

News Release

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HONEYWELL HELPS NEW HAMPSHIRE SCHOOLS REDUCE UTILITY BILLS WITH BIOMASS-FUELED PLANTS

Projects at Pembroke and Winnisquam School Districts Will Upgrade Facilities and Cut Carbon Dioxide Emissions While Saving Millions

MINNEAPOLIS, April 28, 2010 – Honeywell (NYSE: HON) today announced it is helping two school districts in New Hampshire cut their utility bills through renewable energy and building retrofit programs. The Pembroke School District and Winnisquam Regional School District have awarded Honeywell energy projects expected to drive more than \$3.7 million in combined energy savings over the next 15 years.

According to the recent “[School Energy and Environment Survey](#)” from Honeywell and *Education Week* Research, two thirds of school districts have made spending cuts or modifications as a direct result of rising energy bills. Seventy-four percent of respondents also said their districts don’t have the money to pursue energy retrofit or renewable projects. These cutbacks and constraints are hindering schools’ efforts to boost efficiency and resolve long-term financial concerns.

The programs in New Hampshire, however, will help the districts address deferred maintenance, improve infrastructure and reduce carbon dioxide emissions from non-renewable fuel sources. And both districts will finance the improvements and use the energy and operational savings the upgrades produce, which are guaranteed by Honeywell through 15-year performance contracts, to pay for the work. The districts will also receive state school building aid and funding through the Qualified School Construction Bond (QSCB) program, part of the American Recovery and Reinvestment Act (ARRA) that provides a low-interest loan for qualified renovation projects. As a result, the programs will not require up-front capital or additional money from the districts’ budgets.

The centerpiece of both programs is the installation of a central biomass plant to provide hot water for heating buildings. Switching two schools in each district to a carbon-neutral fuel source is expected to have a significant environment impact, cutting fuel-oil consumption by more than

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64,000 gallons and natural gas use by 120,000 therms. This will lead to a combined annual reduction of almost 720 tons of carbon dioxide emissions. According to figures from the U.S. Environmental Protection Agency, this is equivalent to removing 125 cars from the road.

At Pembroke, the biomass-fueled plant will heat Pembroke Academy and Three Rivers Middle School, the district's two largest facilities. The system will use nearly 1,000 tons of wood chips each year sourced from local suppliers. Honeywell will also upgrade heating, ventilation and air-conditioning (HVAC) controls across all buildings in the district, and replace some windows at Pembroke Hill School.

The Pembroke work builds on a first phase of retrofits that Honeywell completed in 2008. Guaranteed to save the district more than \$1.6 million over 15 years, the conservation measures in this phase included new, high-efficiency boilers and lights, additional window replacements, and building envelope improvements such as roof insulation and weather stripping.

Collectively, the retrofits are expected to reduce energy consumption across the entire Pembroke School District by more than 45 percent compared to a 2007 baseline.

"By using the guaranteed savings from the energy improvements, our district will be able to upgrade our buildings and reduce future expenses, all while lowering annual operating costs," said Pembroke School District superintendent Peter Warburton. "From an environmental perspective, the biomass plant helps reduce our carbon footprint, an added benefit."

Honeywell will install similar biomass technology at Winnisquam Regional School District that will serve the heating needs of the Regional High School and Middle School. The plant will also include classroom space so the district can incorporate renewable energy lessons into its vocational programs. Additional improvements include replacing boilers, upgrading temperature controls, fuel-oil heaters and steam traps to improve HVAC efficiency, replacing outdated lighting with more efficient fixtures, and sealing buildings to reduce heat loss.

"Using a local, renewable energy source was an attractive alternative for our district, especially considering the economic drivers that made the project feasible," said Dr. Tammy Davis, superintendent of Winnisquam Regional School District. "We're able to address deferred maintenance, reduce utility costs, and minimize our environmental impact without tapping into our operating budget."

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Honeywell will also provide ongoing maintenance in Winnisquam, and measurement and verification of the results for both programs as part of the contracts. All the upgrades are expected to be complete by November 2010.

“School districts nationwide contend daily with the impact outdated equipment and fluctuating energy costs can have on their ability to deliver on their educational missions,” said Paul Orzeske, president of Honeywell Building Solutions. “By working with Honeywell, school districts can address deferred maintenance, reduce energy expense and implement renewable energy technologies without adversely impacting the bottom line.”

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