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November 4, 1992

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Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Dave:

Following up on our conversation last week, this letter will provide additional information regarding the concerns of The Society of the Plastics Industry (SPI) Inc., about the upcoming United Nations Environment Programme negotiations in Copenhagen. Specifically, SPI would like to address the following three issues: 1) adequate transitional timeframe for less and non-ozone depleting substances; 2) essential use status for certain non-insulating foams, namely marine flotation and energy absorbing foams, and; 3) inadvertent production and emissions related to feedstock uses.

The polyurethane industry and the polystyrene foam industry of SPI are seeking to achieve a smooth and reasonable transition from CFC/HCFC compounds to non-ozone depleting substances. International agreement on a sufficient transitional timeframe is of utmost importance to this industry. Further, the criteria which will be established to determine essential uses directly affects the energy efficient foam insulation industry and, therefore, is of critical importance to SPI.

In particular, a minimum ten year lifetime for HCFCs is needed to allow the foam insulation industry to develop non-ozone depleting substitutes. An adequate supply of HCFCs must be available to serve this important sector of our industry while research continues toward finding non-ozone depleting substances. Thus, the cap on HCFCs must allow economic use of these compounds in insulation

foams. This is especially important since, in the United States, foam insulation is used to meet energy efficiency standards which help reduce fossil fuel use.

Certain non-insulating foams are products for which there is no existing alternative. These foams, specifically marine floatation and energy absorbing foams, currently require HCFC blowing agents for end-product properties. Marine floatation foam must be closed cell relatively low density foam in order to provide necessary buoyancy. Currently, suitable energy absorbing foams require HCFCs for both processing and end product properties.

Additionally, SPI's Vinyl Institute has a major interest in the resolution of the issue addressing inadvertent production and emissions related to feedstock uses. The Vinyl Institute represents approximately 90% of the U.S. vinyl industry.

Section 2.10.4 of the Report of the Technology and Economic Assessment Panel describes the fact that controlled substances (carbon tetrachloride and methyl chloroform) are sometimes inadvertently and unavoidably produced as a consequence of various chemical processes. This occurs, for example, in the production of ethylene dichloride (EDC), a raw material used in the production of vinyl chloride monomer (VCM), both used in the polyvinyl chloride industry.

We believe that the Montreal Protocol should define production to assure that trace amounts of controlled substances which are inadvertently generated during a manufacturing process or left in a product during feedstock transformation are exempt. In addition, residues containing controlled substances which are generated during a manufacturing process and, which are transformed or disposed of in observance of applicable current environmental regulations, should also be exempt. We believe that other environmental regulations currently in place have served and will continue to serve to limit, recycle or destroy atmospheric emissions, in such instances and adequately protect the environment.

For example, air emissions are regulated under Federal and/or State regulations. Generally, the principal compound (in this case, vinyl chloride) is subject to a control requirement, typically combustion. Thus, when a principal material is combusted with high efficiency,

it is expected that its trace contaminant will be destroyed to an even lower quantity, and little measurable quantity would remain after combustion. Thus, not much data are available for after-control carbon tetrachloride quantities.

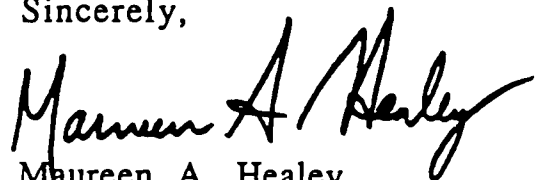
So too, water discharges are strictly regulated. The direct discharge limit for carbon tetrachloride is in the parts per billion (ppb) range. The limit in waste waters discharged to POTWs is similarly low. These low concentrations are achieved with various treatment schemes, typically steam stripping and/or carbon adsorption. The spent carbon is regenerated and the vent from the regeneration is incinerated. Thus, the carbon tetrachloride leaving the manufacturing processes with waste water discharges is truly negligible.

Liquid residues are typically handled and disposed of as RCRA wastes. The RCRA incineration process is strictly controlled and the carbon tetrachloride leaving the unit is hardly measurable.

Thus we believe the above discussion demonstrates that existing regulations adequately protect the environment, where trace amounts and inadvertently generated controlled substances are concerned. There is no environmentally sound reason to regulate this as "production" under the Montreal Protocol.

SPI continues to work with other trade associations to address the issue of destruction technologies. We will be happy to provide you with any additional information that may prove helpful.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Maureen A. Healey', with a stylized flourish at the end.

Maureen A. Healey
Assistant Director
Federal Affairs

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