

INTER-OFFICE MEMO **TENNECO OIL P&M**

TO D. M. Hersh
FROM R. A. Donovan
SUBJECT Activity Report
June, 1984

AT Flemington
AT Flemington

DATE July 3, 1984
COPY TO

I. Safety

Production operations were safely resumed on June 18, 1984.

There were no Lost Time or Restricted Duty injuries in the Production, Warehouse, or Boiler House Departments in June.

II. Statistics

Attachment I	Production Summary
Attachment II	Production & Loss Report
Attachment V	Overtime Analysis

III. Personnel

On June 18, fourteen (14) I.C.W.U. employees were recalled from a five (5) week lay-off, and Production operations were resumed.

On June 22, 1984, an I.U.O.E.-Boiler House employee was issued a verbal reprimand for a time card violation.

On June 25, 1984, a three (3) day suspension of an I.C.W.U. employee for repeated time card violations was arbitrated.

On June 28, 1984, I attended a meeting for the Fund Raising Committee of the Hunterdon County YMCA.

During June, both Relief Operators were utilized to cover 152 hours of vacation, absenteeism and construction watch on straight time basis.

IV. Costs

1. Variable cost estimate favorable for May due to favorable steam usage during warm weather months.
2. Fixed cost estimate favorable for May due to reversal of shutdown accrual (\$70M) and two week layoff of 14 I.C.W.U. employees.
3. Conversion cost estimate for May unfavorable due to low production volume resulting from extended production curtailment required for finished product inventory control.

V. Major Projects and On-Going Programs

Incineration of off-spec VCM by the Plant incinerator was evaluated during June. Favorable results led to a permanent installation. Implementation is targeted for July.

Blend tank agitators installed during the shutdown and found to be satisfactory. Significant improvements have been seen in blend tank washouts.

Well water has been piped to the refrigeration system surface cooler in order to maximize effectiveness of this system. At month's end, troubleshooting of start-up problems is underway.

VI. Environmental

Reactor Building VCM levels averaged 0.4 ppm in June.

Reactor vapors samples averaged 1136 ppm in June.

Stripped slurry samples averaged 92 ppm in June.

VII. Opportunities

Use of centrifuge effluent water as coagulator make up is being evaluated by Olin Corp. Potential exists for significantly reducing effluent water discharge.

VIII. Vulnerabilities

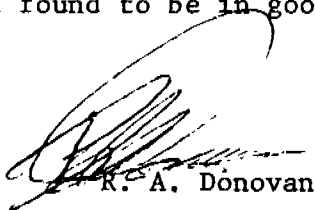
During June, corrosion lead to failure of two (2) tubes in the large boiler. These are the original tubes and this problem may indicate the need for tube replacement in the future.

IX. Industry Trends

July's shipping forecast is very light. Two of our major customers are planning outages during the month.

X. General Comments

One VCM underground storage tank (T-1) was inspected for external corrosion during June and found to be in good condition.



R. A. Donovan

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