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From: White, W. Claude <Claude.White@Equistarchem.com>
Cc:
Bcc:
Received Date: 2001-06-11 18:00:37 GMT
Subject: RE: Proposal to develop single VCCEP Consortium for BTX

Trish, do we have a benzene VCCEP call tomorrow? I've been out for two weeks and am far behind, but I do not have it scheduled. I have a couple of other commitments tomorrow so may have to miss the call. In case, here are my comments on the BTX consortium.

I think a consistent approach to volunteering by the BTX groups is of merit. There may also be some advantage in the dealing with API and some aspects of the exposure issue. However, we have concerns with the proposal and would have to know more detail to determine whether we have any interest. What does the proposed budget cover? Administrative overhead? The cost sharing proposal is also concerning. Depending on how the businesses are operated and the corporate structures there could be significant inequities in the proposal. On some level, the chemicals will have to be dealt with separately, and cost sharing should have a capacity/production basis.

At this point, our main concern is getting the benzene commitment solidified and bringing in all the on purpose benzene producers and importers. Have we had any responses from the other benzene producers/importers?

-----Original Message-----

From: Trish_Messenger@americanchemistry.com
[SMTP:Trish_Messenger@americanchemistry.com]
Sent: Friday, June 08, 2001 1:32 PM
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Subject: Proposal to develop single VCCEP Consortium for BTX

As requested.

----- Forwarded by Trish Messenger/HQ/CMA on 06/08/2001 02:31 PM

Andrew Jaques

To: Trish

Messenger/HQ/CMA @CMA

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Subject: Proposal to
develop single VCCEP Consortium for BTX

Trish:

The following is a proposal that was generated on the T&X VCCEP call
this morning regarding the consolidation of benzene, toluene, and xylene
into one VCCEP consortium. Please forward this proposal to the Benzene
VCCEP group. I'd be happy to talk with anyone more about the issue.

Thanks,
Andrew

Proposal for an Aromatic VCCEP Consortium

Background:

On today's (6/7/01) conference call of the toluene and xylene
producers, a
proposal was brought forward to develop one consortium to handle the
VCCEP sponsorship of benzene, toluene and xylene (BTX) - tentatively named
the
Aromatic VCCEP Consortium. This proposal was received very
favorably by
the companies participating on the conference call, many of which

also
participate on the Benzene VCCEP group. A single consortium was
felt to
have several benefits over separate consortia including reduced
number of
meetings, lower administrative costs, consolidated exposure review,
better
ability to work with API, etc.

Budget/Cost Sharing:
The group discussed a potential budget and cost sharing approach for
the
Aromatic VCCEP Consortium. The proposed budget was \$100,000 for
2001 and
\$200,000 for 2002. All participating companies would pay an initial
fee of
\$7,500 in 2001 to participate in the Consortium. In 2002, costs
would be
allocated on a major/minor producer basis. Major producers would
pay two
shares and minor producers would pay one share. The proposed
definition of
a major producer would be any company that produces or imports more
than 1
million pounds of benzene, toluene and xylene (combined). It's
anticipated
that approximately 12-15 companies would participate in this
consortium.

Next Steps:
The participants on today's T&X call plan to raise the issue on the
benzene
call schedule for June 12, to see if there is interest. If there
is, the
new Consortium would work to develop commitment letter(s) and a
Consortium
commitment form for the VCCEP program.

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