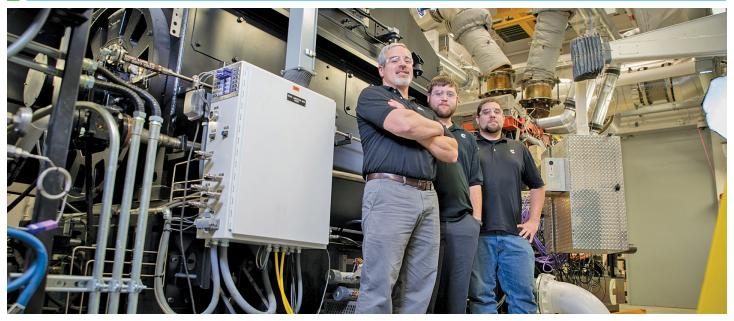
CUMMINS: FROM GOALS TO GREATNESS



Matt Abdallah (left), Jordan Hollaway (center) and Nick Notich (right) are working with the regenerative dynamometers as part of Cummins' the high horsepower lab operations team in Seymour, Indiana. Photo courtesy Cummins Inc.



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-LAURIE COUNSEL
GLOBAL ENVIRONMENTAL
RELATIONS DIRECTOR

Cummins Incorporated—a major U.S. manufacturer of heavy-duty engines, components and power generators—didn't exactly set out to become the energy efficiency leader it is today. When the company set its first public greenhouse gas reduction goal in 2006, executives hadn't yet quite worked out a plan to achieve it.

"WE JOKE THAT WE SORT OF DID IT BACKWARDS, BUT IT WORKED," said Laurie Counsel, Global Environmental Relations Director for Cummins. "We put out a public goal before we had an exact game plan for how we were going to achieve it. That might scare a lot of companies, but there was an understanding from our executives at the time that energy efficiency was something we really needed to do, and if we spent too much time studying it, we would never do it. So we just set the goal

and then figured out how we were going to make it happen."

Establishing that first goal set in motion a wave of activity and excitement within the company, resulting in the formation of internal energy efficiency teams, an energy efficiency training program for staff, and a dedicated, corporate-sponsored funding program to support the best projects that the teams put forward. Since the start of the efficiency training program, Counsel estimates

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Visitors to the Jamestown plant check out its new LED lighting. Photo courtesy Cummins Inc.

that more than 500 Cummins employees have been trained as energy management specialists. Since the program's inception, the company has funded and completed approximately one thousand energy-saving projects, Counsel estimates.

"Setting our first public greenhouse gas and energy reduction goal in 2006 inspired our whole environmental sustainability program. We set a goal, achieved it, were proud of it, and were recognized for it. It added to our brand value and sense of accomplishment," she said.

After meeting its first goal, Cummins went on to set additional, even more ambitious energy-savings goals in 2009 and 2015—aiming for 25% and 32% energy intensity reductions, respectively. Next year, the company will announce another challenging goal as a part of its 100th anniversary celebration.

Even as the company sets its goals higher and higher, it continues

to save energy and money.
Counsel estimates that since
2006, Cummins has saved about
\$40-\$50 million a year on energy
through increased efficiency.

One of its more recent projects is an energy-recapture system at a high horsepower engine manufacturing facility in Seymour, Indiana. The system uses "regenerative dynamometers" to recycle the power that is used during the engine testing process and reuse it to power the equipment that manufactures its engines. The recaptured energy now provides 20% of the facility's power supply.

"Our goals get more aggressive each time, but we still keep going. Our energy savings effort is one of the reasons we've done so well as a company," Counsel said.

Not only does Cummins engage in energy-saving activities in its own operations, it makes many of the systems that other companies use to improve their own energy efficiency, such as combined heat and power systems that use anaerobic digesters, which are used to turn biological waste into natural gas that can be burned to generate power. As such, the company's energy saving efforts are magnified by the incredible amount of energy it is helping others save as well.

Cummins also participates in a range of voluntary government programs aimed at fostering environmental sustainability, such as the EPA Climate Leaders Program and the U.S. Department of Energy's Better Buildings, Better Plants program.

"When you join a collaborative program that encourages you to set goals, you become accountable," said Counsel.

Counsel encourages other companies to follow in their footsteps.

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