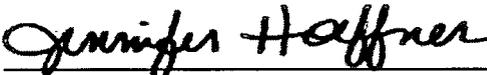


**COMMONWEALTH OF VIRGINIA
Department of Environmental Quality
Piedmont Regional Office**

STATEMENT OF LEGAL AND FACTUAL BASIS

Honeywell International Inc.
P.O. Box 761
Hopewell, Virginia 23860
Permit No. PRO50232

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, Honeywell International Inc. has applied for a Title V Operating Permit for its Hopewell, Virginia facility. The Department has reviewed the application and has prepared a draft Title V Operating Permit.

Engineer/Permit Contact: 
Jennifer Hoeffner
(434) 582-6229

Date: 3/28/16

Air Permit Manager: 
James E. Kyle, P.E.

Date: 3/30/2016

Deputy Regional Director: 
Kyle T. Winter, P.E.

Date: 30 March 2016

FACILITY INFORMATION

Permittee/Facility

Honeywell International Inc. – Hopewell Plant
Intersection of Routes 10 and 156
Hopewell, Virginia 23860

Responsible Official

Mr. Fred Harry
Plant Manager

Contact Person

Mr. Tom Varner
Lead Air Engineer
804-541-5632

County-Plant Identification Number: 670-0026

Facility Description: NAICS Codes: 325199- All Other Basic Organic Chemical Manufacturing, 325188- All Other Basic Inorganic Chemical Manufacturing, and 325120- Industrial Gas Manufacturing. SIC Codes: 2869- Industrial Organic Chemicals, 2819- Industrial Inorganic Chemicals, and 2873- Nitrogenous Fertilizers.

The Honeywell International Inc. - Hopewell Plant is located on a 450 acre site between Route 10 and the James River at the east end of Hopewell. The site employs approximately 700 people.

The Hopewell facility includes nine major chemical process areas, a powerhouse and a marine terminal for transfer of fuel and bulk materials. Caprolactam is the primary product which is sold to internal and external customers.

Co-products include ammonium sulfate, cyclohexanol, cyclohexanone and oxime chemicals. Major raw materials used at the site include phenol, natural gas for the production of ammonia and sulfur for the production of oleum.

The facility is a Title V major source of PM-10, PM-2.5, NO_x, SO₂, VOC and GHG. This source is located in an attainment area for all pollutants, and is an existing major source for new source review purposes. The facility is currently permitted under minor NSR permits issued on July 16, 1979, January 31, 2014, and February 19, 2015 and its initial Title V permit originally effective January 1, 2007 and renewed on October 1, 2014. The current permit action is for a significant modification based on the latest issuance of the Minor NSR Permit. The application for the significant modification was received on March 16, 2015 by the Virginia Department of Environmental Quality (DEQ) and was deemed administratively complete April 20, 2015.

COMPLIANCE STATUS

A full compliance evaluation of this facility, including a site visit, has been conducted. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Honeywell is meeting the compliance schedules as outlined in the March 28, 2013 Consent Decree issued by the United States Department of Justice and the July 15, 2013 Consent Order issued by DEQ. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time.

EMISSIONS INVENTORY:

Emissions are summarized in the following table.

PLANTWIDE EMISSIONS SUMMARY [TONS PER YEAR]	
CRITERIA POLLUTANTS	2013 ACTUAL EMISSIONS
Particulate Matter (PM-10)	269
Particulate Matter (PM-2.5)	173
Nitrogen Oxides (NOx)	6913
Sulfur Dioxide (SO2)	217
Carbon Monoxide (CO)	248
Volatile Organic Compounds (VOC)	232
Hazardous Air Pollutants (HAP)	28

EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

Note: Only emission units associated with the requested modification have been listed below:

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity	Pollution Control Device (PCD) Description	PCD ID	Pollutant Controlled	Applicable Permit Date
Kellogg/Girdler Ammonia/Synthetic Gas (Syngas) Plants							
VT-418	VT-418	CO2 Strippers	139,339 CO2 stripper units/hr	N/A	N/A	N/A	February 19, 2015

EMISSION UNIT APPLICABLE REQUIREMENTS

This Statement of Basis addresses a significant permit modification to the Title V permit effective January 1, 2007 and renewed on October 1, 2014. The requested modification to the permit as detailed below includes changes to the Kellogg Ammonia Plant throughput and emission limits from emission unit VT-418 in Permit Condition Nos. IX B.272 and IX C.275 of the Title V permit based on the latest issuance of the Minor NSR Permit. The Title V emission requirements contained in the aforementioned conditions are based on the February 19, 2015 Minor NSR permit and BACT requirements. All other requirements as detailed and explained in the prior Statement of Basis are still valid.

Honeywell has requested a new throughput limit of 100,575 Kellogg gas units from the vent known as the CO2 vent (VT-418) in the Kellogg and Girdler areas of the Plant and to update the emission limits accordingly. Currently the emissions from the CO2 vent are routed to one of three places: 1-to Area 9 for use in producing ammonium carbonate, 2-to three off-site facilities that purchase the CO2 for recovery, 3-to the CO2 vent which discharges residual CO2, CO and VOCs to the ambient air. In the event that the off-site entities are not an option in the future and production in Area 9 reduces production simultaneously, Honeywell is requesting the ability to discharge more emissions to the CO2 vent.

The February 19, 2015 minor NSR permit conditions 276 and 278 have been included in the Title V permit. These conditions contain operating limitations for the Kellogg Ammonia Plant.

Recordkeeping conditions 281(i) and 281(p) of the Title V permit have been included to meet Part 70 requirements.

Honeywell also requested the removal of several Compliance Assurance Monitoring (CAM) plans from Permit Condition No. XIV 415, stating that the emission units were exempt from CAM per 40 CFR 64.2(b)(1)(vi), since each unit was subject to a “continuous compliance determination method” as defined by 40 CFR 64.1. The Department evaluated this request and has determined that the units are not exempt because they do not meet the definition of a “continuous compliance determination method”.

FACILITY-WIDE REQUIREMENTS - There are no changes or additions of facility-wide requirements associated with this modification.

STREAMLINED REQUIREMENTS- There are no changes or additions of streamlined requirements associated with this modification.

GREENHOUSE GAS (GHG) REQUIREMENTS - There are no changes or additions associated with this modification that triggered GHG requirements.

GENERAL CONDITIONS- There are no changes or additions of general conditions associated with this modification.

STATE ONLY APPLICABLE REQUIREMENTS- There are no changes or additions of state only requirements associated with this modification.

FUTURE APPLICABLE REQUIREMENTS- There are no changes or additions of future applicable requirements associated with this modification.

INAPPLICABLE REQUIREMENTS- There are no changes or additions of inapplicable requirements associated with this modification.

INSIGNIFICANT EMISSION UNITS - There are no changes or additions of insignificant emission units associated with this modification.

CONFIDENTIAL INFORMATION

The permittee did submit confidential and non-confidential versions of their Title V application. Additionally, in accordance with DEQ’s 2003 Confidentiality Policy, Honeywell submitted a detailed showing for their confidential information claims. The DEQ approved the source’s confidential showing. This showing included the use of certain surrogate parameters in lieu of confidential information such as maximum rated capacity and throughput limits. The relationship between the surrogate parameters and the confidential information is detailed in the confidential “key” document provided by Honeywell with their showing. Therefore, there is only one version of the Title V permit (and Statement of Basis), and it does NOT contain any confidential information. Instead of the CBI rated capacities and throughput limits, the Title V permit and Statement of Basis use the surrogate parameters from the CBI “key”. This approach matches that of the underlying 2/19/2015 NSR permit. The “key” will be the only permit-related document filed as confidential.

PUBLIC PARTICIPATION

The draft permit went to public notice in the Hopewell News on October 6, 2015. The 30-day comment period specified in the public notice ended on November 5, 2015. No comments were received during the Public Comment period. The Title V permit and Statement of Basis were provided to the Region III office of the Environmental Protection Agency (EPA) as proposed for issuance on November 9, 2015. On December 7, 2015, comments were received from EPA. On February 17, 2016, a revised proposed Title V permit and a response to the comments were provided to EPA. On March 28, 2016, EPA responded with no additional comments.