

INTER-OFFICE MEMO **TENNECO CHEMICALS, INC.**

TO	File	AT	DATE	June 21, 1977
FROM	J. P. Sandstedt	AT	COPY TO	W. P. Anderson D. C. Coldiron W. F. Gabel R. T. Gottesman M. R. Haymon F. X. Ritter G. I. Rozand C. G. Thompson T. T. Zuhl
SUBJECT	SPI TECHNICAL COMMITTEE MEETING ARLINGTON, VA. - JUNE 16, 1977			

G. I. Rozand and I attended subject meeting to review possible approaches toward Industry's response to proposed amendments of the VCM Standard. The points of interest are summarized below:

1. EPA has adopted a new procedure relative to communications with "interested parties" concerning promulgated standards. Thus, we have been warned to be careful in telephone and written communications. EPA will document for the public record any such communications. Therefore, it is recommended that "memos of understanding" be sent to EPA covering verbal communications, detailing any confidential items.
2. There will be a meeting of the Technical Committee's Action Group with RTP people on June 22. The intent is to determine
 - A. Why has EPA proposed these amendments, e.g., why new requirements without new health data,
 - B. Facts around specific sections such as the 500 ppm limit on new dispersion resins since technology to achieve 2000 ppm has not been "documented",
 and to review
 - C. How proposed amendments will affect the industry,
 - D. How proposed amendments will affect individual companies.
3. EPA has scheduled a public hearing on July 19. They did not want such a hearing, but are holding it most probably to stymie legal arguments in anticipated litigation. It was agreed that SPI and individual companies should testify, attacking
 - A. Secrecy of EPA/EDF negotiations
 - B. Lack of new health data
 - C. Absence of new technology

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4. Legal action can be undertaken only after amendments are promulgated.
Question: How can amendments be proposed before Court has ruled on "motion to dismiss?"
5. SPI Counsel feels more information is available from EPA.
6. Points of Legal Challenge
 - A. Evidenciary basis for amendments. While no basis, EPA wants to push limits lower. Industry should pursue two points
 - Why?
 - Why now?
 - B. Authorities of Enabling Legislation
 - Can EPA require a process standard?
 - Can EPA promulgate two standards?
new versus existing
 - Conflicts in Sections 110, 111 and 112 of the Clean Air Act
 - C. Offset Provisions
 - Antitrust problems
 - How to monitor and enforce?
 - Why no detailed Environmental and Economic Impact Statements?
 - Discriminatory action on small producer
 - D. Compliance Schedule
 - No authority for three year compliance
 - E. Concept of New Resin. In original work EPA accepted definitions by ASTM - suspension, dispersion, bulk, etc.
7. Comments on Proposed Amendments (FR 42, No. 106, June 2, 1977)
Paragraph 61.62 Ethylene Dichloride Plants
 - A. What constitutes a new reactor?
 - Replacement in kind
 - New design
 - Catalyst replacement

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- B. Achieving new emission limits should be tied to capacity
- C. Since use of pure oxygen, instead of air, was described in original standard, will this constitute new technology?
- D. Inequality between air versus oxygen processes - Pounds versus concentration of VCM in vent gases

Paragraph 61.67 - Emission Tests

By reducing concentration limit from 10 to 5 ppm, it is necessary to have greater latitude, ie: 3 hr. emission test period. This is the "basis of enforcement". If existing time frame hold, equipment must be duplicated.

Schedule of Compliance - All pertinent paragraphs

What is controlling date? factor? etc.?

SPI Counsel offered that "date of P/O or start of construction" could be documented by the date of an executed contract for "ongoing, directed and positive effort toward compliance." This, of course, is a problem when a Company utilizes in-house engineering.

Paragraph 61.64 - Emission Standard for PVC Plants

- A. What is a new source?
- B. What is a new grade of resin?
- C. What reliability?

Paragraph 61.68 - Emission Monitoring

Requirement for calibration at "emission limit" can mandate checks at leak detection level (defined), emission level at 10 ppm, and limit at 5 ppm.

Paragraph 61.72 - Request for Interim Emission Limit

When a plant can not reach 5 ppm limit, a public hearing to set up "compliance schedule". However, no such out is available "for existing sources."

Paragraph 61.64 (e)

What is the basis for limit of new dispersion resins, especially since technology for existing grades (2000 ppm) does not exist?

Industry should defend the 400 ppm limit for copolymer resins.

General Discussion Points

- A. Proprietary information may be disclosed during public hearings on compliance schedules.

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- B. Basis of 8 km hazard radius
- C. Reduction of fugitives - emission offset
- D. EPA dispersion modelling.

JPS:ls

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