

Date: March 31, 1987

Subject: Oxygenates as Groundwater Contaminants

From/Location: George J. Yogis /CS-34

To/Location: J. S. White /AP

Thanks for providing us with a copy of the latest version of Maine's paper on MTBE as a groundwater contaminant. We've been actively involved with this issue since about October of last year. Before I update you on our activities in this area, I want you to know that neither we or the Maine Petroleum Council (affiliated with API) know of any lawsuits involving this issue.

ARCO Chemical Activities

We initially became involved with the Maine DEP prior to the presentation of their first version of this paper at the National Well Water Conference on November 13, 1986. Although we provided data that indicated that many of their theories were incorrect, the authors concluded that MTBE presented an environmental hazard differential to other gasoline components (see copy of paper "MTBE as a Groundwater Contaminant"). Since the paper was presented last November, we have been working with API, the newly formed "MTBE Committee" (MTBE Producers Association), and on our view to assess the potential impact of this paper on state policymakers, to contain the potential "damage" from this paper, and to develop short term and long term responses to the issues raised in the paper.

A synopsis of our progress in these areas are as follows:

- o The Maine Petroleum Council (MPC) has contacted Maine DEP policymakers on this issue. MPC found that the authors don't represent the views of the DEP policymakers. Given MTBE's low toxicity, DEP doesn't consider MTBE to be especially hazardous. No regulatory or legislative actions on MTBE have been initiated or proposed in Maine or any other state.
- o The API Groundwater Task Force has provided comments to the author and the National Well



Water Association concerning the inflammatory nature of the remarks made in the November paper and the general lack of technical data to support the rather strong policy statements (see attachment). The latest version of this paper, no doubt, reflects the effect of the task force's comments. Gene Mancini (ARCO Corporate E&B) was very helpful in getting our concerns to the API task force in a timely manner.

- o George Dominguez, Executive Director of the MTBE Committee, will present a paper (see attachment) at the April conference that refutes/clarifies many of the points made by Garrett, et al, in last November's paper. Specifically, his paper shows that:
 - MTBE doesn't increase the benzene levels in the drinking water
 - MTBE only spreads slightly further than gasoline components like benzene in the groundwater
 - MTBE can be effectively removed from groundwater using existing technology such as air stripping

We consider this a short term effort at damage control that should mitigate most of the issues raise in the DEP paper.

- o The API has agreed to fund several studies that will investigate in detail some of the issues raised in the Maine DEP. The attached memo from Bill Kilmartin [redacted] these studies. Either we or Gene Mancini can provide you more information if you are interested.

Our overall view of the Maine issue is that the tone and technical content in this latest paper shows a substantial improvement over last November's paper. The presentation by the MTBE Committee will put additional pressure on the author to back up his comments with technical data. While we don't expect the issue to

LANC369514

J. S. White

- 3 -

March 31, 1987

go away, we think we have sufficient technical data to minimize the potential for any adverse government regulation.

Please contact me at 215-557-2255 if you have any questions.

GJY/hlp

ATTACHMENT

bcc: R. Christie
S. Cohen
G. Mancini
Group Circ. File

STPUD

LAN0369514