

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

To D. M. Hershkowitz                      At Flemington                      DATE October 5, 1983

FROM R. A. Donovan                      At Flemington                      COPY TO

SUBJECT Activity Report - September, 1983  
Production Department

I.     Safety

There were no Lost Time or Restricted Duty accidents in the Production Department during September.

The monthly shift safety meeting addressed handling of chemicals, with emphasis placed upon the peroxide catalysts used in the operation.

II.    Statistics

|               |                        |
|---------------|------------------------|
| Attachment I  | Production Summary     |
| Attachment II | Production Loss Report |

Controllable Overtime - 13.0%

III.   Personnel

- 1) Two (2) ICWU employees remain out on long term absences. One employee is due back to work on 10/10/83, the other will be out for an indefinite time period.
- 2) One employee was given a written reprimand for a time card violation in September.

IV.    Costs

Variable cost estimate lower than budget due primarily to favorable #6 fuel oil price. Raw material prices, VCM in particular, are on an increasing trend although they are still slightly favorable compared to budget.

It should be noted that September's production of 5709 M lbs. is the highest the plant has accomplished for a thirty (30) day month since implementing the reduced running mode.

V.     Major Projects and On-Going Programs

- 1) Work on the installation of the trash compactor was initiated in September. The compactor and dumpsters are due in October. Project will be completed in October.

2. The AFE for installing the facilities to vacuum clean railcars was approved in September. The unit is due to be received in December.
3. The facilities for running tests aimed at eliminating the effluent ponds were installed in September. Evaluation of the removal of suspended solids without using the ponds will be evaluated in October.
4. Work is in progress on the installation of the new auxiliary frame heat exchanger. This project will enable a significant reduction of the load on the refrigeration system.

VI. Environmental

1. Reactor building VCM level averaged 0.1 ppm.
2. Reactor vapor samples averaged 2134 ppm in September.
3. Stripped slurry samples averaged 88 ppm in September.  
There were no violations of EPA regulations in September.
4. Work on the ph neutralization project for the effluent streams from the mixed beds continued in September. Modifications to the caustic and acid charges have been successful in getting the ph of the combined streams to be within specification.  
Work will continue in October to maintain the reliability of this system.

VII. Opportunities

Nothing to report.

VIII. Vulnerabilities

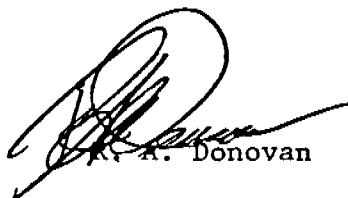
Corrosion problems with the economizer on the big boiler has lead to removing the unit from operation. Operating without the economizer will have a negative impact on the efficiency of the big boiler.

IX. Industry Trends

Increases in certain raw materials prices, i.e., VCM, VAM and Ninol, in September will have an unfavorable affect on the unit variable costs for ROY.

X. General Comments

Nothing to report.



R. A. Donovan

RAD:ms