JUL 14 1998

U.S. Department of Transportation
Research and Special Programs Administration

DOT-E 8862
(FIFTH REVISION)

400 Seventh Street, S.W.
Washington, D.C. 20590

EXPIRATION DATE: **December 31, 1999**

1. GRANTEE: ARC Chemical Division Balchem Corp.
   Slate Hill, NY

2. PURPOSE AND LIMITATION:

   a. This exemption authorizes the transportation in commerce of Propylene oxide, UN1280, PGI, in certain DOT 5P drums that meet the UN performance standards for UN1A1 drums for PGI liquids except for the required six foot drop test. This exemption provides no relief from any Hazardous Materials Regulation other than as specifically stated herein.

   b. The safety analyses performed in development of this exemption only considered the hazards and risks associated with transportation in commerce. The safety analyses did not consider the hazards and risks associated with consumer use, use as a component of a transport vehicle or other device, or other uses not associated with transportation in commerce.

3. REGULATORY SYSTEM AFFECTED: 49 CFR Parts 106, 107 and 171-180.

4. REGULATIONS FROM WHICH EXEMPTED: 49 CFR 173.201(a) in that the drums do not meet the Packing Group I performance level.

5. BASIS: This exemption is based on the application of ARC Chemical Division Balchem Corporation dated July 30, 1996 submitted in accordance with 49 CFR 107.109 and supplemental letters dated October 2, 1996 and July 13, 1998.

6. HAZARDOUS MATERIALS (49 CFR 172.101):

Proper Shipping Name/ Hazardous Materials Description	Hazard Class/ Division	Identi-fication Number	Packing Group
Proplylene oxide	3	UN1280	I

7. SAFETY CONTROL MEASURES:

a. PACKAGING - Packaging prescribed is a DOT Specification 5P lagged steel drum meeting UN Packing Group I performance levels except for the 6 ft. drop test.

b. The drums must be prepared and transported as follows when filled with propylene oxide:

(1) each drum must be charged with lading to not more than 400 pounds, net;

(2) each drum must be pressurized with approximately 50 psig nitrogen to form an inert gas blanket over the lading;

(3) the drums may not be liquid full at 185°F.

c. OPERATIONAL CONTROLS

a. DOT Specification 5P lagged steel drums manufactured prior to September 30, 1994 may be used; no new construction of the drums is authorized.

b. Prior to each refill, the drums must be tested for leakage with an inert gas at a pressure at least equal to the pressure of the inert gas blanket.

c. Drivers must have been instructed as to necessary safeguards and proper procedures in the event of unusual delay, fire, or accident.

8. SPECIAL PROVISIONS:

a. A person who is not a holder of this exemption, but receives a package covered by this exemption, may reoffer it for transportation provided no modifications or changes are made to the package, all terms of this exemption are complied with and a current copy of this exemption is maintained at each facility where the package is offered for transportation.

b. Prior to the expiration date of this exemption, all DOT 5P drums used under the terms of this exemption shall be remanufactured into UN1A1 drums. Every 60 days from the issuance of this exemption, ARC Chemical Division Balchem Corporation must provide data on the number of drums remanufactured and the number of remaining drums to be remanufactured. The data must be provided to the Director, Office of Hazardous Materials, Exemptions and Approvals.

9. MODES OF TRANSPORTATION AUTHORIZED: Motor vehicle.

10. MODAL REQUIREMENTS: A copy of this exemption must be carried aboard motor vehicle used to transport packages covered by this exemption.

11. COMPLIANCE: Failure by a person to comply with any of the following may result in suspension or revocation of this exemption and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. Section 5101 et seq:

- All terms and conditions prescribed in this exemption and the Hazardous Materials Regulations, 49 CFR Parts 171-180.
- Registration required by 49 CFR 107.601 et seq., when applicable.

Each "Hazmat employee", as defined in 49 CFR 171.8, who performs a function subject to this exemption must receive training on the requirements and conditions of this exemption in addition to the training required by 49 CFR 172.700 through 172.704.

No person may use or apply this exemption, including display of its number, when the exemption has expired or is otherwise no longer in effect.

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12. REPORTING REQUIREMENTS: The carrier is required to report any incident involving loss of packaging contents or packaging failure to the Associate Administrator for Hazardous Materials Safety (AAHMS) as soon as practicable. (49 CFR 171.15 and 171.16 apply to any activity undertaken under the authority of this exemption.) In addition, the holder(s) of this exemption must inform the AAHMS, in writing, of any incident involving the package and shipments made under the terms of this exemption.

Issued at Washington, D.C.:

for Anne Mazzullo 7/14/98

Alan I. Roberts (DATE)
Associate Administrator for
Hazardous Materials Safety

Address all inquiries to: Associate Administrator for Hazardous Materials Safety, Research and Special Programs Administration, Department of Transportation, Washington, D.C. 20590. Attention: DHM-31.

The original of this exemption is on file at the above office. Photo reproductions and legible reductions of this exemption are permitted. Any alteration of this exemption is prohibited.

Copies of exemptions may be obtained from the AAHMS, U.S. Department of Transportation, 400 7th Street, Washington, DC 20590-0001, Attention: Docket Section, 202-366-5046.

Dist: FHWA
PO: sln