

McGraw-Hill Publications Co., pegs 1978 capital outlays for the entire chemical process industries at \$25.9 billion, up about 13% in real terms from last year. For 1979, CPI firms expect to spend \$29.7 billion, for a 7% real rise. Preliminary estimates for 1980 indicate a 3% real drop (assuming an inflation rate of 8%).

The \$29.7 billion for 1979 breaks down as follows: chemicals and allied products, including petrochemicals, \$10.1 billion; pulp and paper, \$5.0 billion; rubber and plastics, \$1.8 billion; stone, clay and glass, \$3.2 billion; petroleum refining, \$4.5 billion; primary nonferrous metals, \$2.6 billion; coal products, \$0.5 billion; the CPI segments of the food and beverage industry, \$1.2 billion; and all other CPI sectors, \$0.8 billion.

(An article on this subject will appear in the next issue.)

A test burn of liquid solvent-refined-coal was successful, according to preliminary data assembled for the Electric Power Research Institute (Palo Alto, Calif.), a cosponsor of the experiment.

Conducted in mid-September at Consolidated Edison Co. (New York City), the test involved some 4,500 bbl of SRC II oil produced by Gulf Mineral Resources Co. at its pilot plant in Ft. Lewis, Wash. Last year, solid SRC I fuel, also from Ft. Lewis, was tested successfully at a Georgia power plant (*Chementator*, Aug. 1, 1977, p. 19). The U.S. Dept. of Energy cosponsored both demonstrations.

EPRI says that early data from the Con Ed demonstration indicate that nitrogen oxide emissions from the combustion of SRC II fuel would meet the standard for coal-derived liquid fuels proposed in September by the U.S. Environmental Protection Agency. And boiler efficiencies were comparable to those obtained with regular fuel oil. A further assessment of the data is being handled by KVB, Inc. (Tustin, Calif.).

WASHINGTON

In its final rush to adjournment, Congress wrote hazardous-spills legislation, amending Sect. 311 of the Federal Water Pollution Control Act, which deals with liability for spills of oil and hazardous substances. Regulations issued under that section by the Environmental Protection Agency, governing 271 substances that EPA identified as hazardous, were struck down in August by a federal judge in the Western District of Louisiana (*Chementator*, Aug. 28, p. 43).

The new measure, worked out with the cooperation of EPA and industry representatives, simplifies reporting requirements and clarifies the agency's authority to define hazardous pollutants and designate harmful quantities. The civil penalty for violations was reduced to a maximum of \$50,000, one tenth the original figure (for production plants), and EPA must go to court to collect penalties, whereas earlier it could do so by administrative rulings. Another provision makes clear the distinction between discharges that are regulated by permits, and spills.

Wood preservatives are in for a careful appraisal by the Environmental Protection Agency. EPA has issued a "rebuttable presumption against registration" concerning creosote, coal tar, coal-tar neutral oil, pentachlorophenol and inorganic arsenic compounds. This procedure allows industry to file defensive arguments, but may lead to a restriction on some of the uses of these chemicals, if not a total ban.

EPA suspects that creosote, coal tar and coal-tar neutral oil are human carcinogens, based on animal tests and clinical reports. Pentachlorophenol has caused birth defects in rats, and inorganic arsenic products are suspected of causing lung, liver and skin cancers among workers exposed to these materials, EPA says.

Creosote, used to protect railroad ties, marine pilings and fence posts, is the largest volume pesticide used in the U.S. One billion pounds of it were produced last year. Pentachlorophenol finds large use in controlling slime at pulp and paper mills.

NOTE