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PROPOSED PCB REGULATION

July 2, 1980

I have put together an "educated guess" as to the effect of the proposed rule by the Food and Drug Administration concerning limiting PCB's in transformers and capacitors.

B&W has approximately 50 PCB transformers in service. A transformer consultant estimates it would cost approximately $50 per gallon to remove and replace the transformer liquid. He further estimates it would cost approximately $50 per gallon to dispose of the liquid when an acceptable method is determined. There is an average of about 400 gallons of liquid per transformer. Based on these figures, it will cost approximately:

$$50 \text{ transformers} \times \frac{400 \text{ gal.}}{\text{transformer}} \times \$100 = \$2{,}000{,}000$$

to remove, replace, and dispose of the excess transformer liquid.

With any replacement liquid, the transformers will have to be derated. A silicone refill seems the most desirable and will cause the transformers to be derated to approximately 80% of their present capacity. If we do not consider replacing the lost capacity at Louisville, an additional five(5) transformers will need to be installed. A total installed cost is approximately $750,000.

B&W has approximately 200 capacitors in service. The average size of a capacitor is approximately 300 KVARs. The replacement cost is about $40 per KVAR or $240,000. In addition, it will cost approximately $25,000 to remove and dispose of the existing PCB capacitors.

In summary, my educated guess is that it will cost B&W

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approximately:

Replace transformer liquid	$2,000,000
Add five(5) transformers	750,000
Replace capacitors	240,000
Dispose of PCB capacitors	25,000
	$3,015,000

to comply with the proposed rule.

RRA