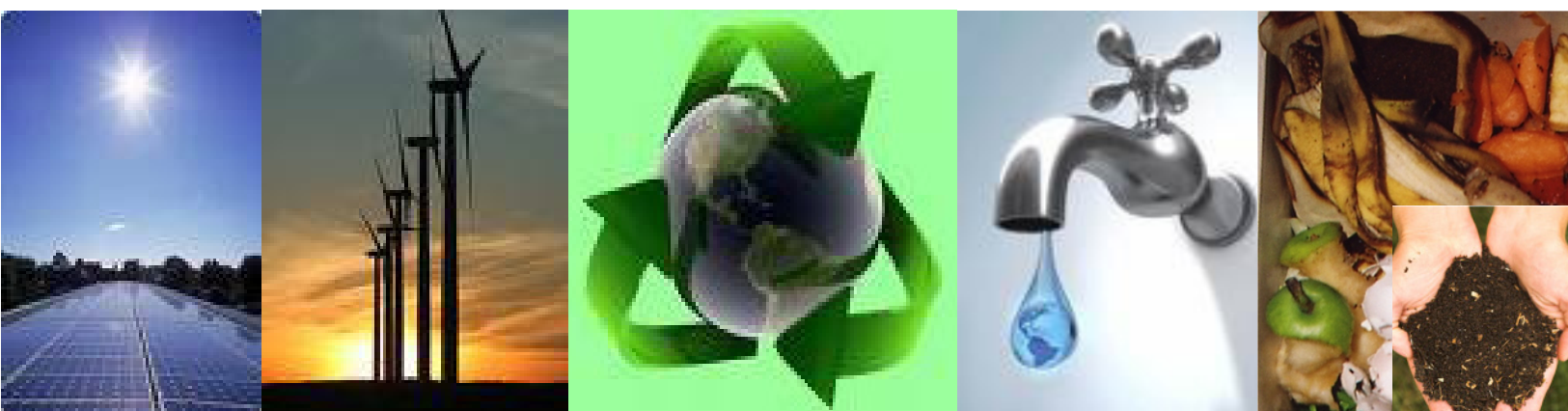




Hartz Mountain Industries, Inc
Environmental Assessment:
Green MOU Annual Report
November 5, 2014

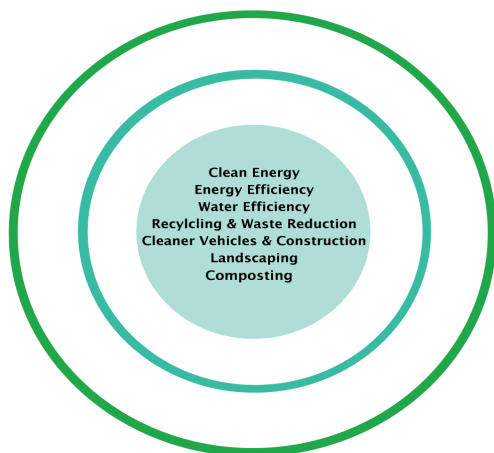


Environmental Protection Agency
Region 2

Michael Poetzsch, PE
212-637-4147

Accomplishments

Reductions of 71,043 MTCO₂e



Memorandum of Understanding

On March 11, 2010, Hartz Mountain Industries signed a Memorandum of Understanding (MOU) pledging to become an environmental steward by implementing a number of green initiatives that would reduce its carbon footprint and further improve our planet's environment. This partnership with the United States Environmental Protection Agency (EPA) and Hartz Mountain Industries has resulted in reducing energy, water and solid waste production across all Hartz' operations.

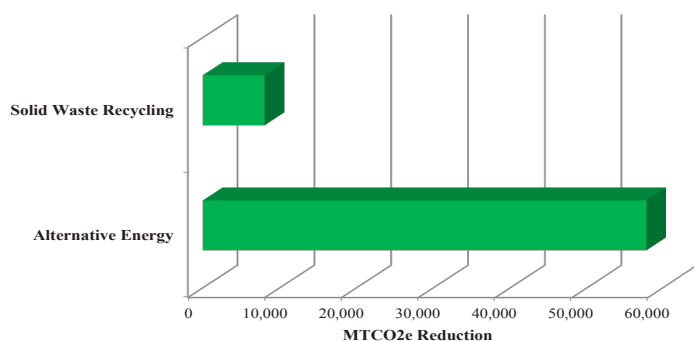
Reduction in Environmental Footprint

In the last few years, Hartz Mountain Industries has provided five updates documenting its green initiatives. The EPA has analyzed the submitted information and developed an environmental footprint reduction estimate for the organization. Due to the progressive green efforts of the organization, Hartz Mountain Industries has managed to reduce its carbon footprint by 71,043 MTCO₂e* and saved an estimated \$10.7 million in operating expenses.

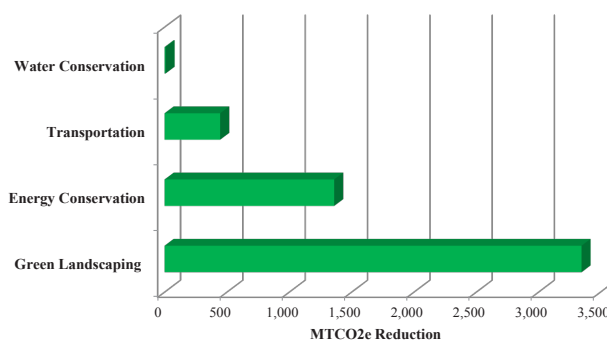
Environmental Metrics	Total Sector (MTCO ₂ e)
Energy Conservation	1,360.6
Alternative Energy	57,836.8
Water Conservation	7.8
Solid Waste Recycling	8,044.3
Green Landscaping	3,347.6
Transportation	446.0
Total (MTCO ₂ e)	71,043.1

*Metric Ton Carbon Dioxide Equivalent

Primary Initiatives



Secondary Initiatives



Measurement and Continuous Improvements

EPA uses these environmental conversion models to calculate metric tons of carbon dioxide equivalents:

Greenhouse Gas Equivalencies (GHG) Calculator converts GHG reductions into scenarios that can be easily communicated to the public. eGRID Version 1.1 (2007) and the EPA Pollution Prevention (P2) GHG Conversion Tool which convert standard metrics for electricity, green energy, fuel use, chemical use, water use, and sustainable materials management into MTCO₂e.

Use 'total' factor for energy savings and 'non-baseload' factor for alternative energy.

The EPA WARM Model which helps calculate GHG emission reductions from several different waste management practices, including source reduction, recycling, combustion, composting and landfilling.

The EPA Pollution Prevention (P2) Cost Calculator estimates cost savings associated with GHG reductions.

Certain environmental data points cannot be converted to MTCO₂e because scientific models do not currently exist.

As methodologies improve, environmental assessments will be updated to include any new GHG reduction estimates.

Accomplishments

Reductions of 71,043 MTCO₂e

Greenhouse Gas Equivalencies

What does the reduction of 71,043 MTCO₂e represent ?

The organization's effort is equivalent to any of the following:

- Annual greenhouse gas emissions from 14,956 vehicles



- Carbon dioxide emissions from 7,994,047 gallons of gasoline



- Carbon dioxide emissions from 165,217 barrels of oil consumed



- Carbon dioxide emissions from the energy use of 6,482 homes for one year



- Carbon dioxide emissions from 2,960,129 propane tanks used for home barbeques



- Carbon dioxide emissions from gasoline carried by 940 tanker trucks



- Carbon dioxide emissions from burning 381 railcars' worth of coal (over 5 3/4 miles long)



Environmental Metrics	Mar 2010 MOU	Oct 2010 Update	Sep 2011 Update	Sept 2012 Update	Sept 2013 Update	Sept 2014 Update	Total Conversion (MTCO ₂ e)	Cost Savings (Est.)
Energy Conservation/Energy Star								
Total Savings (MTCO₂e)		1,279.8	49.4	(200.0)	1,221.2	(989.9)	1,360.6	\$373,211
Miscellaneous Energy Conservation		1,373,568 kwh	(89,718 kwh)	273,142 kwh	1,178,212 kwh	(1,012,755 kwh)	786.8	\$215,823
Web Based Energy Competition								
Motors and transformers								
Lighting Project Fixtures (Bulbs and Ballast)								
High Temp Hot Water Pipe Replacement								
HVAC, Chiller & Electrical								
Bulb Replacement (CFLs, LEDs)				1500 bulbs (incl. in Misc.)	1500 bulbs (incl. in Misc.)	1500 bulbs (incl. in Misc.)		
Gas Savings		3,150 GJ/ 875,036 kwh	(307 GJ/ 85,281 kwh)	(993 GJ/ 275,845 kwh)	2,646 GJ/ 735,030 kwh	51 GJ/ 14,167 kwh	577.0	\$158,267
Steam Savings		1,580,910 lbs/ 553,226 kwh	809,300 lbs/ 283,208 kwh	(1,243,440 lbs/ 435,131 kwh)	2,172,140 lbs/ 760,122 kwh	(3,338,950 lbs/ 1,168,437 kwh)	(3.2)	(\$879)
Fuel Oil Savings								
Alternative Energy								
Total Savings (MTCO₂e)		3,016.0	7,700.9	15,150.5	14,881.4	17,087.9	57,836.8	\$9,521,832
On-Site Solar (21 MW)		3,800,000 kwh	8,200,000 kwh	19,099,000 kwh	20,901,000 kwh	24,000,000 kwh	54,111.6	\$9,522,800
On-Site Wind								
On-Site Geothermal								
On-Site Combined Heat and Power								
Purchase of Green Energy/Green Power		436,000 kwh	2,616,000 kwh	2,180,000 kwh			3,725.2	(\$968)
Water Conservation/WaterSense								
Total Savings (MTCO₂e)		1.5	1.6	1.6	1.6	1.6	7.8	\$6,763
Miscellaneous Water Conservation								
Low Flow/Hands Free Faucets (64)			32,000 gal	32,000 gal	32,000 gal	32,000 gal	0.3	\$260
Low Flow Toilets								
Low Flow Shower Heads								
Low Flow Urinals								
Waterless Urinals (16)		640,000 gal	640,000 gal	640,000 gal	640,000 gal	640,000 gal	7.5	\$6,503
Solid Waste Recycling								
Total Savings (MTCO₂e)		191.0	1,848.0	2,448.0	2,142.3	1,415.0	8,044.3	\$113,700
Mixed Recyclables (includes Wastewise)		67.5 tons	653 tons	865 tons	757 tons	500 tons	8,044.3	\$113,700
Pallets Waste Avoided/Wood Recycled								
Steel Recycled during Deconstruction								
Concrete Recycled								
Asphalt Recycled								
Ceiling Tiles Recycled								
Carpet Recycled								
Recycled C & D Waste (Construction Waste)								
Cardboard								
Mixed Metal (construction/non-construction)								
Paper, Mixed								
Plastic, Mixed								
Blue Wrap								



Environmental Metrics	Mar 2010 MOU	Oct 2010 Update	Sep 2011 Update	Sept 2012 Update	Sept 2013 Update	Sept 2014 Update	Total Conversion (MTCO2e)	Cost Savings (Est.)
Can / Bottle Recycling								
Mixed Organics								
Food Donation (Waste diversion)								
Biosolids & Food Waste Recycling / Composting								
Fluorescent Bulbs								
Waste Oil Recycled								
Magazines/ThirdClass Mail								
Newspaper								
Office Paper								
Textbooks								
Phonebooks								
Dimensional Lumber								
Fly Ash								
Aluminum Cans								
Glass								
HDPE								
LDPE								
PET								
Appliances								
Non-Ferrous Metals								
Fats, Oils, Grease								
Green Procurement								
Total Savings (MTCO2e)								
Re-Use/Purchase of Materials with Recycled Content								
Purchase / Use of Compost Socks								
Purchase of EPEAT Products								
Use of Recycled Steel during Construction								
Use of Recycled Iron during Construction								
Use of Recycled Plastic during Construction								
Use of Recycled Aluminum during Construction								
Use of Recycled Concrete / Asphalt dur Construction								
Use of Coal Combustion Products								
Green Landscaping								
Total Savings (MTCO2e)			4.3	949.3	949.3	1,444.8	3,347.6	\$576,957
Green Roofs								
Porous Pavement								
Grass								
Low/no mow area								
Re-use of Collected Stormwater								
On-Site Re-use of Compost / Mulch								
Moisture Sensing Sprinklers								
Number / Acres of Trees								
Reflective Roof				630,000 sq ft	630,000 sq ft	960,341 sq ft	3,330.5	\$562,134
Synthetic Turf								
Native Plants								

Environmental Metrics	Mar 2010 MOU	Oct 2010 Update	Sep 2011 Update	Sept 2012 Update	Sept 2013 Update	Sept 2014 Update	Total Conversion (MTCO2e)	Cost Savings (Est.)
Leaves Composted								
Water Efficient Plants		Yes	1,823,624 gal	1,823,624 gal	1,823,624 gal	1,823,624 gal	17.1	\$14,823
Drip Irrigation System		Yes	Yes	Yes	Yes	Yes		
Replace Inefficient Sprinklers		Yes	Yes	Yes	Yes	Yes		
Electronics/EPEAT								
Total Savings (MTCO2e)								
Recycling of Electronics								
Re-Use/Donation of Used Computers								
Toner/Ink Recycling and Use of Recycled Ink								
Battery Recycling								
Mass Transit								
Total Savings (MTCO2e)								
Miles Avoided								
Transportation								
Total Savings (MTCO2e)					223.0	223.0	446.0	\$175,400
Hybrid Vehicles								
Electric Vehicles								
Biodiesel Vehicles								
Clean Construction Vehicles								
LNG Vehicles								
Alternate Fuel Vehicles (Zipcar)								
Gasoline Saved (by hybrid, electric vehicles)					25,000 gal	25,000 gal	446.0	\$175,400
Smartway Transporters								
Bike Racks								
LEED Projects								
Total Savings (MTCO2e)								
Silver - 30%								
Gold - 40%								
Platinum - 45%								
Misc. - Further Clarification								
Total Savings (MTCO2e)								
NOX (equipment only)								
NOX (includes vehicles)								
MTCO2e Savings								
Total (MTCO2e)		4,488.4	9,604.2	18,349.4	19,418.7	19,182.4	71,043.1	\$10,767,863
Energy Conservation/Energy Star		1,279.8	49.4	(200.0)	1,221.2	(989.9)	1,360.6	\$373,211
Alternative Energy		3,016.0	7,700.9	15,150.5	14,881.4	17,087.9	57,836.8	\$9,521,832
Water Conservation/WaterSense		1.5	1.6	1.6	1.6	1.6	7.8	\$6,763
Solid Waste Recycling		191.0	1,848.0	2,448.0	2,142.3	1,415.0	8,044.3	\$113,700
Green Landscaping		0.0	4.3	949.3	949.3	1,444.8	3,347.6	\$576,957
Transportation		0.0	0.0	0.0	223.0	223.0	446.0	\$175,400



2014

Hartz Mountain Industries Additional Green MOU Accomplishments and Cost Savings

Energy Star and Related Programs

Hartz has broadened its use of Energy Star's Portfolio Manager to track energy consumption at these buildings:

Hartz Archives Facility, North Bergen, NJ
Doubletree Hotel, Jersey City, NJ
Hartz Data Recovery Center, Whippany, NJ
Sheraton – Harbor Bar
Tribeca Grand Hotel, New York, NY
667 Madison Avenue, New York, NY

Hartz Headquarters, Secaucus, NJ
Meadowlands Exposition Center, Secaucus, NJ
Sheraton Lincoln Harbor Hotel, Weehawken, NJ
Soho Grand Hotel, New York, NY
707 Broad Street, Newark, NJ

LEED Certification

Hartz has now mandated that all new ground-up construction and major renovations performed by the company go through a LEED scorecard analysis. Consistent with this requirement, Hartz expects to receive LEED Silver Certification for the first of three buildings (181 units) at its 589 unit development at Lincoln Harbor in Weehawken, NJ.

White Roofs

Hartz has implemented a program whereby all new warehouse roofs will be energy-saving white roofs. In the past year, Hartz installed a total of 330,341 square feet of white roofs on three buildings in Secaucus, NJ. In addition to these buildings, all other buildings on which Hartz previously installed solar arrays have been retrofitted with white roofs when the roof has been replaced.

Solar Development

Hartz continues to lead the way in utilizing its available roofs for solar energy development. Through August 2014, their ground-mount and rooftop arrays have generated over 76,000 MWh of green power.

Rooftops

Since their last update, Hartz has activated an additional 0.821 MW of solar rooftop arrays, with two arrays totaling 0.87 MW currently under construction. When the newest arrays are commissioned, the total rooftop photovoltaic arrays in Hartz's portfolio will have increased to 12.5 MW. Electricity from these arrays is sold to the building tenants under power purchase agreements.

Ground Mount Development

In November 2011, Hartz activated its first ground-mount solar array, an 8.5 MW facility located on a former farm and quarry site in Hamilton, New Jersey. Power is being sold to the utility grid. As of August 2014, the Hamilton solar facility had generated over 30,755 MWh of green power.

Co-generation Development

In cooperation with the New York State Energy Research and Development Authority (NYSERDA), Hartz is currently undertaking a feasibility study for a co-generation unit at its Soho Grand Hotel. The gas-fired unit would generate on-site electricity with waste heat captured from steam production for hot water and central heating. If the study proves the project is feasible, construction is expected to be completed in 2015.

Overall Energy Savings

Hartz continues to monitor its carbon footprint, and has received its data for 2013. Hartz has experienced an overall increase in greenhouse gas emissions which it attributes to a) the unusually cold winter last year, and b) increased occupancy rates due to an improving economy.

Recycling Efforts

Pursuant to the MOU, Hartz became a Waste Wise Partner with EPA. Hartz started its recycling efforts focused only on the Harmon Meadow development in Secaucus, but has now expanded its recycling to include almost the entire portfolio, and now includes commingled waste within its recycling stream. In 2014, Hartz expects to recycle more than 500 tons of waste. While this is less than last year, the change is attributed to the recent sales of a number of the properties previously being monitored.

To further reduce its carbon footprint, Hartz retired 50,000 metric tons of carbon offsets in October, 2013. The offsets were Certified Emissions Reductions from the Kyoto Protocol's Clean Development Mechanism. Given Hartz's 2013 GHG emissions of 7,165 metric tons, this action makes Hartz a carbon-neutral organization for a period of roughly 7 years.