the fire resistant characteristics virtually mandatory for these uses.

In addition, representatives of the transformer and capacitor industries, utilities and governmental agencies (under the initial auspices of the National Electrical Manufacturers Association) formed the American National Standards Institute Committee C-107. This committee issued guidelines for handling and disposing of dielectric fluids. They reflect the industry's understanding of the need for proper control.

Thus the situation today is drastically different from conditions which existed only a few years aso. Today the 40 million pounds per year of PCB, produced by Monsanto, is carefully used in the United States by less than 50 Monsanto customers in the manufacture of sealed electrical equipment. Prior to 1971, Monsanto sold approximately 80 million pounds per year which was used by thousands of customers.

In our manufacturing area we have taken a number of significant steps to prevent loss of PCBs to the environment. Control has been achieved which is unique for industrial chemicals. In addition we have installed a special high temperature incinerator for the proper disposal of unusable PCBs. This service is offered to our customers. These programs and the research studies aimed at finding an acceptable replacement have resulted in the expenditure of millions of dollars. Our efforts will continue.

We, also, are concerned regarding the presence of PCBs in the fish from Wisconsin which were transferred to local park lakes.

The source of the PCBs remains a mystery. Both State and Federal regulatory agencies are actively studying the situation in Wisconsin.

We will continue our voluntary policy of restricting sales worldwide. We sincerely believe that the safety offered by the fire resistant PCBs justifies their continued use in sealed electrical systems. We are confident that dielectrics industry, which represents both capacitor and transformer manufacturers and users, will continue to support and maintain strict environmental control of PCBs.

It is our considered opinion that we have accepted our responsibilities relating to PCBs and our actions, both past and continuing, are indicative of this acceptance.

Sincerely,

bcc (2): D. R. Bishop