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Utah Department of Environmental Quality
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1-800-458-0145

Annual Report

For the period of _____

Facility Name

Facility Street Address

City

Zip

Project Status

On a separate sheet, summarize:

- your Clean Utah project commitments and accomplishments made to date,
- major indicators of environmental improvements (measurable ways that you are determining the environment is improving as the result of steps you are taking),
- public participation activities you have undertaken, and
- your project plans for next year, as they relate to this program.

Certification Statement

(to be signed by the senior facility manager)

I certify that the information outlined in the attached annual report is correct and that this facility continues to meet all program criteria and has an active EMS, as defined by the Clean Utah program. I further certify that this facility has conducted periodic assessments of compliance with legal requirements, has corrected all identified instances of noncompliance, and is currently in compliance with all applicable federal, state, and local environmental rules and regulations.

Signed

Date

Print Name

Title

AIR QUALITY INITIATIVE

Introduction

Along the Wasatch Front, no pollution problem is more obvious than our air quality. At USANA, we want to help develop solutions to the air quality issues that impact our health. We see a direct fit between our mission, promoting health, and improving air quality.

USANA has launched a number of initiatives to improve air quality in the past. One such initiative was the installation of over 400 kW of solar panels. Another was our employee green parking program, which incented employees to drive low-emitting vehicles and to carpool. These continue to have an impact on our air quality.

What if there were a way to combine both our previous air quality initiatives into a new initiative? Our solar panels provide us with a renewable source of electricity. However, that renewable energy reduces air emissions far away from the Wasatch Front, where air quality impacts are the most significant. Could we take that resource and turn it into air quality improvements here, along the Wasatch Front?

A significant portion of our local air quality problems come from mobile, highway sources such as commuter vehicles. Electric vehicles eliminate the tailpipe emissions of commuter vehicles. Those emissions still occur when electricity is generated from fossil fuel sources, such as coal.

USANA's strategy for reducing air quality impacts from its business is by using its solar array to provide electricity for employees driving electric or plug-in hybrid vehicles. This localizes the air quality impact of the solar panels by translating it into reduced vehicle tailpipe emissions. This reduces critical air pollutants such as PM 2.5 and ozone.

In late 2015, USANA installed two chargers as a trial, without announcing that they were available for use. We invited the three employees with electric or plug-in hybrids to use the system. In Q1 2016, we installed two more level 2 electric car chargers at our facility. We announced to employees that the chargers were available for use and requested that employees contact us to use the chargers. We were thrilled to find that many employees were interested in the program, and several purchased electric and plug-in hybrid vehicles as a result.

Project Type

This initiative falls under the Core Project category for air emissions.

Environmental Benefit

Seven counties in Utah are still in non-attainment status for PM-2.5 pollution. These counties include all the counties from which our employees commute (Utah, Salt Lake, Davis, Toole, Box Elder, Weber, Cache Valley). Since air pollution from vehicles makes up more than 50% of air pollution in these counties, the environmental benefit of reducing vehicle trips is less pollution.

Measurement and Monitoring

USANA cannot measure reduced emissions directly. We recognize that our employees' commutes represent only a small fraction of all trips along the Wasatch Front. We tracked our success in terms of the number of employees driving fully-electric or plug-in hybrid vehicles.

Indicators

Targeted Indicator: Number of electric or plug-in hybrids used by our employees for commuting.

Baseline: 3 electric or plug-in hybrid cars in 2015

Targeted amount: 10 electric or plug-in hybrid cars

Target year to reach this goal: 2016

Actual number of electric or plug-in hybrids in 2016: 12 (plus one employee with a 2nd EV)

Public Participation

The most direct aspect of public participation is our employees' involvement. We surveyed our employees in late 2016 to identify if employees were interested considering electric vehicles for their next purchase. Fifty percent of our employee respondents said they would consider an EV. We consider this a significant success.

Also, we partnered with a local non-profit, Leaders for Clean Air, to get our chargers. Leaders for Clean Air is dedicated to helping businesses start workplace charging programs by providing the first charger to local businesses for free. The organization is founded on a "pay-it-forward" culture, where instead of paying for their chargers, businesses receive donated chargers from other participating businesses. The receiving business then purchases and donates chargers to the next business in line. USANA received chargers through the program and donated chargers to the Lassande Entrepreneur Institute at the University of Utah. We are proud to be members of this excellent local initiative.

ENERGY CONSERVATION INITIATIVE

Introduction

USANA has focused on energy conservation for years. This effort has been facilitated by improvements in technology and assistance from Rocky Mountain Power. Previous projects have included upgraded production air compressors, lighting retrofits, and window tint to reduce summertime air conditioning load. In 2016, we reviewed our opportunities for energy conservation and sought further reductions through lighting and cooling projects.

One of these projects was the replacement of our phase 2 warehouse fluorescent lighting with LED. Another project was the addition of prechilling devices around our largest chillers to increase their efficiency.

Project Type

This initiative falls under the Suggested Project category of energy conservation.

Environmental Benefit

Energy use is one of our key environmental aspects. According to our Climate Registry carbon footprints, electricity use was our largest generator of greenhouse gases. Energy purchases also have an impact on air quality, given the emission of sulphur dioxide and nitrogen oxides from coal burning.

Conserving energy will help to alleviate these environmental impacts of our electricity use.

Measurement and Monitoring

We measured our success on this initiative in terms of our total energy used in 2016 relative to 2015 and our total energy used.

Indicators

Targeted Indicator 1: total energy used at USANA's corporate office, manufacturing facility, and warehouse

Baseline year: 2015

Baseline energy use: 6,545,861 kWh

Target energy reduction: 2%

Target year to reach this goal: 2016

Actual 2016 energy use: 6,359,600

Actual energy reduction: 2.85%

Results

We reached our target primarily through the LED warehouse lighting project. In addition to this project, we converted all parking lighting to LED as well. These two projects were very successful, and USANA plans to follow them up with conversions in other parts of our headquarters. USANA anticipates an 11 month return on investment for these conversion projects.

USANA had to abandon the prechilling program. The prechiller reduced the temperature of incoming air on the chiller by wetting pads that were placed over the intake grills. These pads caused mineral transfer to the evaporator coil, causing it to degrade. In addition, fans had to work harder to pull air through the wetted membranes, which caused mechanical failure. No energy was saved and maintenance costs increased significantly. USANA will not use this method in the future.

Public Participation

We shared details of our sustainability projects with our customers during tours of our facility.

AIR QUALITY INITIATIVE

Introduction

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USANA has launched a number of initiatives to improve air quality in the past. One such initiative was the installation of over 400 kW of solar panels. Another was our employee green parking program, which incented employees to drive low-emitting vehicles and to carpool. These continue to have an impact on our air quality.

USANA's 2016-2017 strategy for reducing air quality impacts from its business is by using its solar array to provide electricity for employees driving electric or plug-in hybrid vehicles. We will install more level 2 electric car chargers at our facility. This localizes the air quality impact of the solar panels by translating it into reduced vehicle tailpipe emissions. This will reduce critical air pollutants such as PM 2.5 and ozone.

In 2017, USANA plans to install 4 additional electric vehicle stations on the north side of the building where our current chargers are located. The EV chargers will be purchased through our partnership with Leaders for Clean Air.

Project Type

This initiative falls under the Core Project category for air emissions.

Environmental Benefit

Seven counties in Utah are still in non-attainment status for PM-2.5 pollution. These counties include all the counties from which our employees commute (Utah, Salt Lake, Davis, Toole, Box Elder, Weber, Cache Valley). Since air pollution from vehicles makes up more than 50% of air pollution in these counties, the environmental benefit of reducing vehicle trips would be less pollution.

Measurement and Monitoring

USANA cannot measure reduced emissions directly. We recognize that our employees take only a small fraction of all trips along the Wasatch Front. We will track our success in terms of the number of employees driving fully-electric or plug-in hybrid vehicles.

Indicators

Targeted Indicator: Number of electric or plug-in hybrids used by our employees for commuting.

Baseline: 11 employees with electric or plug-in hybrid cars

Targeted amount: 15 electric vehicles

Target year to reach this goal: 2017

Public Participation

The most direct aspect of public participation is our employees' involvement. We will measure our success based on employee adoption of electric and plug-in hybrid vehicles. We will announce the program on our internal employee newsletter.

We are partnering with a local non-profit, Leaders for Clean Air, to get our chargers. Leaders for Clean Air is dedicated to helping businesses start workplace charging programs by providing the first charger to local businesses for free. The organization is founded on a “pay-it-forward” culture, where instead of paying for their chargers, businesses receive donated chargers from other participating businesses. The receiving business then purchases and donates chargers to the next business in line. USANA plans to receive chargers through the program and donate chargers to the Lassande Entrepreneur Institute at the University of Utah.

PAPER WASTE INITIATIVE

Introduction

Office water coolers are well-known for being areas where employees can gather for a quick chat while getting a drink of water. However, there is also an opportunity to reduce paper waste by creating alternatives to wasteful paper cups.

USANA currently has 13 water coolers located throughout our West Valley Corporate Offices. Found at each water fountain are coned-shaped paper cups. In 2016, it is estimated that USANA purchased 96,000 paper cups. That is equal to roughly 370 pounds of paper cups in a year. Additionally, the cost to purchase these paper cups is just over \$2,000.

This project aims to help reduce the amount of waste by eliminating paper cups at selected coolers. Most USANA employees already possess plastic water bottles that the company has provided them for various reasons. We will encourage employees to begin using these bottles in place of paper cups. Furthermore, USANA Green will purchase a small amount of BPA and Phthalate free water bottles that we will provide for employees.

Project Type

This initiative falls under the Suggested Project category of procurement.

Environmental Benefit

The project aims to reduce waste produced at our corporate location. Though our intended reduction only represents a small fraction of total waste in the world, we

believe that marginal environmental improvements are a significant starting place. By reducing our paper waste, we reduce the amount of pollution that could harm our environment and the general population in different ways.

Measurement and Monitoring

We will measure this goal by comparing the number of paper cups purchased in 2016 relative to 2017.

Indicators

Target Indicator: 50% reduction in paper cups relative to 2016

Baseline year: 2017

Public Participation

Public participation will be measured by employee involvement. We will measure our success based on employee adoption to paper cup-free water coolers.