

News Release



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FOR IMMEDIATE RELEASE

ADEQ Director Owens, AG Goddard Announce \$6 Million Settlement with Honeywell Over Environmental Violations

PHOENIX (Aug. 7, 2008) -- Arizona Department of Environmental Quality (ADEQ) Director Steve Owens and Arizona Attorney General Terry Goddard today announced that Honeywell International, Inc. (Honeywell) will pay a \$5 million civil penalty for hazardous waste and environmental cleanup violations at its Phoenix airport facility, located at 111 S. 34th Street in Phoenix, and \$1 million for a supplemental environmental project.

The penalty settles a lawsuit filed by ADEQ and the Attorney General's Office against Honeywell in July 2004 for a number of environmental violations spanning more than 30 years. The lawsuit alleged that between 1974 and 2004 Honeywell violated numerous environmental laws, including the Arizona Water Quality Control Act, Arizona Hazardous Waste Disposal Act and Arizona Underground Storage Tank Act.

Honeywell's alleged violations included discharging chlorinated solvents such as vinyl chloride, dichloroethane, trichloroethane and trichloroethylene, into the Phoenix sewer system without a permit. Additional violations included failing to clean up historic releases of fuel from underground storage tanks at the airport facility and failing to fully disclose information regarding contamination over a period of several years at the facility.

"I am very pleased that Honeywell worked closely with the state to reach this settlement," Governor Janet Napolitano said. "This clearly shows our commitment to protecting our environment and precious groundwater resources."

"These were extremely serious violations of the law, and the size of the penalty reflects the significance of the problems at this facility," Director Owens said.

Owens added that as a result of the enforcement action taken by ADEQ, Honeywell has improved its environmental compliance significantly in recent years. "The company has made a lot of progress at this facility in the last few years, due to both a change in attitude and a change in leadership," Owens said.

"Arizona's environmental laws provide crucial protections for the health and well-being of our families, communities and natural resources," Goddard said. "Following those laws is part of doing business in Arizona. Anything less will not be tolerated."

The settlement also resolves three notices of violation issued against Honeywell by ADEQ between 2005 and 2007. These notices cited 14 incidents of improper storage and disposal of hazardous waste as well as failure to inform employees of proper handling and emergency procedures. In one such violation, ADEQ inspectors discovered that cyanide-containing wastewater was stored next to wastewater containing chromic acid. When combined, these two substances react to form cyanide gas.

In addition, Honeywell discovered that underground storage tanks at the facility were leaking petroleum into the groundwater table. Honeywell did not report the leaks to ADEQ for more than 10 years.

As part of the settlement process, Honeywell conducted a comprehensive environmental audit at all of its Arizona facilities and disclosed the findings and corrective actions to ADEQ. The company also upgraded its fuel distribution facilities to prevent leaks and is in the process of cleaning up the fuel in the groundwater.

In addition to the \$5 million civil penalty, Honeywell will provide a \$1 million supplemental environmental project to the Western Governors Association for the Western Climate Initiative in support of efforts to reduce greenhouse gas emissions in the West.

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