

COLLINS AEROSPACE VERGENNES, VT ESA PILOT REVIEW

MARCH 2022

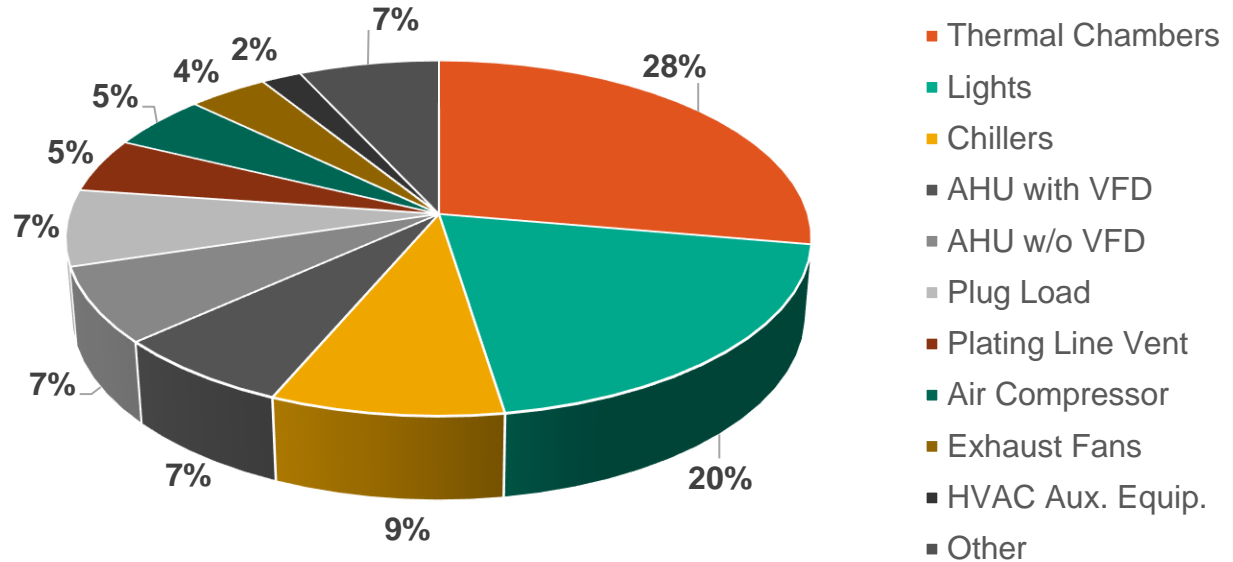


COLLINS AEROSPACE

SITE DETAILS

- 210,000 square feet
- 950 Employees
- Natural gas for primary heating source

Annual kWh %



COLLINS AEROSPACE

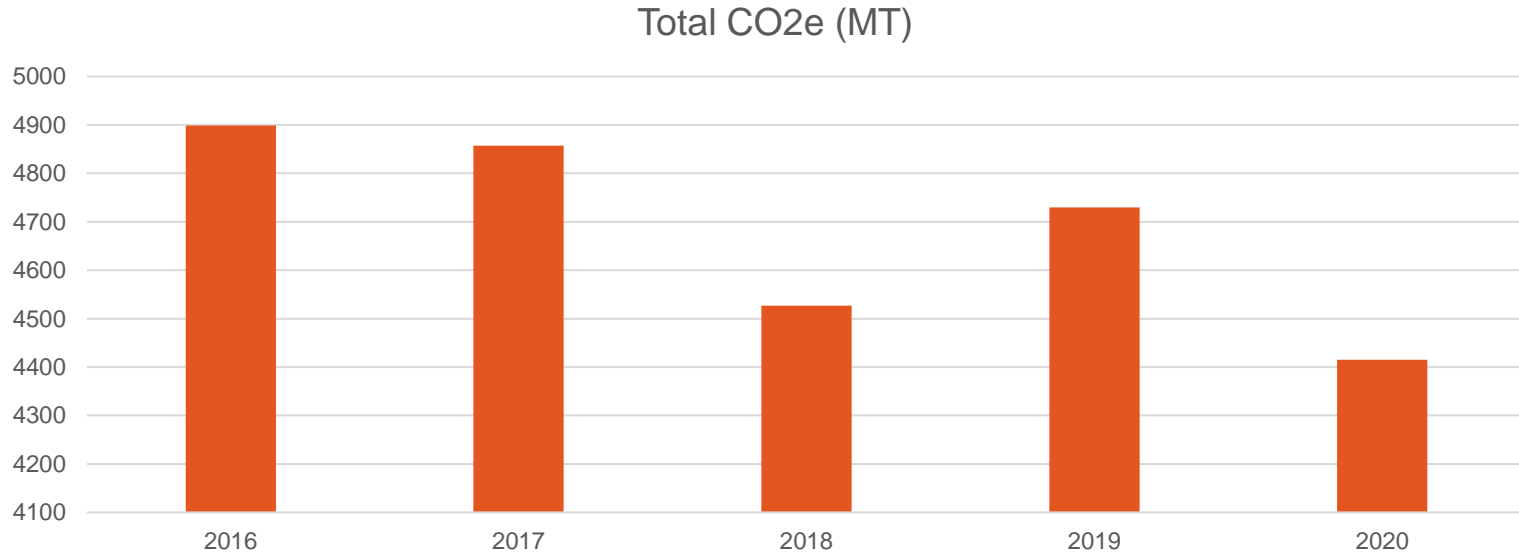
RECENT PROJECTS



COLLINS AEROSPACE

EMISSIONS REDUCTIONS

Approximately 10% reduction in site greenhouse gas emissions over past several years



HISTORICAL EVT INCENTIVE PROGRAM

BUSINESS DECISION MAKING PROCESS

- Previous incentive structure was largely ineffective
 - Business leaders made decisions based on limited resources to support operations
 - Energy efficiency and cost savings are priorities for the business but not at the expense of supporting production goals
 - Efficiency project implementation was largely based on impact to business
- Collins has paid significant funds into the program with small percentage received back through EVT incentive programs
- EVT incentive structure was an afterthought for business leader decision making process

EXAMPLE – CAPITAL/BUDGETING DECISIONS

BUSINESS DECISION MAKING PROCESS

Theoretical Capital Allocation – \$700k approved budget
Which projects would you fund?

Project	Cost (\$)	Priority
Roof replacement	400k	High
Production equipment	200k	High
Energy project	200k with 20k EVT inc.	Medium
Boiler replacement	300k	High
Total	1,100k	

ESA BENEFITS

BUSINESS DECISION MAKING PROCESS

- Ability to save funds and implement projects without capital allocation and financial approval is very beneficial to the site (low cost and high emissions reductions)
 - \$20k 400 HZ Solid State Generator
 - \$40k Compressed Air Pressure Reduction Valve
 - \$8k Variable Frequency Drives
- Gives facility and sustainability managers flexibility to customize incentive to get leadership attention and approval
 - \$360k LED Lighting Project – Current ESA Pilot project with site contribution of \$150k
 - “Use it or lose it” helps get additional site funding

ENERGY SAVINGS ACCOUNT PILOT

EXPERIENCE WITH PROGRAM TO DATE

- Program has been relatively easy to navigate so far despite some initial confusion and disruption with Covid and supply chain
- EVT staff have been very helpful and proactive to support the program

ENERGY SAVINGS ACCOUNT PILOT

RECOMMENDATIONS

- Increased flexibility around dates / deliverables could be helpful especially in the face of supply chain disruptions
- Possibility to create a “credit” based account to spend funds ahead of accumulation time frame would alleviate some timing and supply chain concerns
- Recommend continuation of the program indefinitely