



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

Caterpillar Reman Powertrain Indiana

Name of parent company (if applicable)

Caterpillar Inc

Street address (number and street)

751 International Drive

City / State / ZIP code

Franklin, IN 46131

Web site of Facility/Company

Cat.com

CONTACT INFORMATION

Name of Contact (Mr. / Mrs. / Ms. / Dr.)

Mr. William Hayes

Title

EH&S Manager

Telephone number

317-346-3213

FAX number

317-346-2424

E-mail address

hayes_william_j@cat.com

Mailing address (if different from facility address)

City / State / ZIP Code

Franklin, Indiana 46131

REPORTING PERIOD

Reporting period dates (month, day, year)

January 1, 2013 -December 31, 2013

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. Caterpillar Sustainability Report, EHS with surrounding communities and employees

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 14001:2004 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? 3-3-14

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:

- | | | |
|------------------------------|-----------------------------|---|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Evidence of senior management support, commitment, and approval. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | A written environmental policy directed toward compliance, pollution prevention, and continuous improvement. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Identification of the environmental aspects at the entity. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> 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. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> 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. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> 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. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Incorporation of environmental and pollution prevention planning in the development of new products, processes, and services and modifications of existing processes. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> 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. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Documentation of the implementation procedures and the results of implementation. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Appropriate written EMS procedures. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | An annual evaluation of the EMS with written results provided to senior management and affected employees. |

See Attachment B

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: See Attachment A.

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

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: February / 2014

Who headed the review (name and title)? William Hayes 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: EH&S
 Month(s) / Year(s): 8 / 2013
 Who conducted the audit(s) (e.g., facility staff, corporate, third party)? Corporate / 3rd 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).
Updates to SPCC and SWPPP
☐ No—If no, please explain your plans to correct these instances. ☐ No such instances identified.

11. (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) |
|----------------------|--|
| | |
| | |

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.
Duke Energy "Power Share"

2. Has your facility taken advantage of any ESP incentives? If so, please describe the implementation process and list additional benefits IDEM should consider.
Yes, we have in the past.

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?

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.

What do you need to do?
 Summarize your facility's progress on achieving the initiative you identified in the application or last year's APR.

| Category: <u>Energy Use</u> Indicator: <u>LED Parking Lights</u> | Baseline Quantity | Future Goal Quantity | Current Quantity | Cost Savings |
|---|-------------------|----------------------|------------------|---|
| Calendar year | 2012 | 2013 | 2013 | Total Savings Annually \$7,752.67 |
| Actual quantity (per year) | 27,725,600 | 19,407.920 | 11,664.000 | |
| Normalized quantity (per year) | 30% reduction | | 58%reduction | |
| Basis for your normalizing factor (e.g., gallons of paint produced) | watts per hour | | | Total savings over 10 years \$77,526.68 |
| Measurement unit (e.g., pounds) | watts | | | |

Briefly describe how you achieved improvements for this environmental initiative or, if relevant, any circumstances that delayed progress.
Was able to finish LED parking lot lighting project with a 58% reduction in watts per hour with above mentioned cost savings

Please list any state, U.S. EPA, or other partnership programs to which you are reporting this data (e.g., Energy Star, Project XL).
Duke Energy / Energize Indiana

(Optional) If your facility has experienced continued results for environmental improvement initiatives pursued in past years of ESP membership, please share those results here.

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__13__ | Future Year 20__14__ | 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 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 checked="" type="checkbox"/> Other: <u>LED Building Perimeter</u> | 18,900,000 | 6,804,000 | <u>Watts per hour</u> |
| <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 | | | MTCO ₂ E |
| | <input type="checkbox"/> VOCs | | | Pounds, tons |
| | <input type="checkbox"/> NO _x , SO _x , 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"/> Pathogens | | | MPN/ml, CFU/ml |
| <input type="checkbox"/> Non-hazardous Waste | <input type="checkbox"/> Landfill | | | Pounds, tons |
| <input type="checkbox"/> Hazardous Waste | <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)? Technology change using LED lights to improve clarity and energy savings from watts per reduction and cost savings

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) Caterpillar Reman Powertrain Indiana

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, 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 <u>Bill Roberts</u> | Title Facility Manager | Date (month, day, year) 03-18-14 |
| Printed signature William A. Roberts | | |

Attachment A

Audit Conducted 3-3-14

Minor Deficiencies found in EMS process

1. Element 4.3.2 of the standard requires the organization to identify other requirements applicable to the EMS. **Non Conformance**: The list of other requirements applicable to the Caterpillar EMS is incomplete.
 - Other requirements could include the following: (Further investigation is being done.)
 - Building Lease
 - Insurance
 - Reportable of restricted substance
 - Other potential customers
2. The Company has developed an air conditioning inventory spreadsheet for recording refrigerant additions. The spreadsheet responds to a Federal Clean Air Act requirement to maintain servicing records. **Non Conformance**: The company air conditioning spreadsheet is incomplete.
 - Spreadsheet has incomplete data. Data is kept by contractor, spreadsheet was not updated. Currently being updated and entered in QSI data base
3. Element 4.4.5 of the standard requires the organization to review and update documents as necessary. **Non Conformance**: This requirement has not been effectively followed in all instances.
 - Some EMS documents referenced some quality documents that had been updated which put the EMS documents out of date. In process of updating and instituting a procedure to prevent from happening again.
4. Element 4.5.4 requires the organization to establish, implement and maintain a procedure for the identification, storage, protection, retrieval, retention and disposal of records. Procedure 4.5.4 outlines records control practices. **Non Conformance**: This requirement has not been effectively implemented.
 - Document retention dates in QSI are not correct or up to date.
 - Procedure 4.5.4 does not identify records that must be maintained for defined periods according to regulatory requirements (CFC inventory, air permit records, manifests). Procedure is being updated.

Attachment
B.

SECTION D

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?

Have your ISO 14001:2004 EMS Lead Auditor sign Section D confirming your EMS meets ESP requirements.

1 What was the date of the last independent EMS assessment performed by an ISO 14001:2004 EMS Lead Auditor at this facility (month/year)? This date must be within the past 36 months to qualify for ESP membership: March 3, 2014

2 Does the applicant's EMS meet the following criteria for membership (to be completed by the ISO 14001:2004 EMS Lead Auditor)?

- ☒ 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.

G. P. Underwood DRIV EMS LA
Signature of ISO 14001:2004 EMS Lead Auditor

MAR 10/14
Date (month, day, year)

W. J. Hayes
Signature of Facility Contact

3-10-14
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: See attachment A.

4 Name, title, and organization of ISO 14001:2004 EMS Lead Auditor that conducted the last EMS assessment: Greg Underwood

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