



**INDIANA ENVIRONMENTAL STEWARDSHIP PROGRAM
ANNUAL PERFORMANCE REPORT**
State Form 53475 (R3 / 1-11)
INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
ENVIRONMENTAL STEWARDSHIP PROGRAM

Indiana Department of Environmental Management
Office of Pollution Prevention and Technical Assistance
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Please use this form if you are a member of the Indiana Environmental Stewardship Program (ESP) to report on progress toward objectives and targets AND certify ESP requirements continue to be achieved. Indiana ESP facilities must submit an Annual Performance Report (APR) by April 1st of every year, for each calendar year in which the entity has been a member for at least three (3) full months. Section C of your APR should be signed by your ISO 14001:2004 EMS Lead Auditor. Your APR should be reviewed and signed by a senior manager at your facility prior to submittal. Once signed, e-mail the APR to IDEM at esp@idem.IN.gov. Please do not include any confidential business information in your annual performance report. Public access laws require IDEM to make the APR publicly available, which may include posting all portions of your report on the Indiana ESP Web site. If you have any questions, please contact IDEM at esp@idem.IN.gov or (800) 988-7901.

SECTION A FACILITY INFORMATION

Name of facility
Mitsubishi Climate Control

Name of parent company (If applicable)
Mitsubishi Heavy Industries LTD

Street address (number and street)
1200 North Mitsubishi Parkway

City / State / ZIP code
Franklin Indiana 46131

Web site of Facility/Company
www.mitsubishicc.net

CONTACT INFORMATION

Name of Contact (Mr. / Mrs. / Ms. / Dr.)
Mr. Kent M. Smith

Title
Sr. Manager of Environmental and Maintenance

Telephone number
317-346-5058

FAX number
317-738-4292

E-mail address
kents@mhicc.com

Mailing address (if different from facility address)
1200 North Mitsubishi Parkway

City / State / ZIP Code
Franklin Indiana 46131

REPORTING PERIOD

Reporting period dates (month, day, year)
1/01/10-12/31/10

1a. Is this the third Annual Performance Report of your membership term?
 Yes—If yes, answer question 1b.
 No—If no, skip to the "Change in Information" section of this report.

1b. Do you wish to renew your Indiana Environmental Stewardship Program membership?
 Yes—If yes, please complete all sections of this annual report.
 No—If no, please complete all sections of this annual report except for Section F.

CHANGE IN INFORMATION

In your ESP application and, perhaps, in previous annual performance reports, you described what your facility does or makes. Have there been any changes or additions to your facility's list of products or activities?
 Yes—If yes, please describe them:
 No

SECTION B PUBLIC OUTREACH AND PERFORMANCE REPORTING

Why do we need this information?
IDEM needs to know how environmental information was shared with the public.

What do you need to do?
Describe how the facility has shared and plans to share environmental information.

Please briefly describe the activities that your facility conducted during this reporting period to interact with the community on environmental issues and to report publicly on its environmental performance. The new compressors we will build with new 1234YF refrigerant with less ozone depletion.

Please indicate which of the following methods your facility plans to use to make its ESP Annual Performance Report available to the public. Please check as many as appropriate.
 Web site (<http://www.>) Open house Meetings Press releases Other News letters to City of Franklin

SECTION C**ENVIRONMENTAL MANAGEMENT SYSTEM ASSESSMENT****Why do we need this information?**

Facilities need to have implemented an EMS that meets certain criteria and use an ISO 14001:2004 EMS Lead Auditor at least every 36 months to assess the EMS.

What do you need to do?

Answer the following questions about your EMS.

1. What is the most recent date that an ISO 14001:2004 EMS Lead Auditor performed an EMS assessment at your facility? 4/12/2010

2. Is the date of the most recent EMS assessment performed by an ISO 14001:2004 EMS Lead Auditor within the past 36 months?

Yes—If yes, skip to Question 3.

No—If no, please have your ISO 14001:2004 EMS Lead Auditor complete and sign the following checklist, indicating whether or not your EMS meets the listed criteria for ESP membership:

- Yes No Evidence of senior management support, commitment, and approval.
- Yes No A written environmental policy directed toward compliance, pollution prevention, and continuous improvement.
- Yes No Identification of the environmental aspects at the entity.
- Yes No Prioritization of the environmental aspects and a determination of those aspects deemed significant considering, at the minimum, environmental impacts and applicable laws and regulations.
- Yes No Established priorities, and environmental objectives and targets for continuous improvement in environmental performance and for ensuring compliance with applicable environmental laws, regulations, and permit conditions. Objectives and targets must go beyond current legal requirements and specify the environmental media, types of pollution to be prevented or reduced, implementation activities, and projected time frames.
- Yes No An established community outreach mechanism that includes identifying and responding to community concerns; informing the community of important matters that affect the community; and reporting on the EMS, including reporting to the public on the environmental policy and significant aspects.
- Yes No Incorporation of environmental and pollution prevention planning in the development of new products, processes, and services and modifications of existing processes.
- Yes No Evidence of clear responsibility for implementation, training, monitoring, EMS maintenance, taking corrective action, and ensuring compliance with applicable environmental laws, regulations, and permit conditions.
- Yes No Documentation of the implementation procedures and the results of implementation.
- Yes No Appropriate written EMS procedures.
- Yes No An annual evaluation of the EMS with written results provided to senior management and affected employees.

Signature of ISO 14001:2004 EMS Lead Auditor

Date (month, day, year)

3. Were any deficiencies found during the most recent EMS assessment?

No—If no, skip to Question 4.

Yes—If yes, describe any deficiencies found and the corrective action taken to address each deficiency:

4. Name, title, and organization of ISO 14001:2004 EMS Lead Auditor that conducted the most recent EMS assessment:

5. What type of protocol was used to perform the independent EMS assessment?

ISO 14001:2004 Certified audit

Responsible Care EMS audit

Responsible Care 14001 audit

ESP Independent Assessment Protocol

Other (please specify):

6. Is the EMS certified to a recognized standard?

Yes—If yes, what standard does the EMS follow (please provide a copy of the most recent certificate)?

ISO 14001:2004

Responsible Care EMS

Responsible Care 14001

No.

7. When was the last Senior Management review of your EMS completed?

Month / Year: 12/2010

Who headed the review (name and title)? Tommy Arai-President of MCC

10. When did your facility last conduct an internal or corporate environmental compliance audit? Do not include inspections or site visits by regulatory organizations.
 Scope of the compliance audit: Review Legal and other Requirements
 Month(s) / Year(s): 2/2011
 Who conducted the audit(s) (e.g., facility staff, corporate, third party)? Third Party

11. Explain the emergencies experienced within the facility during the past year. Were the applicable emergency and contingency plans detailed in the EMS effective? What changes, if any, have been made to your facility's emergency or contingency plans?
Fire evacuation tests and Tornado tests, Ion duct detector failure. Emergency response plan was effective. No changes to ER. plan

12. Has your facility corrected all instances of potential environmental non-compliance and EMS non-conformance identified during your audits and other assessments?
 Yes—If yes, briefly summarize corrective actions taken and other improvements made as a result of your EMS assessment(s) or compliance audit(s).
 No—If no, please explain your plans to correct these instances. No such instances identified.
Action items from compliance audits have been assigned CAR'S through our corrective action software and assigned due dates

13. (Optional) Please provide a narrative summary of progress made toward EMS objectives and targets other than those reported as an Environmental Performance Initiative in Section E. You may limit the summary to environmental aspects that are significant and towards which progress has been made during the last calendar year. Attach additional sheets as necessary.

Environmental aspect	Progress made this year (e.g., quantitative or qualitative improvements, activities conducted)
Wind Tunnel Electricity use	Up graded capacitor bank to meet new REMC requirements, Reduces Electricity
Chemicals in the plant	Reduced the amount of Chemicals in plant which reduces cost of waste expense.

SECTION D ADDITIONAL INFORMATION	
Why do we need this information?	What do you need to do?
This information will help IDEM to effectively manage the Environmental Stewardship Program.	Answer the questions as completely as possible.
1. In addition to ESP, please list environmental awards received or voluntary programs participated in during the past twelve months. <u>None</u>	
2. Has your facility taken advantage of any ESP incentives? If so, please describe the implementation process and list additional benefits IDEM should consider. <u>On Spill prevention plan, we reduced the frequency of inspections from daily to monthly</u>	
3. If your facility was not registered to the ISO 14001 standard prior to becoming an ESP member, has ESP helped you to pursue registration? If so, how has ESP been instrumental in achieving registration? <u>Registered to the ISO 14001:2004 before becoming an ESP member. Consultation and help on related subjects of environment.</u>	

SECTION E ENVIRONMENTAL IMPROVEMENT INITIATIVE RESULTS				
Why do we need this information?	What do you need to do?			
Facilities need to share the results of the environmental improvement initiative that was pursued during the reporting period.	Summarize your facility's progress on achieving the initiative you identified in the application or last year's APR.			
Category: <u>Material Use</u> Indicator: <u>Material used</u>	Baseline Quantity	Future Goal Quantity	Current Quantity	Cost Savings
Calendar year	2009	2010	2010	
Actual quantity (per year)	4,056.5	741.72	.012	
Normalized quantity (per year)	.124	.120	.06	
Basis for your normalizing factor (e.g., gallons of paint produced)	Liters of PAG-146 usage vs. S-10X usage			
Measurement unit (e.g., pounds)	Liters			
Briefly describe how you achieved improvements for this environmental initiative or, if relevant, any circumstances that delayed progress. <u>See Attached sheet for detailed information</u>				
Please list any state, U.S. EPA, or other partnership programs to which you are reporting this data (e.g., Energy Star, Project XL). <u>NONE</u>				
(Optional) If your facility has experienced continued results for environmental improvement initiatives pursued in past years of ESP membership, please share those results here.				

2010 Environmental Stewardship Program Annual Report

Section E Environmental Improvements

Our initiative back at the beginning of 2010 was to use as a category (Material Use) and as an indicator (Material used).

Our material used is refrigerant oil that goes into each one of our compressors assembled. Our old MSC compressors that we originally produced was charged with refrigerant oil called S10X. Our new QS-70 compressors are charged with new refrigerant oil called PAG-146.

Our initiative was to compare The MSC-105 to the QS-70 compressor.

Since the new QS-70 is engineered smaller than the MSC-105, the compressor will hold less refrigerant oil. This would decrease the amount of oil that could effect the environment and less emission to the air if there was a leak.

It also cuts down on the cost of the purchase of the refrigerant oil since it requires less oil.

We were given a program for 2010 to assembly 6,181 QS-70 compressors for the year.

Shortly after we had committed this initiative for our Stewardship program, MHI our mother company took back this QS-70 business and wanted us to continue to do a bank build for the old model MSC-105 and MSC-130. This way after the bank build, we could sell and dismantle the MSC crankshaft line and install a new crankshaft line for the QS-70 compressors and then start the production for this new compressor.

The new crankshaft line for the new QS-70 will not be installed until the second half of 2011. This is the reason MCC was not able to fulfill the original initiative that we turned in at the beginning of 2010. We only produced 2 QS-70 compressors in 2010

SECTION F

ENVIRONMENTAL IMPROVEMENT INITIATIVE

Why do we need this information?

Facilities need to show they are committed to improving their environmental performance.

What do you need to do?

Refer to the Environmental Performance Table and answer the following questions.

1. Select the appropriate boxes in the following table to indicate the **category** and **indicator(s)** that represents the environmental improvement initiative selected by your facility. For the category and indicator selected, list the **baseline year** (e.g., 2009) and the **future year** (e.g., 2010). Next, list the **baseline annual quantity** (e.g., 5 tons) and **future annual quantity** (e.g., 2 tons) you are committing to achieve by the end of the future year.

Category	Indicator	Baseline Year 20__10__	Future Year 20__11__	Unit
<input type="checkbox"/> Material Procurement	<input type="checkbox"/> Recycled content			Pounds, tons
	<input type="checkbox"/> Hazardous/toxic components			Pounds, tons
<input type="checkbox"/> Suppliers' Environmental Performance	<input type="checkbox"/> Specify indicator: _____			As specified for the particular indicator
<input type="checkbox"/> Material Use	<input type="checkbox"/> Materials used			Pounds, tons
	<input type="checkbox"/> Hazardous materials used			Pounds, tons
	<input type="checkbox"/> Ozone depleting substances used			CFC-11 equivalent pounds
	<input type="checkbox"/> Total packaging materials used			Pounds, tons
<input type="checkbox"/> Water Use	<input type="checkbox"/> Total water used			Gallons
<input checked="" type="checkbox"/> Energy Use	<input checked="" type="checkbox"/> Electricity	76876.8	57657.6	kWh / MWh, Btu / MMBtu
	<input type="checkbox"/> Steam			kWh / MWh, gallons, ft ³
	<input type="checkbox"/> Natural gas			Btu / MMBtu
	<input type="checkbox"/> Diesel			Gallons
	<input type="checkbox"/> Propane / LPG			Btu / MMBtu, gallons
	<input type="checkbox"/> Gasoline			Gallons
	<input type="checkbox"/> Solar			kWh / MWh
	<input type="checkbox"/> Wind			kWh / MWh
	<input type="checkbox"/> Landfill gas			Btu / MMBtu
	<input type="checkbox"/> Combined heat and power			kWh / MWh, Btu / MMBtu
<input type="checkbox"/> Other: _____			_____	
<input type="checkbox"/> Land and Habitat	<input type="checkbox"/> Land and habitat conservation			Square feet, acres
	<input type="checkbox"/> Community land revitalization			Square feet, acres
<input type="checkbox"/> Air Emissions	<input type="checkbox"/> Total GHGs			MTCO2E
	<input type="checkbox"/> VOCs			Pounds, tons
	<input type="checkbox"/> NOx, SOx, PM _{2.5} , PM ₁₀ , or CO			Pounds, tons
	<input type="checkbox"/> Air toxics			Pounds, tons
	<input type="checkbox"/> Odor			European Odour Units
	<input type="checkbox"/> Radiation			Curies, Becquerels
	<input type="checkbox"/> Dust			Pounds, tons
<input type="checkbox"/> Discharges to Water	<input type="checkbox"/> COD or BOD			Pounds, tons
	<input type="checkbox"/> Toxics			Pounds, tons
	<input type="checkbox"/> Total suspended solids			Pounds, tons
	<input type="checkbox"/> Nutrients			Pounds, tons of N or P
	<input type="checkbox"/> Sediment from runoff			Pounds, tons
<input type="checkbox"/> Non-hazardous Waste <input type="checkbox"/> Hazardous Waste	<input type="checkbox"/> Pathogens			MPN/ml, CFU/ml
	<input type="checkbox"/> Landfill			Pounds, tons
	<input type="checkbox"/> Incineration			Pounds, tons
	<input type="checkbox"/> Reused/recycled off-site			Pounds, tons, gallons
<input type="checkbox"/> Other: _____			Pounds, tons, gallons	
<input type="checkbox"/> Noise	<input type="checkbox"/> Noise			dBA
<input type="checkbox"/> Vibration	<input type="checkbox"/> Vibration			Inches per second
<input type="checkbox"/> Products	<input type="checkbox"/> Expected lifetime energy use			kWh / MWh, Btu / MMBtu
	<input type="checkbox"/> Expected lifetime water use			Gallons
	<input type="checkbox"/> Expected lifetime waste to air, water, or land from product use			Pounds, tons
	<input type="checkbox"/> Waste to air, water, or land from disposal or recovery			Pounds, tons

2. What activities or process changes do you plan to undertake at your facility to accomplish your initiative (e.g., technology changes in a particular process line, employee training)? Lights Retrofit from T-12 bulbs to LED bulbs

3. Does this initiative address a significant aspect in your EMS?

Yes

No—If no, please explain why you believe this indicator should be included as an environmental improvement initiative:

CERTIFICATION AND PLEDGE

On behalf of (name of facility) Mitsubishi Heavy Industries LTD/ Mitsubishi Climate Control

I certify that the information contained in this Annual Performance Report and attachments is accurate to the best of my knowledge and that this facility is, to the best of my knowledge and based on reasonable inquiry, currently in compliance with all applicable federal, state, and local environmental requirements, or has a corrective action program in place to attain compliance.

We, Mitsubishi Climate Control, commit to maintaining the principles and goals outlined in our Environmental Management System for our facility's Indiana Environmental Stewardship Program status. We agree to strive for full compliance with all regulations promulgated by the U.S. EPA, state, or local jurisdictions. We agree to promote the Indiana Environmental Stewardship Program and to share our success stories with other facilities. We understand that the Annual Performance Report must be submitted to IDEM by April 1st of each year and that we must reapply to the Indiana Environmental Stewardship Program every three years.

I understand that the information provided in this Annual Performance Report will be public record. I am the senior facility manager or authorized facility signatory, and fully authorized to execute this statement on behalf of the corporation or other legal entity whose facility is submitting this Annual Performance Report.

Signature <i>Kent M. Smith</i>	Title Sr Maintenance/Environmental Manager	Date (month, day, year) 3/31/11
Printed signature Kent M. Smith		