

INTER-OFFICE MEMO

TENNECO CHEMICALS, INC.

TO Distribution AT DATE July 14, 1976
 FROM W. P. Anderson AT Saddle Brook COPY TO
 SUBJECT PVC-VCM STRIPPING TECHNOLOGY

This memorandum is prompted by a comment on slurry stripping in Dr. Lobo's memo to file dated July 2, 1976, subject: PVC-VCM Stripping Technology, B. F. Goodrich. Dr. Lobo notes: "-- our decision on stripping would be based on the final agreement reached with the TACB which at this time probably would not require severe stripping." I realize that Dr. Lobo's memo and comments reflect discussions which were a part of negotiation with Goodrich and not necessarily an appraisal of the probable requirements to be imposed on us. Nevertheless, I think I should put my current estimate of the situation into the record together with the rationale for that estimate.

I expect the proposed EPA regulations to be finalized sometime late this year and to contain the 400 ppm limit on residual monomer in resin in the stripped slurry. I also expect the Texas Air Control Board construction permit for the Pasadena plant expansion to be based on that same 400 ppm figure.

I do not believe that we can expect the 400 ppm limit to be accepted as "best practicable technology" for any extended period of time. At best we should consider it as an interim goal. From all I can ascertain, levels of 25-50 ppm are attainable with suspension resins using currently available technology and accordingly I think we would be very unwise to invest substantial capital in a stripping system not capable of reaching that level.

I believe that our pressure will be from state agencies, specifically those of Texas and New Jersey, rather than with the Federal EPA. This comment is based on what I know, and what I believe to be the intentions of the EPA and of the Texas and New Jersey Air Pollution control agencies as result of recent contacts with those agencies.

My estimate of the various agency positions follows:

FEDERAL EPA

The 400 ppm figure and the proposed EPA regulation is a negotiated number which practically speaking represents the limits the industry was willing to agree to in mid-1974. It was not then supported by anything beyond very limited experiments with stripping slurry in existing equipment.

My contacts in the EPA technical groups have told me unofficially that they are confident producers can strip to much lower levels than 400 ppm and that in all probability something under 100 ppm is technically achievable for all suspension resins. As a practical matter, it would take

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the agency about 12-18 months to go through the mechanics of developing a new data base and changing the limits in their proposed regulation. The agency is unwilling to accept that delay in getting a regulation promulgated and thus will go ahead with 400 ppm in the proposed regulation.

One of my contacts has expressed doubt that EPA will proceed much further in the matter, since he does not think the demonstrated risk to public health warrants more stringent standards if they will result in significant added costs. Another contact takes a different view and expects that the agency will make a follow-up survey sometime in the future after the present regulations have had time to take effect with the view of proposing more stringent regulation in the future.

TEXAS AIR CONTROL BOARD STAFF

The TACB staff is divided on the matter of state regulations for airborne carcinogens including vinyl chloride with more stringent limits than the proposed EPA regulations. As it applies specifically to vinyl chloride, the division is not as much over the technical feasibility of stripping to limits below 400 ppm, but as to whether health considerations justifies more stringent regulations at an added cost. The recent effort by the TACB staff to force us to accept the lower limit was done hastily and without adequate preparation. Any renewal of this effort will undoubtedly follow much better preparation.

The staff now plans to initiate a monitoring program to develop good data on vinyl chloride levels in the air in inhabited areas near the producing plants. Following that survey, they now expect to hold a public hearing sometime late this year, on the question of whether the state should develop its own regulation on airborne carcinogens which, of course, would include vinyl chloride. Depending on the outcome of that hearing, we could find ourselves faced with the state regulation somewhat similar in structure to the proposed EPA regulation but containing much lower limits. Timewise, such a regulation could probably be issued by mid 1977 and probably require compliance about late 1978/mid-1979.

A more immediate concern in Texas is that we may face a strong stand by the TACB technical staff when we negotiate for a new operating permit. I believe that ~~politically~~ ^{technically} all the technical staff think that stripping to below 400 ppm is ~~technically~~ ^{technically} feasible for us. The difference of opinion which exists is ~~whether~~ or not the health considerations require more rigorous control.

A second factor to be reckoned with in Texas is that of hydrocarbons in general which is currently a subject in dispute between the TACB and the EPA. In the long haul, hydrocarbon emission could be the limiting factor to all industrial growth in the Houston area. This could become an even more concern than the matter of vinyl chloride as a carcinogen.

July 14, 1976

Regardless of the reason, we may find ourselves in a position, when we negotiate for an operating permit, of opposing the TACB staff over the matter of what is technically and economically feasible. If so, we would then have a public hearing wherein the burden of proof will be on us to demonstrate why we cannot meet some proposed low level. I believe that most members of the technical staff think it is possible to strip slurry below 100 ppm and if we do run into opposition, the staff proposal will probably be for something between 25-50 ppm.

We know that Diamond-Shamrock has given the staff a paper written by several of Diamond's personnel in which that company claims to have technology developed in their new Deer Park plant which enables them to strip slurry to 30 ppm. We must assume that given time and the inclination to do so, the staff can obtain reliable information as to what other producers are doing and so develop a good case for a low level.

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

We know that a great deal of concern exists in the New Jersey Department over cancer and airborne carcinogens as a result of recent publicity which labels New Jersey "Cancer Alley." We know that the State Department for Environmental Protection is negotiating with EPA to take over administration of the EPA regulation on hazardous emissions to include vinyl chloride. We know that there is some sentiment within the Department to enact state regulations on the grounds that the EPA regulation does not provide adequate protection in New Jersey because of its concentration of industry.

The presence of a Goodrich PVC plant in New Jersey means that the New Jersey department will be exposed to Goodrich technology and that those concerned with evaluating technology and issuing permits will be asked by their superiors and, in turn, will be asking us why we cannot match the Goodrich performance if we do not do so. Even if the New Jersey Department does not issue a specific regulation on carcinogens or possibly before that is issued, the matter could come to a head in either of our PVC plants here when it becomes time to renew some of the older existing permits. The New Jersey regulations on hydrocarbon emissions, and VCM would be considered a hydrocarbon in this case, require the use of best available technology. This, I believe, will give the Department adequate leverage to insist on reduced vinyl chloride levels if the figures shown in our permit applications do not equal what we believe to be those resulting from use of best technology.


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