



QUICKSILVER CAUCUS

The Association of State Drinking Water Administrators (ASDWA);
The Association of State and Interstate Water Pollution Control Administrators (ASIWPCA);
The Association of State and Territorial Solid Waste Management Officials (ASTSWMO);
The Environmental Council of the States (ECOS);
The National Association of Clean Air Agencies (NACAA);
The National Pollution Prevention Roundtable (NPPR)

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David M. Cote
Chairman and CEO
Honeywell International, Inc.
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Scott Cassel
Executive Director/Founder
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137 Newbury Street, 7th Floor
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Dear Chairman Cote and Director Cassel:

The purpose of this letter is to communicate the interest and commitment of the Quicksilver Caucus (QSC) and the U.S. Environmental Protection Agency (EPA) to further expand national efforts to reduce mercury pollution attributable to thermostats. A decade ago, leading members of the thermostat manufacturing sector, in particular Honeywell, showed great leadership by founding the Thermostat Recycling Corporation (TRC) to collect and to properly recycle end-of-life mercury thermostats. A number of States have now adopted or are considering legislation that prohibits the sale of a variety of mercury-added products, including thermostats, and requires end-of-life product recycling. Although much progress has been made through the TRC and these State initiatives, we believe that opportunities exist to further increase waste thermostat recovery and to decrease the sale of mercury-containing thermostats (considering that mercury-free electronic thermostat substitutes have been developed).

Formed in 2001, the QSC is a coalition of State environmental associations that shares information, builds upon successful programs and supports expanded initiatives to reduce mercury pollution. The QSC also works collaboratively with the EPA on a number of mercury issues. Caucus members include the Environmental Council of the States (ECOS), the Association of State and Territorial Solid Waste Management Officials (ASTSWMO), the National Association of Clean Air Agencies (NACAA), the Association of State and Interstate Water Pollution Control Administrators (ASIWPCA), the Association of State Drinking Water Administrators (ASDWA), and the National Pollution Prevention Roundtable (NPPR). Many individual States have also been active participants in the QSC.

Mercury pollution is a priority to the States and EPA because it is extremely toxic and can damage the developing neurological system. In the environment, mercury concentrates in fish tissues, frequently to levels that are unsafe for human consumption. As a result, all fifty states have enacted fish consumption advisories due to mercury, which cover more than 14 million lake acres and close to 900,000 river miles.

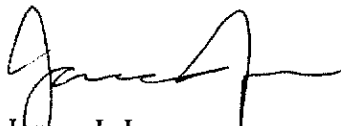
From 2003 to 2006, TRC and its member manufacturers, with the input of the Product Stewardship Institute (PSI), collaborated with many State officials to identify effective approaches to recycle mercury thermostats. Many of these efforts were successful and much was learned. In 2006, EPA acknowledged Honeywell's leadership in reducing mercury use through a prestigious National Partnership for Environmental Priorities Achievement Award for discontinuing the manufacture of mercury switches at a facility that had fabricated sensors, switches, and control devices for nearly forty years. As a result, more than 25,000 pounds of mercury were eliminated from Honeywell operations.

Unfortunately, until recently, progress on these issues seemed to slow despite the large number of mercury-containing thermostats still in use. We are hopeful that the meeting held last July between Honeywell, TRC and PSI will serve to reinvigorate these efforts. We applaud many aspects of the resulting joint statement issued on July 28, 2008. In particular we are encouraged by Honeywell's interest in working on a range of thermostat recycling issues and in collaborating in the development of a method for determining the number of end-of-life thermostats potentially available for collection. These steps are consistent with our overarching goal of maximizing national thermostat collection and recycling rates.

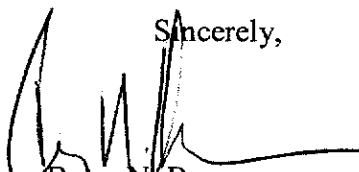
The QSC and EPA have identified mercury thermostats as a priority for enhanced pollution prevention efforts and plan, over the next year to take steps to raise awareness about this issue, increase nationwide collection and recycling efforts, and decrease demand for mercury-containing thermostats.

As our interests in these issues overlap, and to build upon the recent discussions between Honeywell, TRC, and PSI, the QSC and EPA would like to invite you to meet with us in the next several months to discuss how we can best collaborate and assist one another in moving forward. Please feel free to contact us directly if you have any questions or concerns about such a meeting. We look forward to hearing from you.

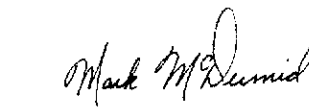
Sincerely,



James J. Jones



Barry N. Breen



Mark McDermid

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