



**INDIANA ENVIRONMENTAL STEWARDSHIP PROGRAM
ANNUAL PERFORMANCE REPORT**

State Form 53475 (R4 / 3-16)
INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
ENVIRONMENTAL STEWARDSHIP PROGRAM

Indiana Department of Environmental Management
Office of Program Support
MC 64-00, Room IGCN 1316
100 North Senate Avenue
Indianapolis, IN 46204-2251
Telephone: (800) 988-7901
FAX: (317) 233-5627
E-mail: esp@idem.IN.gov

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. Membership terms are renewed every four (4) years through submitting your APR. 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
Caterpillar Reman Powertrain, Indiana Inc.

Name of parent company (If applicable)
Caterpillar

Street address (number and street)
751 International Drive

City / State / ZIP code
Franklin, IN 46131

Web site of Facility/Company
www.caterpillar.com

CONTACT INFORMATION

Name of Contact (Mr. / Mrs. / Ms. / Dr.) David Abrams		Title EHS Manager
Telephone number (317) 346-3213	FAX number (317) 738-4614	E-mail address abrams_david_b1@cat.com
Mailing address (if different from facility address) N/A		
City / State / ZIP Code N/A		

REPORTING PERIOD

Reporting period dates (mm/dd/yyyy – mm/dd/yyyy)
1/1/15-12/31/15

1a. Is this the fourth 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. Caterpillar's Sustainability Report can be found at www.caterpillar.com

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 _____

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 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 EMS Lead Auditor performed an EMS assessment at your facility? 3/29/16

2. Name, title, and organization of ISO 14001 EMS Lead Auditor who conducted the most recent EMS assessment:
Kerry Giese, Contract Auditor, DNV

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

Yes—If yes, skip to Question 4.
 No—If no, please have your ISO 14001 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 EMS Lead Auditor *Date (month, day, year)*

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

Yes—If yes, describe any deficiencies found and the corrective action taken to address each deficiency:
2 Minor Non-Conformances

No

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

ISO 14001:2015 Certified audit
 ISO 14001:2004 Certified 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 14001:2015
 ISO 14001:2004
 Responsible Care EMS
 Responsible Care 14001

No

SECTION C ENVIRONMENTAL MANAGEMENT SYSTEM ASSESSMENT CONTINUED

7. When was the last Senior Management review of your EMS completed?
 Month / Year: March 2016
 Who headed the review (name and title)? David Abrams, EHS Manager

8. 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: Facility FESOP No. 081-35740-00056 July 29, 2015
 Month(s) / Year(s): August / 2015
 Who conducted the audit(s) (e.g., facility staff, corporate, third party)? Third Party

9. 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?
None

10. 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).
An action plan was developed. All items are either closed or they are in the process of being closed at this time.
 No—If no, please explain your plans to correct these instances.
 No such instances identified.

SECTION D ADDITIONAL INFORMATION

Why do we need this information? This information will help IDEM to effectively manage the Environmental Stewardship Program. **What do you need to do?** 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.
N/A

2. Has your facility taken advantage of any ESP incentives? If so, please describe the implementation process and list additional benefits IDEM should consider.
N/A

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?
N/A

SECTION E ENVIRONMENTAL IMPROVEMENT INITIATIVE RESULTS

Why do we need this information? Facilities need to share the results of the environmental improvement initiative that was pursued during the reporting period. IDEM needs to report cumulative program reduction results. **What do you need to do?** Reference Section F for "Category" and "Indicator" options to complete this section. Summarize your facility's progress on achieving the initiative you identified in the application or last year's APR. For assistance, please call (800) 988-7901 or email esp@idem.IN.gov.

Initiative #1			
Category 1: <u>Waste water sludge reduction</u> Indicator 1: _____	Baseline <i>(indicate measurement unit)</i>	Current <i>(indicate measurement unit)</i>	Cost Savings
Calendar year			
Actual quantity (per year)			
Production unit (select one)	Earned Labor Hours Other -- specify (e.g. Gallons, length, etc.)	Production units	Production lbs.
Production Quantity			NA
Normalization factor (Current year production ÷ Baseline year production)			
Normalized quantity (Actual Current year quantity ÷ Normalizing factor)			
Briefly describe how you achieved improvements for this environmental initiative or, if relevant, any circumstances that delayed progress. Due to the fact that 2015 was a challenging economy for Caterpillar, the capital for this project was placed on hold.			

SECTION E

**ENVIRONMENTAL IMPROVEMENT INITIATIVE RESULTS
CONTINUED**

Initiative #2			
Category 2: _____ Indicator 2: _____	Baseline <i>(indicate measurement unit)</i>	Current <i>(indicate measurement unit)</i>	Cost Savings
Calendar year			
Actual quantity <i>(per year)</i>			
Production unit <i>(select one)</i>	Earned Labor Hours Other -- specify (e.g. Gallons, length, etc.)	Production units	Production lbs.
Production Quantity			NA
Normalization factor (Current year production ÷ Baseline year production)			
Normalized quantity (Actual Current year quantity ÷ Normalizing factor)			
Briefly describe <i>how</i> you achieved improvements for this environmental initiative or, if relevant, any circumstances that delayed progress.			

Initiative #3			
Category 3: _____ Indicator 3: _____	Baseline <i>(indicate measurement unit)</i>	Current <i>(indicate measurement unit)</i>	Cost Savings
Calendar year			
Actual quantity <i>(per year)</i>			
Production unit <i>(select one)</i>	Earned Labor Hours Other -- specify (e.g. Gallons, length, etc.)	Production units	Production lbs.
Production Quantity			NA
Normalization factor (Current year production ÷ Baseline year production)			
Normalized quantity (Actual Current year quantity ÷ Normalizing factor)			
Briefly describe <i>how</i> you achieved improvements for this environmental initiative or, if relevant, any circumstances that delayed progress.			

- Briefly describe the *impacts or wastes* eliminated resulting from the environmental initiative(s). If multiple initiatives, please indicate which specifically.
- Are there other best management practices (BMPs) you can share correlating to your initiative(s)?
- If the objectives and targets associated with the environmental improvement initiative(s) were not attained, please verify continued progress toward the environmental initiative(s). If multiple initiatives, please indicate which specifically.
- Please provide a narrative summary of progress made toward *qualitative, significant* EMS objectives and targets, if any.
- Please list any state, U.S. EPA, or other partnership programs to which you are reporting this data (e.g., Energy Star, Project XL).
- Is your entity willing to share the environmental improvement initiative(s) and its best management practices (BMPs) at the ESP Annual Meeting and/or a Partners for Pollution Prevention quarterly meeting or conference? Yes No

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., 2015) and the future year (e.g., 2016). 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 2015	Future Year 2016	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 type="checkbox"/> Energy Use	<input type="checkbox"/> Electricity			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 checked="" type="checkbox"/> Reused/recycled off-site	50,000 gal	<10,000 gal	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

If you need assistance filling out the form, please contact the ESP program manager at either esp@idem.in.gov or 1-(800) 988-7901.

SECTION F

FUTURE YEAR ENVIRONMENTAL IMPROVEMENT INITIATIVE

CONTINUED

2. If the environmental improvement initiative(s) will be *qualitative* in nature, please describe.

Reduce the amount of used oil being transported over the road for off site reconditioning.

3. 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)?

Implement a closed loop oil conditioning system to manage oil on site.

4. 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) Caterpillar Reman Powertrain, Indiana Inc.

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, Caterpillar Reman Powertrain, Indiana Inc., 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 we must meet the requirement of implementing one (1) new, independent environmental improvement initiative each year of membership (for a total of four (4) initiatives), 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 four (4) 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

Don Kinsey

Date (month, day, year)

04, 26, 2016

Printed signature

Don Kinsey

Title

Facility Manager