

To: R. A. Conrad

From: R. D. Hillman, S. V. Corkran, and G. W. Bacon
Date: June 5, 1987

Interoffice
Communication

Subject: RCRA PERMITTING OF THE INCINERATORS FOR HEAVY ENDS

VISTA

Attached are the results of the study on whether to permit the VCM Plant incinerators as RCRA facilities for the disposal of heavy ends. The permitting process must begin immediately if Vista decides to RCRA permit the incinerators. The application must be submitted by August 1987 in order to meet the November 1988 deadline for permit approval imposed by Congress.

Three options were analyzed in detail:

- Continue sending heavy ends to PPG.
- Send heavy ends to B. F. Goodrich (BFG).
- RCRA permit the VCM Plant incinerators.

We recommend that the VCM Plant incinerators not be RCRA permitted, and that the heavy ends stream instead be split between BFG and PPG. The recommended option provides:

- Favorable economics (\$0.5MM NPV relative to the incinerator permitting option).
- A long term contractual outlet with BFG and two outlets for heavy ends disposal.
- Reduced regulator requirements and exposure.
- No engineering manpower drain for permit preparation and incinerator test burns.
- No unfavorable publicity from public hearings on the permitting of hazardous waste incinerators.

Please review the attached document and initiate the appropriate actions to arrive at a decision on permitting. If the decision is made to permit, approximately three engineers and \$210,000 will have to be committed to meet the application deadline.

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HEAVY ENDS DISPOSITION OPTIONS

SUMMARY

A study was made to examine several options for the disposition of the heavy ends material produced at the VCM Plant. The objective was to determine whether the VCM Plant incinerators should be permitted to burn the heavy ends, which is classified as a hazardous waste material. This decision is required at this time. Currently the VCM Plant has interim status for burning hazardous waste in the incinerators. In order to retain this option, a complete RCRA Part 2 permit application, along with a test burn plan, should be submitted by August 8, 1987. This is the expected latest date that would allow sufficient time to complete the permitting process by the November 8, 1988 deadline set by Congress in the RCRA Amendments of 1984. If this deadline is not met, then Vista would lose the option of burning heavy ends in the VCM Plant incinerators until a complete reapplication could be submitted and approved. An alternate disposition option would have to be used during this interim period since Vista would have to cease burning heavy ends once the interim status is lost.

The following options were examined :

- Option 1 - Continue to send the heavy ends to PPG without a signed contract, possibly negotiating for a lower cost and a signed contract in the future.
- Option 2 - Obtain a contract with B. F. Goodrich to have them process the heavy ends material in their La Porte CATOXID Unit. They recover the chlorine as HCl which is fed to their Oxychlorination Unit to produce EDC.
- Option 3 - Obtain a contractual agreement with B. F. Goodrich and approval from PPG which would allow Vista to send approximately the same amount of heavy ends to both plants. This would provide two disposition options thereby making Vista less dependent upon one industry for the disposition of heavy ends. This should allow for price negotiations with PPG and would result in cost savings for Vista.
- Option 4 - Permit the VCM Plant incinerators to burn heavy ends and perform the required revisions to allow for this operation on a long term basis.

- Option 5 - Permit and construct a new hazardous waste incinerator to burn heavy ends at the VCM Plant.
- Option 6 - Commercial incineration of all heavy ends by participation in a take-or-pay arrangement with a company such as Chemical Waste Management or Gulf Coast Waste Disposal Authority.
- Option 7 - Negotiate an arrangement with Georgia Gulf in developing a process similar to the CATOXID Process of B. F. Goodrich, possibly building such a process unit at or near the VCM Plant.

The results of this study indicate that the best option would be Option 3: Continue to send heavy ends material to PPG while negotiating a contract with B. F. Goodrich and then to split the shipments of heavy ends material between the two companies. This would provide two disposition options and would allow for future price negotiations. It should also provide for an annual savings of about \$30M relative to the current cost of sending all of the material to PPG. This option would also provide a minimum of two to three years in which other options, such as the Georgia Gulf process, could be examined or developed.

It is recommended that this option be continued until it is demonstrated that the processing of heavy ends in the CATOXID process is successful and can be continued at a reasonable cost. Then it would probably be advisable to gradually eliminate the amount of material sent to PPG. This would be especially true if the Georgia Gulf process should prove to be a possible alternative or bargaining tool to minimize the BFG charges.

There is also a choice to be made concerning the mode of transportation utilized for transporting the heavy ends to the BFG Plant in La Porte. The Net Present Value (NPV), for both rail transportation and trucking by Vista Transportation, relative to the current PPG option, is about \$90M. No capital revisions would probably be required for the trucking option while the revisions required at the VCM Plant to allow for railcar loading of heavy ends, including loading rack revisions (minor) and the required secondary containment would cost about \$50M. However, much less risk of a serious exposure incident would be incurred by rail shipments than by the use of trucks. This factor should be more than sufficient to warrant the use of rail transportation for this material.