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EXECUTIVE SUMMARY

PCB PLANNING STATUS - 12/4/75

The task force wishes to expand on the "readiness" of MCS 1238 for the capacitor market as expressed in the Summary of 12/2/75.

- Application
  - Monsanto and some customers have successfully made good capacitors.
  - A key test will come in January when G.E. attempts to demonstrate production rate on a full-scale capacitor fabrication line.
  - With regard to the most critical application parameter, dielectric constant ("D.K."), our product mimics Aroclor, while Dow's candidate falls short.
- Medical/Environmental
  - All testing to date is satisfactory.
  - Further testing is needed and some important tests will not be completed for 2+ years -- some have not started.
  - EC 201 is approved, EC 202 is underway.
- Fire Resistance
  - Neither MCS 1238 nor any other proposed replacement is fire resistant.
  - No one in the industry has a clear idea as to whether fire resistance in a capacitor fluid is really vital. It is irrelevant in some applications, but in some others, may contribute to fire safety (e.g., flourescent ballasts in offices).
- Process
  - We have demonstrated processes for both of the compounds of the MCS 1238 blend. Some of the detailed process work for engineering design is not completed.
  - An alternate process for one of the components (tolyl xylyl sulfone) is being developed to use a cheaper raw material. We have not resolved all of the problems in this process so far, although progress is encouraging.

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- Interim Supply

  - A $450M project at Krummrich Plant for blending and electrical property refining can be in operation six months after approval. Capacity would satisfy the total capacitor requirement.

  - The blend components can be made via toll manufacture pending completion of a major project for self-manufacture.

We also have a recommendation: that Monsanto state via press release, in the next few weeks, that we "have underway a program to totally withdraw PCB's from the market over the next 24 months, both because of mounting public concern over environmental effects and because of the progress that we and others are making on substitutes".

This press release would serve three purposes:

- Pressure for a ban would be relieved, and there might be some favorable effect on Toxic Substances legislation.

- Our customers would have no alternative but to move conversion programs ahead in an orderly fashion. Yet the two year timing would not cause them to feel that Monsanto was acting irresponsibly toward their needs.

- It would be an opportunity to counter Dow's press release on their PCB replacement candidate.