

# Edgerton Contractors, Inc.

2013 Green Tier Annual Report



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## 1. Profile

### 1.1 Current sustainability outlook and forward looking strategy

In August of 2012 Edgerton Contractors, Inc (ECI) was formally accepted into the Wisconsin Department of Natural Resources Green Tier Program. In accordance with the program requirements, ECI developed and implemented an Environmental Management System (EMS).

The short to medium term goals for the company are to reduce its pollution and emissions from track typed excavators. The tracked typed excavator equipment classification represents a meaningful proportion of the company's production assets. The company deployed its idle control policy to limit the unnecessary run time of diesel engines and committed to utilizing newer, less polluting assets.

In the longer term, the company will consider including additional asset classifications as a subject of EMS.

### 1.2 Reporting principles for defining quality

The data figures in the annual report utilize a cut-off date of December 31<sup>st</sup>. Annual reports are to be completed and submitted to the Wisconsin Department of Natural Resources on or before June 30<sup>th</sup> of each year.

Emission values are calculated by utilizing the Diesel Emission Quantifier, published by the Environmental Protection Agency at: <http://cfpub.epa.gov/quantifier/>. The emissions being tracked are: Nitrogen Oxides (NOx), Particulate Matter 2.5 (PM 2.5), Hydrocarbons (HC), Carbon Monoxide (CO) and Carbon Dioxide (CO2). All emission values are expressed in short tons per year.



## 2 Organizational profile

### 2.1 Name of the organization

Edgerton Contractors, Inc.

### 2.2 Primary services

ECI is a domestic contractor providing services to both public and private market participants. Its primary business activities are:

- Earthmoving
- Building Excavation
- Site Grading & Development
- Environmental Site Remediation
- Landfill Construction & Closure
- Highway & Airport Construction
- Bulk Material Handling
- Aggregate Processing & Recycling
- Land Based Marine Construction
- Erosion Control / Stabilization
- Design / Build Earthwork Services

### 2.3 Operational structure

ECI has the following level to its organization:

Executive Level – is responsible for maintaining the business as a going concern. This level consists of the principals of the organization. This level develops and executes the short, medium and long-term business plans and strategies.

Management Level – is responsible for the general oversight of field operations. The management level reports to the executive level.

Office Administration Level – engages in the business activities necessary to support enterprise. The office administration level reports to the executive level.

Field Management Level – is responsible for the direct oversight of field operations. This level has daily interaction with the management level and the field level. This level reports to the management level.

Field Level – executes the daily operational field activities. This level consists of craft personnel and reports to the field management level and management level.

## **2.4 Corporate headquarters**

The corporate headquarters is located at 545 West Ryan Road in Oak Creek, County of Milwaukee, WI.

## **2.5 Countries of operations**

ECI is a domestic contractor. It currently operates only within the United States of America.

## **2.6 Nature of ownership and legal form**

ECI is a privately held company. It is a corporation established in the State of Wisconsin.

## **2.7 Markets served**

ECI serves both public and private market participants. Its primary markets are transportation, power generation and distribution, medical, industrial, and commercial.

## **2.8 Scale of the reporting organization**

ECI employs approximately 140 employees.

# **3 Report parameters**

## **3.1 Reporting period**

ECI reports calendar years. Each reporting period begins on January 1<sup>st</sup> of each year and ends on December 31<sup>st</sup> of each year. The final submission of each Green Tier annual report is June 30<sup>th</sup> of each year. All dollar figures are reported in USD unless specifically stated otherwise.

### **3.2 Most recent previous report**

The most recent previous annual report is the 2012 Green Tier annual report.

### **3.3 Reporting cycle**

The reporting cycle is annual.

### **3.4 Point of contact**

Question or comments regarding this report or the material contained herein can be directed to:

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### **3.5 Report scope and boundary**

This report is limited to hydraulic track typed excavators with operating weighs between 78,000 lbs and 118,000 lbs. The operating weight range will be divided into two distinct classifications. Classification one is from 78,000 lbs to 88,000 lbs. The second classification is from 88,001 lbs to 118,000 lbs. Data will be reported utilizing these two classifications.

## **4 Performance indicators**

### **4.1 Emission calculations**

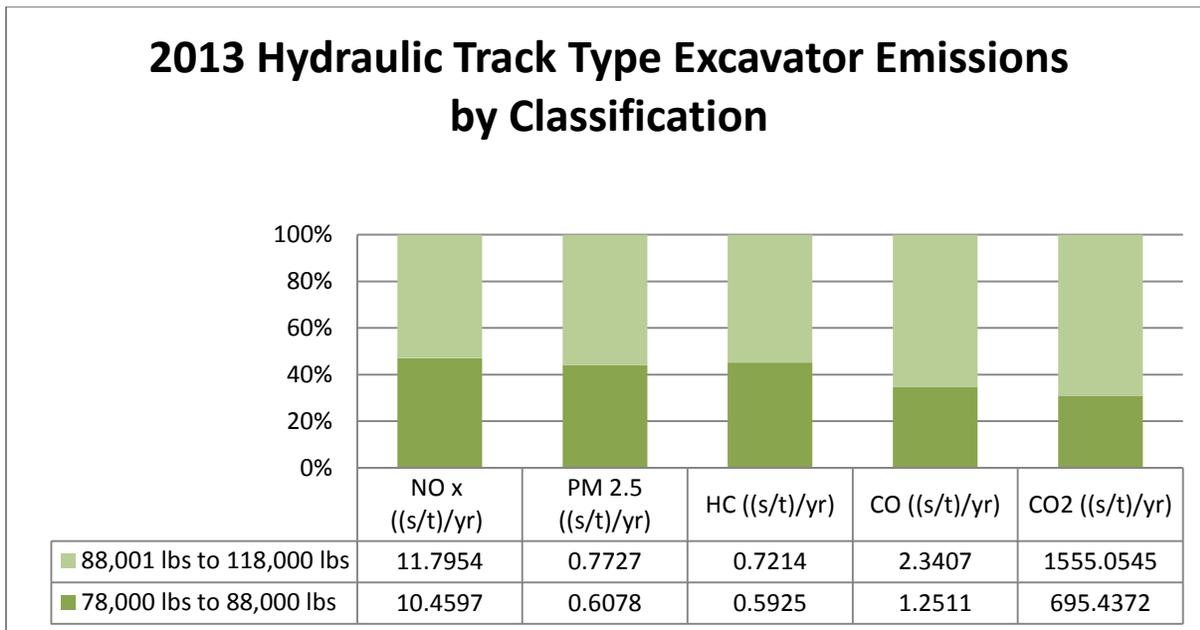
In 2013 the 78,000 lbs to 88,000 lbs classification of hydraulic track typed excavators had 9,064 hours of operating time. In the same year the 88,001 lbs to 118,000 lbs excavators had 12,897 hours of operating time. Table 4.1.1 details the 2013 emission profile for each equipment classification.



Table 4.1 2013 Emission profile by equipment classification					
	NO x ((s/t)/yr)	PM 2.5 ((s/t)/yr)	HC ((s/t)/yr)	CO ((s/t)/yr)	CO2 ((s/t)/yr)
78,000 lbs to 88,000 lbs	10.4597	0.6078	0.5925	1.2511	695.4372
88,001 lbs to 118,000 lbs	11.7954	0.7727	0.7214	2.3407	1555.0545
2013 Total	22.2551	1.3805	1.3139	3.5918	2250.4917

Figure 4.1.1 details the total emission profile and emission proportion for each equipment classification. Total emissions for 2013 are 2,250.4917 short tons per year.

Figure 4.1.1



## 4.2 Economic indicators

In 2013 the total revenue for track type excavators with operating weights between 78,000 lbs and 118,000 lbs was \$4,449,581.00. The comparable key economic indicator for each year is the product of annual revenue divide by total annual pollution and emissions. In 2012 the key economic indicator was \$1,762.43 per short ton. The 3% reduction goal for 2013 was \$1,818.30 per short ton. In 2013 the actual key economic indicator was \$1,977.16 per short ton. This resulted in a 12.18% year over year reduction in the key economic indicator from 2012.

## **5. Audit Results**

### **5.1 Internal Audit Results**

The company performed an internal audit during 2013. The audit concluded that the company is operating in a manner consistent with its EMS.

### **5.2 External Audit**

There is no external audit for this period.

## **6.0 Management Discussion of Results**

### **6.1 2013 Recap**

The company is encouraged by the positive results of its operations relating to the company's EMS in 2013. Within the framework of its EMS, the company reduced pollution and emissions by 12.18%, beating its 3.00% annual goal. The reduction in pollution and emissions was achieved by utilizing newer, less polluting equipment and executing its idle control policy. It should be noted that the effects of idle control policy are difficult to measure. The company believes that the idle control policy does have a positive impact. However, the proportion of emission and pollution reduction from the policy is not easily or accurately quantifiable.

The company is maintaining a 3% reduction in pollution and emission for 2014. Should similar results of pollution and emission reduction occur in 2014, the company will then evaluate adjusting the EMS goal accordingly.

It was discovered that there was a clerical error in the calculation of the 2012 key economic indicator reported in the 2012 annual report. The error was fixed and the report was resubmitted to the Wisconsin Department of Natural Resources. As a result, the company has included a formula section to the annual report. Henceforth, this section of the annual report is to provide guidance on the key economic data calculations. The error from 2012 calculation does not impact the successful results from 2013.

## 6.2 2014 Goal

The goal for the EMS in 2014 is to reduce pollution and emissions by 3% from the actual results in 2013. Therefore, the company is to achieve \$2,038.31 per short ton on its track type excavators with operating weights from 78,000 lbs to 118,000 lbs. Additionally, the company has decided to expand the scope of its EMS. The company is seeking to reduce pollution and emissions from its track type tractors with operating weights from 28,000 lbs to 48,000 lbs. The track-type tractors will initially be calculated independently from the track-type excavators. Eventually, a single, aggregate value for pollution and emission will be produced. The goal for 2014 is to reduce pollution and emissions from track-type tractors by 3% from 2013. The data calculations will follow the same computation methods as the track-type excavators.

## 7.0 Key Economic Data Calculation Guidance

### 7.1 Pollution and Emission Reduction Goal Calculation

#### **General Goal Calculation Example:**

Next Year Goal (\$/short ton) = (Current Year Revenue) / (Current Year Actual Emissions \*.97)

#### **2014 Annual Report Example:**

2014 Goal (\$/short ton) = (2013 Revenue) / (2013 Actual Emissions \*.97)

### 7.2 Current Year Pollution and Emission Actual Calculation

#### **General Pollution and Emission Actual Calculation:**

Actual Pollution and Emissions (\$/short ton) = (Current Year Revenue) / (Current Year Actual Emissions)

#### **2014 Annual Report Example:**

2014 Actual Pollution and Emission (\$/short ton) = (2014 Revenue) / (2014 Actual Emissions)