

FAX

TO: K. Blower  
CC: S. McAlpine  
FROM: K. Morton  
DATE: Feb. 15, 1989  
SUBJECT: RPC PROPOSAL FOR HOT FILTER TEST

---

I have been trying to get RPC to give us an estimate of cost of additional testwork leading to design of a full scale sintered metal filter for our WAROX plant. In my query to RPC, I suggested that the cost of the filter modifications be shared, (see attached), and this may be giving them some problems.

Ross Gilders agrees that RPC should share in the cost of the filter modifications, but until he knows the size of the job, he cannot put the idea to his superiors. In the meantime, Pall will not expend any more manpower on the project until they know that Giant will proceed with the project. They understand that the Board must approve the project before any more work can be done and they are afraid that their efforts may prove to be a waste of time.

Until Pall meets with RPC to design the filter, RPC cannot estimate costs or timing for the test. They can estimate operating costs for a two week test starting April 1, but this may be misleading if the filter modifications are very expensive, or if RPC is not able to share in the cost. Nevertheless, I have asked RPC to estimate the cost of a 14 day test program, not including cost of filter modifications. They will get back to me in a couple of days.

Regarding Pall's requirement for a firm commitment from Giant, do you suppose they expect us to give them the contract to supply the full size filter without putting the contract out for tender? Is it appropriate to seek Board approval for the WAROX project before the test is done?



K. Morton