

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2009-0264-AIR-E **TCEQ ID:** RN100217405 **CASE NO.:** 37185

**RESPONDENT NAME:** Honeywell International, Inc.

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Honeywell International Orange Plant, 3927 Farm-to-Market Road 1006, Orange, Orange County</p> <p><b>TYPE OF OPERATION:</b> Synthetic chemical production plant</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on July 20, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732  <b>TCEQ Enforcement Coordinator:</b> Ms. Andra Benoit, Enforcement Division, Enforcement Team 5, MC R-10, (409) 899-8799; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. Adam Kuehn, Environmental Leader, Honeywell International, Inc., 3927 Farm-to-Market Road 1006, Orange, Texas 77630                  Mr. Craig Robnik, Plant Manager, Honeywell International, Inc., 3927 Farm-to-Market Road 1006, Orange, Texas 77630  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b>                      None</p> <p><b>Date of Investigation Relating to this Case:</b>                      December 29, 2008 and January 29, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b>                      February 10 and 18, 2009 (NOE)</p> <p><b>Background Facts:</b> These were record reviews.</p> <p><b>AIR</b></p> <p>1) Failure to obtain a permit or meet the conditions of a permit-by-rule. Specifically, from May 27, 2007 through December 27, 2007, the xylene vapor baths used for wax removal from the priller plates were not authorized by a permit by rule, New Source Review authorization, or applicable requirement [30 TEX. ADMIN. CODE § 116.110(a)(1) and TEX. HEALTH &amp; SAFETY CODE §§ 382.0518(a) and 382.085(b)].</p> <p>2) Failure to prevent unauthorized emissions. Specifically, during the September 8, 2008 emissions event (Incident No. 113692), a valve in the U-508 vessel was left closed while starting up Reactor 3 (R-3), resulting in a pressure increase that allowed the reactor low pressure disc to burst and release a total of 309 pounds of ethylene over eight minutes. Since the emissions event could have been avoided through better operational practices the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 122.143(4), TEX. HEALTH &amp; SAFETY CODE § 382.085(b), Permit No. 1829, General Condition 8, and Federal Operating Permit No. 1533, General Terms and Conditions and Special Condition 13].</p>	<p><b>Total Assessed:</b> \$24,075</p> <p><b>Total Deferred:</b> \$4,815  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$9,630</p> <p><b>Total Paid to General Revenue:</b> \$9,630</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. On December 27, 2007, the xylene vapor baths were replaced with glycol ether baths which are authorized by existing Permit-By-Rule No. 76825; and</p> <p>b. On September 8, 2008, the reactor line was isolated, replaced the ruptured disc, and implemented preventative measures and procedures to ensure the maintenance of equipment.</p> <p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p>

Additional ID No(s): OC0001V

Attachment A  
Docket Number: 2009-0264-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

**Respondent:** Honeywell International, Inc.  
**Penalty Amount:** Nineteen Thousand Two Hundred Sixty Dollars (\$19,260)  
**SEP Offset Amount:** Nine Thousand Six Hundred Thirty Dollars (\$9,630)  
**Type of SEP:** Pre-approved  
**Third-Party Recipient:** Texas PTA – *Texas PTA Clean School Buses*  
**Location of SEP:** Texas Air Quality Control Region 106 – Southwestern Louisiana-Southeast Texas

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to Texas PTA for the *Texas PTA Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fueled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions from buses by more than 90% below today's level and by reducing hydrocarbons.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.



**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Ms. Kryss O'Shaughnessy, Director of Finance  
Texas PTA  
408 W. 11<sup>th</sup> Street  
Austin, Texas 78701

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.



**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





## Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>DATES</b>	Assigned	26-Feb-2009				
	PCW	27-Feb-2009				

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	Honeywell International, Inc.		
Reg. Ent. Ref. No.	RN100217405		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	37185	No. of Violations	2
Docket No.	2009-0264-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Audra Benoit
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

### Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>		<i>Subtotal 1</i>	\$22,500
<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.			
<b>Compliance History</b>	32.0% Enhancement	<i>Subtotals 2, 3, &amp; 7</i>	\$7,200
Notes	Penalty enhancement due to one same or similar NOV, four unrelated NOVs and one agreed order with denial of liability. Penalty reduction due to one Notice of Intended Audit.		
<b>Culpability</b>	No	0.0% Enhancement	<i>Subtotal 4</i>
Notes	The Respondent does not meet the culpability criteria.		
<b>Good Faith Effort to Comply Total Adjustments</b>		<i>Subtotal 5</i>	\$5,625
<b>Economic Benefit</b>	0.0% Enhancement*	<i>Subtotal 6</i>	\$0
Total EB Amounts	\$1,026	*Capped at the Total EB \$ Amount	
Approx. Cost of Compliance	\$27,500		
<b>SUM OF SUBTOTALS 1-7</b>		<i>Final Subtotal</i>	\$24,075
<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>		0.0%	<i>Adjustment</i>
Reduces or enhances the Final Subtotal by the indicated percentage.			
Notes			
			<i>Final Penalty Amount</i>
			\$24,075
<b>STATUTORY LIMIT ADJUSTMENT</b>		<i>Final Assessed Penalty</i>	\$24,075
<b>DEFERRAL</b>	20.0%	Reduction	<i>Adjustment</i>
Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)			
Notes	Deferral offered for expedited settlement.		
<b>PAYABLE PENALTY</b>			\$19,260

**Screening Date** 27-Feb-2009

**Docket No.** 2009-0264-AIR-E

**PCW**

**Respondent** Honeywell International, Inc.

Policy Revision 2 (September 2002)

**Case ID No.** 37185

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN100217405

**Media [Statute]** Air

**Enf. Coordinator** Audra Benoit

### Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action <i>(number of NOVs meeting criteria)</i>	1	5%
	Other written NOVs	4	8%
Orders	Any agreed final enforcement orders containing a denial of liability <i>(number of orders meeting criteria)</i>	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government <i>(number of judgements or consent decrees meeting criteria)</i>	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government <i>(number of counts)</i>	0	0%
Emissions	Chronic excessive emissions events <i>(number of events)</i>	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which notices were submitted)</i>	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which violations were disclosed)</i>	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 32%

>> **Repeat Violator (Subtotal 3)**

N/A

**Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

Penalty enhancement due to one same or similar NOV, four unrelated NOVs and one agreed order with denial of liability. Penalty reduction due to one Notice of Intended Audit.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 32%

**Screening Date** 27-Feb-2009 **Docket No.** 2009-0264-AIR-E **PCW**

**Respondent** Honeywell International, Inc. *Policy Revision 2 (September 2002)*

**Case ID No.** 37185 *PCW Revision October 30, 2008*

**Reg. Ent. Reference No.** RN100217405

**Media [Statute]** Air

**Enf. Coordinator** Audra Benoit

**Violation Number** 1

**Rule Cite(s)** 30 Tex. Admin. Code § 116.110(a)(1) and Tex. Health & Safety Code §§ 382.0518(a) and 382.085(b)

**Violation Description** Failed to obtain a permit or meet the conditions of a permit-by-rule. Specifically, from May 27, 2007, through December 27, 2007, the xylene vapor baths used for wax removal from the priller plates were not authorized by a permit-by-rule, New Source Review authorization, or applicable requirement.

**Base Penalty** \$10,000

**>> Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
		X			25%

**Matrix Notes** 100% of the rule requirement was not being met.

**Adjustment** \$7,500

**\$2,500**

**Violation Events**

**Number of Violation Events** 8 **Number of violation days** 215

<i>mark only one with an x</i>	daily	
	weekly	
	monthly	X
	quarterly	
	semiannual	
	annual	
	single event	

**Violation Base Penalty** \$20,000

Eight monthly events are recommended from May 27, 2007 to December 27, 2007.

**Good Faith Efforts to Comply** 25.0% Reduction **\$5,000**

	Before NOV	NOV to EDFRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

**Notes** The Respondent took corrective actions December 27, 2007. The xylene vapor baths are no longer in use.

**Violation Subtotal** \$15,000

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

**Estimated EB Amount** \$1,026 **Violation Final Penalty Total** \$21,400

**This violation Final Assessed Penalty (adjusted for limits)** \$21,400

## Economic Benefit Worksheet

**Respondent:** Honeywell International, Inc.  
**Case ID No.:** 37185  
**Reg. Ent. Reference No.:** RN100217405  
**Media:** Air  
**Violation No.:** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

**Delayed Costs**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment	\$25,000	27-May-2007	27-Dec-2007	0.59	\$49	\$977	\$1,026
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to replace the xylene vapor baths with glycol ether baths which are authorized by Permit-By-Rule No. 76825. The date required and the final date encompass the duration of the violation.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$25,000

**TOTAL**

\$1,026

Screening Date 27-Feb-2009

Docket No. 2009-0264-AIR-E

PCW

Respondent Honeywell International, Inc.

Policy Revision 2 (September 2002)

Case ID No. 37185

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217405

Media [Statute] Air

Enf. Coordinator Audra Benoit

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(b)(2)(F), 122.143(4), and Tex. Health & Safety Code § 382.085(b), Permit No. 1829, General Condition 8, and Federal Operating Permit No. 1533, General Terms and Conditions and Special Condition 13

Violation Description Failed to prevent unauthorized emissions. Specifically, during a September 8, 2008 emissions event (Incident No.113692), a valve in the U-508 vessel was left closed while starting up Reactor 3 (R-3), resulting in a pressure increase that allowed the reactor low pressure disc to burst and release a total of 309 pounds of ethylene over eight minutes. Since the emissions event could have been avoided through better operational practices the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense were not met.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text" value="25%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

Matrix Notes Human health or the environment has been exposed to an insignificant amount of pollutants which would not exceed levels that are protective of human health or the environment as a result of this violation.

Adjustment

Violation Events

Number of Violation Events  Number of violation days

mark only one with an x

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input checked="" type="checkbox"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

One quarterly event is recommended based on the emissions event which occurred on September 8, 2008.

Good Faith Efforts to Comply

25.0% Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input checked="" type="checkbox"/>	<input type="text"/>
N/A	<input type="text"/>	(mark with x)

Notes The Respondent completed corrective action on September 8, 2008.

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

## Economic Benefit Worksheet

**Respondent:** Honeywell International, Inc.  
**Case ID No.:** 37185  
**Reg. Ent. Reference No.:** RN100217405  
**Media:** Air  
**Violation No.:** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,500	8-Sep-2008	8-Sep-2008	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to implement measures designed to ensure proper operation and maintenance of the reactor low pressure relief system. The date required is the date of the emissions event. The final date is the date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,500

TOTAL

\$0

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN600129159 Honeywell International, Inc.	Classification: AVERAGE	Rating: 1.95
Regulated Entity:	RN100217405 HONEYWELL INTERNATIONAL ORANGE PLANT	Classification: AVERAGE	Site Rating: 0.60

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	OC0001V
	AIR OPERATING PERMITS	PERMIT	1533
	WASTEWATER	PERMIT	WQ0000670000
	WASTEWATER	PERMIT	TPDES0007897
	WASTEWATER	PERMIT	TX0007897
	AIR NEW SOURCE PERMITS	PERMIT	1829
	AIR NEW SOURCE PERMITS	PERMIT	1477
	AIR NEW SOURCE PERMITS	PERMIT	1727
	AIR NEW SOURCE PERMITS	PERMIT	1736
	AIR NEW SOURCE PERMITS	PERMIT	6090
	AIR NEW SOURCE PERMITS	PERMIT	45475
	AIR NEW SOURCE PERMITS	PERMIT	45994
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	OC0001V
	AIR NEW SOURCE PERMITS	AFS NUM	4836100017
	AIR NEW SOURCE PERMITS	REGISTRATION	76825
	AIR NEW SOURCE PERMITS	REGISTRATION	84269
	AIR NEW SOURCE PERMITS	REGISTRATION	85840
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30009
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008080004

Location: 3927 FM 1006, ORANGE, TX, 77630 Rating Date: 9/1/2008 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: February 20, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 20, 2004 to February 20, 2009

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Audra Benoit Phone: (409) 899-8799

### Site Compliance History Components

- |  |     |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | No  |
| 3. If Yes, who is the current owner?   | N/A |
| 4. If Yes, who was/were the prior owner(s)?  | N/A |
| 5. When did the change(s) in ownership occur?  | N/A |

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 08/15/2008

ADMINORDER 2008-0077-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: O-01533 General Terms and Conditions OP

O-01533 Special Condition 13A OP

P-1829 Special Condition 3 PERMIT

Description: Failure to maintain emission rates below the allowable emission limits.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	02/24/2004	(296543)
2	03/19/2004	(262770)
3	03/22/2004	(296546)
4	04/23/2004	(296547)
5	05/13/2004	(270776)
6	05/19/2004	(296549)
7	06/07/2004	(271204)
8	06/22/2004	(296551)
9	06/22/2004	(296553)
10	08/06/2004	(281771)
11	08/16/2004	(282441)
12	08/24/2004	(352635)
13	08/24/2004	(352636)
14	10/25/2004	(352637)
15	11/23/2004	(352638)
16	12/16/2004	(352639)
17	01/24/2005	(382073)
18	02/23/2005	(382071)
19	03/21/2005	(382072)
20	04/22/2005	(430101)
21	05/12/2005	(374503)
22	05/24/2005	(430102)
23	06/15/2005	(378627)
24	06/21/2005	(430103)
25	06/30/2005	(380980)
26	07/20/2005	(430104)
27	08/02/2005	(399028)
28	08/23/2005	(441040)
29	08/23/2005	(441041)
30	10/26/2005	(468803)
31	11/04/2005	(431917)
32	11/22/2005	(468804)
33	12/27/2005	(468805)
34	01/25/2006	(440409)
35	01/27/2006	(468806)
36	02/14/2006	(450179)
37	02/22/2006	(451005)

38 02/22/2006 (468801)  
39 03/22/2006 (468802)  
40 03/31/2006 (459417)  
41 04/24/2006 (498458)  
42 05/01/2006 (460058)  
43 05/17/2006 (498459)  
44 06/16/2006 (498460)  
45 07/14/2006 (498461)  
46 08/14/2006 (520461)  
47 08/14/2006 (520462)  
48 10/18/2006 (520463)  
49 11/14/2006 (517802)  
50 11/15/2006 (517392)  
51 11/18/2006 (518502)  
52 11/27/2006 (575834)  
53 01/12/2007 (575836)  
54 02/14/2007 (575828)  
55 03/20/2007 (575829)  
56 04/18/2007 (575830)

57 05/07/2007 (575831)  
58 05/31/2007 (558080)  
59 06/15/2007 (575832)  
60 07/02/2007 (565982)  
61 07/06/2007 (561024)  
62 07/19/2007 (575833)  
63 07/21/2007 (575835)  
64 08/17/2007 (607630)  
65 08/22/2007 (572177)  
66 09/20/2007 (607631)  
67 10/08/2007 (593783)  
68 10/18/2007 (607632)  
69 11/12/2007 (599197)  
70 11/20/2007 (595836)  
71 11/20/2007 (619693)  
72 12/18/2007 (619694)  
73 01/02/2008 (600047)  
74 01/17/2008 (619695)  
75 02/13/2008 (679799)  
76 02/20/2008 (672215)  
77 03/10/2008 (672216)  
78 04/18/2008 (672217)  
79 05/16/2008 (690132)  
80 06/10/2008 (690133)  
81 06/19/2008 (681268)  
82 07/07/2008 (518942)  
83 07/18/2008 (690134)  
84 08/02/2008 (687968)  
85 08/15/2008 (710918)  
86 10/17/2008 (710919)  
87 10/17/2008 (710920)  
88 11/20/2008 (727616)  
89 12/20/2008 (727617)  
90 01/16/2009 (727618)  
91 02/10/2009 (725547)  
92 02/18/2009 (702518)

Date: 08/17/2004 (282441)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PA Permit 1829, Special Condition 1E  
Description: Failure to maintain a cap, blind flange, plug, or a second valve on three lines in VOC service.

Date: 08/31/2004 (352636)  
Self Report? YES Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
TWC Chapter 26 26.121(a)  
Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2005 (380980)  
Self Report? NO Classification: Minor  
Rqmt Prov: PERMIT M&RR 3cii  
Description: Failure by Honeywell to record the time of analysis for pH.  
Self Report? NO Classification: Minor  
Rqmt Prov: PERMIT M&RR 3cvi  
Description: Failure by Honeywell to maintain records of quality assurance/quality control.

Date: 02/13/2008 (679799)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)  
30 TAC Chapter 305, SubChapter F 305.125(17)  
Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 02/18/2009 (702518)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: PERMIT General Terms and Conditions  
Description: Failure to report the occurrence of a deviation. Mod 2B (C3)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: PERMIT General Terms and Conditions  
PERMIT Special Condition 17D(3)  
Description: Failure to maintain a minimum pH of 7 Standard Units (SU) for the scrubber solution in Caustic Scrubbers, PRPP and PRPP-1. Mod 2G (C4)  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: PERMIT General Terms and Conditions  
PERMIT Special Terms and Conditions 1A  
Description: Failure to conduct instrument monitoring within 15 days of discovery of a leaking component in light liquid/ gas vapor service. Minor 3D (C4)

Notice of Intent Date: 07/25/2008

(701332)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
HONEYWELL INTERNATIONAL,  
INC.  
RN100217405

§  
§  
§  
§  
§  
§

BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2009-0264-AIR-E

I. JURISDICTION AND STIPULATIONS

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Honeywell International, Inc. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and the TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a synthetic chemical production plant at 3927 Farm-to-Market Road 1006 in Orange, Orange County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about February 15 and 23, 2009.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twenty-Four Thousand Seventy-Five Dollars (\$24,075) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Nine Thousand Six Hundred Thirty Dollars (\$9,630) of the administrative penalty and Four Thousand Eight Hundred Fifteen Dollars (\$4,815) is deferred

contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Nine Thousand Six Hundred Thirty Dollars (\$9,630) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. On December 27, 2007, the xylene vapor baths were replaced with glycol ether baths which are authorized by existing Permit-By-Rule No. 76825; and
  - b. On September 8, 2008, the reactor line was isolated, replaced the ruptured disc, and implemented preventative measures and procedures to ensure the maintenance of equipment.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to obtain a permit or meet the conditions of a permit-by-rule, in violation of 30 TEX. ADMIN. CODE § 116.110(a)(1) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on December 29, 2008. Specifically, from May 27, 2007 through December 27, 2007, the xylene vapor baths used for wax removal from the priller plates were not authorized by a permit by rule, New Source Review authorization, or applicable requirement.
2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Permit No. 1829,

General Condition 8, and Federal Operating Permit No. 1533, General Terms and Conditions and Special Condition 13, as documented during a record review conducted on January 29, 2009. Specifically, during the September 8, 2008 emissions event (Incident No. 113692), a valve in the U-508 vessel was left closed while starting up Reactor 3 (R-3), resulting in a pressure increase that allowed the reactor low pressure disc to burst and release a total of 309 pounds of ethylene over eight minutes. Since the emissions event could have been avoided through better operational practices the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present an affirmative defense were not met.

### III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Honeywell International, Inc., Docket No. 2009-0264-AIR-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section 1, Paragraph 6 above, Nine Thousand Six Hundred Thirty Dollars (\$9,630) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be

made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

5. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

John S. Zeller  
For the Executive Director

6/15/2009  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Ray Hall  
Signature

5/18/09  
Date

CRAIG ROBNIK  
Name (Printed or typed)  
Authorized Representative of  
Honeywell International, Inc.

PLANT MANAGER  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.



Attachment A  
Docket Number: 2009-0264-AIR-E

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Honeywell International, Inc.</b>
<b>Penalty Amount:</b>	Nineteen Thousand Two Hundred Sixty Dollars (\$19,260)
<b>SEP Offset Amount:</b>	Nine Thousand Six Hundred Thirty Dollars (\$9,630)
<b>Type of SEP:</b>	Pre-approved
<b>Third-Party Recipient:</b>	<b>Texas PTA – Texas PTA Clean School Buses</b>
<b>Location of SEP:</b>	Texas Air Quality Control Region 106 – Southwestern Louisiana-Southeast Texas

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to **Texas PTA** for the *Texas PTA Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fueled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions from buses by more than 90% below today's level and by reducing hydrocarbons.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Ms. Kryss O'Shaughnessy, Director of Finance  
Texas PTA  
408 W. 11<sup>th</sup> Street  
Austin, Texas 78701

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

