United Technologies Corporation Agrees to Retire Emission Reduction Credits and Pay Civil Penalty

Date: Dec 02, 2002

United Technologies Corporation ("UTC") entered into an administrative consent order with the Department of Environmental Protection on December 2, 2002 for alleged air emission violations. UTC, through its Pratt & Whitney Division ("P&W") owns and operates jet engine manufacturing facilities at 400 Main Street, East Hartford, Connecticut, and Aircraft Road, Middletown, Connecticut. At these facilities, P&W owns and operates seven boilers subject to regulation. Emission testing conducted in January and February 2001, and January 2002 showed that P&W exceeded the full load emission rates ("FLERs") specified in Trading Agreement and Order No. 8134 for five of the boilers. These emission tests were required to satisfy the five-year re-test requirement. It is also required that sampling shall be conducted when the source is operating at or above ninety percent (90%) of maximum rated capacity and these tests for six of the boilers were not conducted at maximum rated capacity. Lastly, P&W did not have sufficient approved non-ozone season NOx discrete emission reduction credits ("DERCs") available to offset excess NOx emissions in violation of Trading Agreement and Order No. 8134.

The consent order requires UTC to: expend not less than $46,500 to purchase and permanently retire not less than thirty-six (36) tons of approved non-ozone season DERCs, and pay a civil penalty of $17,700.