Monsanto

FROM (NAME & LOCATION): J. A. Alley - B2SD

DATE: May 27, 1977 CC:

SUBJECT: Recommendation to stop customer PCB waste returns to the W.G. Krummrich incinerator.

REFERENCE:

TO: D. Wood
B2SD

1. ACTION

A. Issue

In order to shutdown the WGK incinerator on October 1st and decontaminate by December 31, 1977 all customer returns would have to be stopped by August 31st.

B. Recommendation

It is recommended that all customer users of the Monsanto incinerator be informed immediately via letter (see attached) that we will cease accepting PCB returns effective August 31, 1977. Further, it is recommended Monsanto advise the EPA of our decision.

C. Action Requested

Management approval of recommendation.

2. BACKGROUND

A. Facts bearing on the problem.

Planning is underway at WGK for incinerator shutdown on October 1st and decontamination by December 31st.

There are two impending EPA regulations which tend to make shutdown of the incinerator in October and decontamination by year-end desirable. EPA draft regulations on disposal of PCB's establish some fairly rigid standards for incinerator operators which would cost Monsanto an estimated $100M if the incinerator was kept on-line beyond January 1, 1978 (the expected effective date). Secondly, the EPA regulation 307B (expected to be issued before July 1977) would force corrective steps by Monsanto to comply with the regulation with costs estimated at $2M if the incinerator continued to operate.

DSW 183758

IN - 10 REV. 1/72

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As stringent regulations pertaining to PCB incinerators are placed into effect, some of the outside incineration facilities may elect or be forced to shut down. The result could be indadequate PCB incinerator capacity in the U.S. This might place Monsanto in the position of continuing to operate the W.G. Krummrich PCB incinerator either for social responsibility reasons or possibly because the EPA requests that our incinerator remain in operation. While the W.G. Krummrich incinerator would be decontaminated by December 31, 1977, current planning calls for it to remain intact until 1981. Also, the new Monsanto area-wide incinerator is scheduled for start-up in early 1980. Therefore, should a contingency arise after October 1, 1977 requiring that Monsanto bring the old incinerator back on-stream, such action would seem feasible after necessary startup preparations to ensure compliance at that time.

Analysis of PCB waste return reflects that 907M pounds were returned over the past twelve months for an average of 76M pounds per month. Of this total, 357M pounds (39%) were from current PCB dielectrics customers. During this period most of the current Monsanto customer returns were from G.E. and Westinghouse transformer service shop locations. G.E. Rome was the only transformer manufacturing location to use the incinerator. There were no returns from our capacitor customers.

It is projected that the return rate until shut down of the incinerator would be 50M pounds per month or lower as we are continuing the practice of informing customers of outside incinerators and that the cost may be less at these facilities.

B. Alternatives considered and reasons for rejection

1. Monsanto could continue to accept customer returns and operate the PCB incinerator. While this might have some social responsibility advantages, the costs to Monsanto to comply with regulations (estimated at up to $2.1M) and cost of incinerator operation (estimated at $815M per year) would make this an undesirable option. Rejected.

2. Monsanto might operate the PCB incinerator until March 1, 1978, and cease accepting customer returns on December 31, 1977. This would be costly to Monsanto in terms of incinerator operation ($67,847/month) and compliance with regulations (at least $100M to comply with proposed regulations for incinerators). Rejected.

DSW 183759

J. A. Alley

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