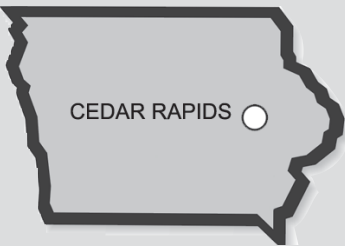


Rockwell Collins, Inc.



Rockwell Collins is a pioneer in the development and deployment of innovative communication and aviation electronics solutions for both commercial and government applications. Its expertise in flight deck avionics, cabin electronics, mission communications and information management is strengthened by 17,000 employees and a global service and support network that crosses 27 countries.

Ivy E. Donaldson, Ph. D Industrial Engineering, University of Iowa

Project Background

“At Rockwell Collins our commitment to provide a safe and healthful workplace for our people – and to prevent pollution in the communities in which we operate – is more than compliance. It provides sustainable business value, and is key to our role as a global citizen” said Clay Jones, Chairman, President and CEO of Rockwell Collins. Rockwell Collins has been recognized by the U.S. Environmental Protection Agency (EPA) as a Performance Track Corporate Leader for its commitment to implementing programs that protect the environment and would like to continue this trend.

Incentives to Change

Rockwell Collins’ goal is to reduce greenhouse gas (GHG) emissions throughout its facilities. As a consumer of fossil fuels and electricity, Rockwell Collins directly and indirectly contributes to green house gas emissions, which is believed by many scientists to be the cause for worldwide global warming. Rockwell Collins would like to further enhance its commitment to energy and climate change management by enrolling in well-respected programs: the Chicago Climate Leaders, the U.S. EPA Climate Leaders and the Voluntary Greenhouse Gas Registry (1605(b)).

Results

Using the data for the owned facilities in the United States, the projected carbon dioxide (CO2) emission and revenue from trading on the Chicago Climate Exchange (CCX) with various growth rates (-5% to 5%) was examined. Energy, in the form of natural gas (Therms) and electricity (KWh), is examined, with emissions converted to metric tons of CO2. With a potential 1.2 percent reduction in energy use from baseline 2000, Rockwell Collins stands to reduce emissions by 72 metric tons of CO2 by the end of 2010.

From the analysis conducted, it is evident that after a 3 percent growth Rockwell Collins will have to purchase credits to meet their emissions target. Over five years, the cost of membership in CCX is \$30,000. If

the energy reduction goal is met, Rockwell Collins could experience a 2 percent growth over the next five years and still sell emissions credits, generating a profit of approximately \$16,624 by the end of 2010.

On July 20, 2006, Rockwell Collins became the 93rd partner of US EPA Climate Leaders. Rockwell Collins has committed to develop a corporate-wide GHG inventory including all emission sources of the six major gases (CO2, CH4, N2O, HFCs, PFCs, SF6) using the GHG Inventory Protocol. Currently, the company is taking steps to collect the data and set its corporate emission goal. This information will then be integrated into an Inventory Management Plan, annual GHG Inventory Summary, and Goal Tracking Forms, and use to establish a review process in accordance with Climate Leaders’ protocol.

Rockwell Collins will evaluate the Voluntary Reporting of Greenhouse Gas Program (1605(b)) for future participation. There are two forms – the long form (EIA-1605) and the short form (EIA-1605EZ) that are currently used by reporting organizations.

These programs will assist Rockwell Collins in setting goals of reducing greenhouse gas emissions and will increase savings by promoting energy. Moreover, investing in energy-efficient products will result in an increase in market share. In order to achieve these respective goals, Rockwell Collins needs to have accurate data and conduct audits to identify areas that need improvements. Rockwell Collins has opted to postpone joining the Chicago Climate Exchange in the upcoming fiscal year, but will periodically review the business case in the future.

Project	Environmental Results	Status
CHICAGO CLIMATE EXCHANGE	72.12 metric tons of CO2	Recommended
U.S. EPA CLIMATE LEADERS	Reduction goal will be determined	In Progress
VOLUNTARY REPORTING OF GREENHOUSE GAS PROGRAM (1605(B))	More research needed	Recommended

