





Embodied Carbon and EPDs: How the Illinois Paving Industry Can Prepare for the Changing Policy Landscape

Illinois Bituminous Paving Conference
December 5, 2023

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A new pair of shoes





Questions

- 68% of consumers are willing to pay a premium for sustainable products.
 - Would I be willing to pay more for shoes with a lower carbon footprint?
 - Can I compare this pair of shoes to an industry average for athletic shoes?
 - What if the industry average was just for running shoes?
 - Do I need each competitor's data to make an informed decision?



Methodology of calculation for Carbon Footprint of Product



Version 1.1
ASICS Corporation
30th Nov, 2023

https://www.asics.com/us/en-us/mk/sustainability/carbonfootprint

https://pditechnologies.com/resources/report/2023-business-sustainability-index/

What is an EPD?

- Environmental Product Declaration
 - Quantified environmental information on the life cycle of a product to enable comparisons between products fulfilling the same function*

- Follows a standard methodology
 - Product Category Rules (PCR)
- Independently verified



EPD "Nutrition" Label		
Your Building Product		
Amount per Unit		
LCA IMACT MEASURES	TOTAL	
Primary Energy (MJ)	12.4	
Global Warming Potential (kg CO2 eq)	0.96	
Ozone Depletion (kg CFC- 11 eq)	1.80E-08	
Acidification Potential (mol H+ eq)	0.93	
Eutrophication Potential (kg N ⁻ eq)	6.43E-04	
Photo-Oxidant Creation Potential (kg 03 eq)	0.121	
Your Product's Ingredients: Listed Here		

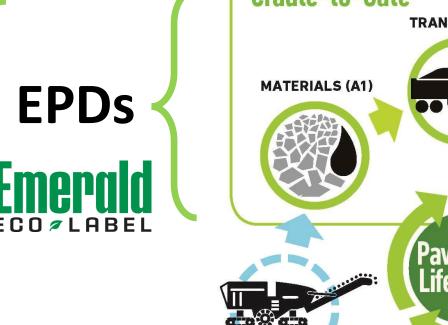
https://westcoastclimateforum.com/cfpt/concrete/strategy1

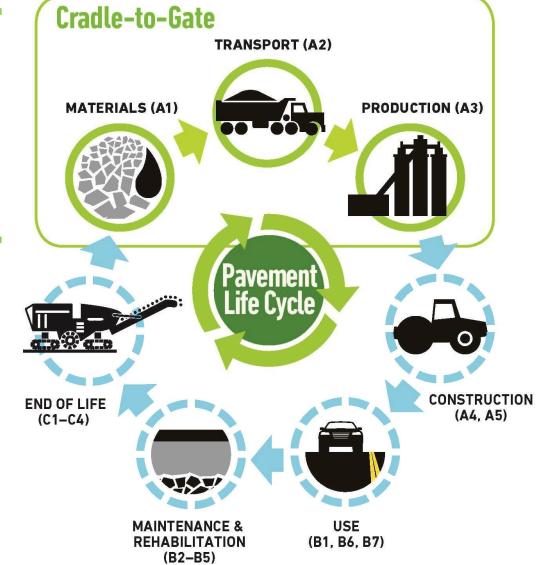
*Source: ISO 14025:2006. EPDs from different Product Categories should NOT be compared to each other.

Life Cycle Assessment and EPDs

Cradle-To-**Grave LCA**





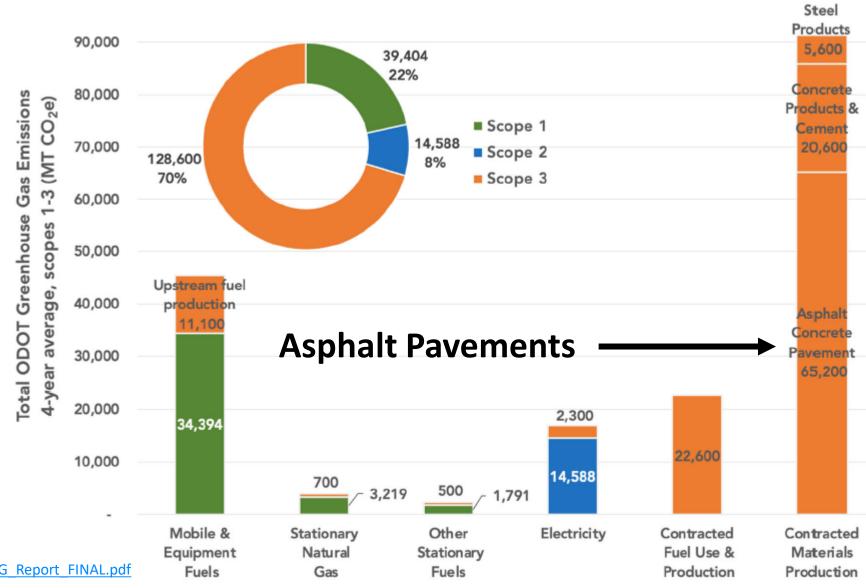


The Rapidly Changing Policy Environment



Oregon DOT GHG Emissions Inventory (2016-2019 4-yr Average)

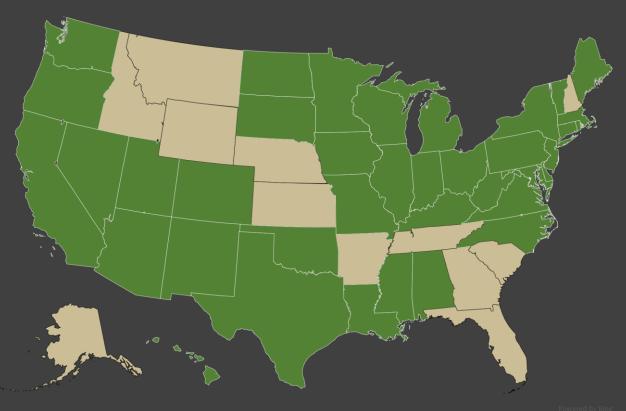
Asphalt = 35% of ODOT Emissions

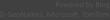


Our customers are interested in EPDs

39 states are involved with one or more of the following programs:

- State Buy Clean program
- Federal-State Buy Clean Partnership
- U.S. Climate Alliance
- EDC-7, EPDs for Sustainable Project Delivery
- FHWA Climate Challenge



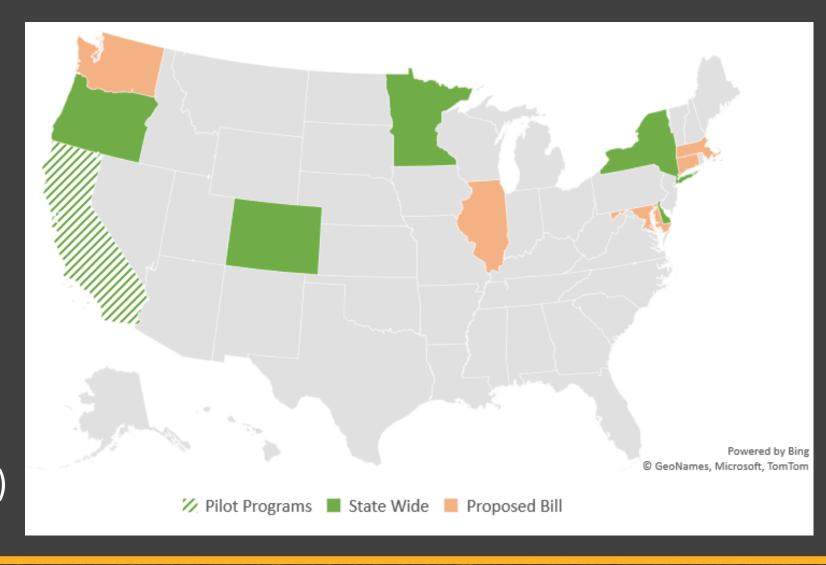




State Buy Clean Policies

General Policy Structure:

- Contractor submits EPDs to agency
- Policy options:
 - Go/No-Go
 - Incentives
 - Data collection only
- Agency develops global warming potential (GWP) limits for each mix type







The White House Council on Environmental Quality

Federal Buy Clean Task Force

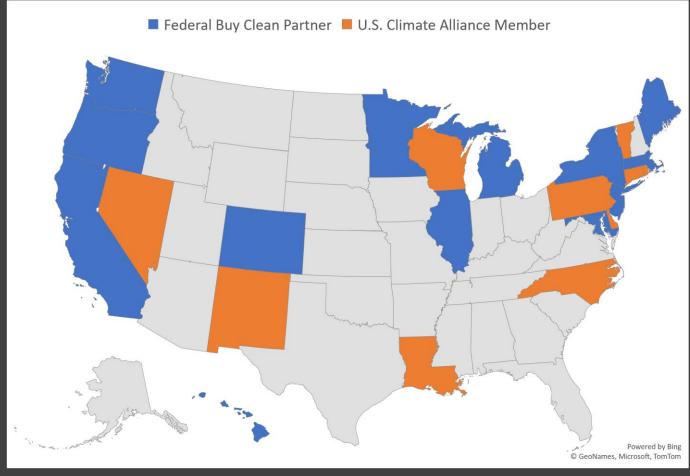
- Coordinating across 17 Federal agencies
 - 90% of federally financed and purchased construction materials
- U.S. DOT Buy Clean Policy Statement
 - Explore the use of EPDs
 - Develop a Buy Clean Policy based on EPDs





Federal-State Buy Clean Partnership

- 13 Partner States
 - Support procurement of lowcarbon materials for state funded projects
- U.S. Climate Alliance
 - 10 additional states
 - Committed to significant GHG reductions in accordance with the Paris Agreement

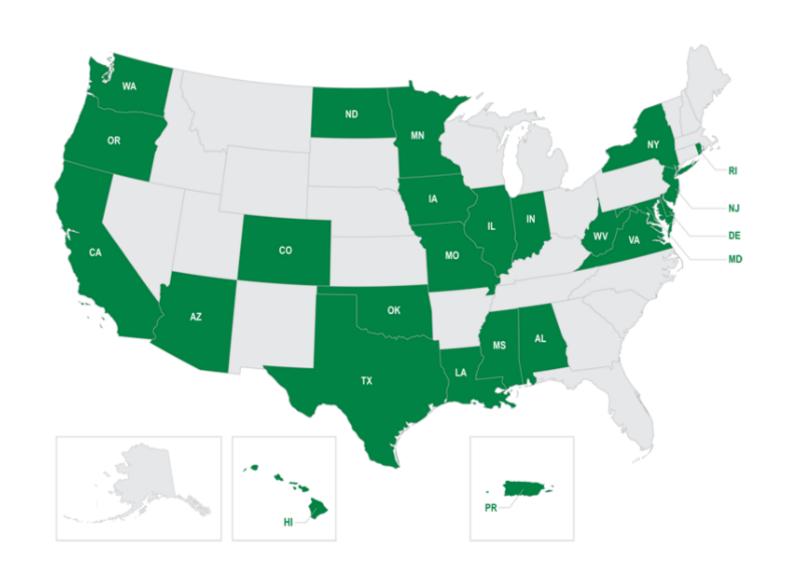






FHWA Climate Challenge

- 30+ proposals from 27 agencies (including 2 local agencies)
 - Education, implementation, benchmarking, fundamental research projects
- Providing technical and funding (\$7.1 million) assistance





EDC-7 (2023-2024)

- EPDs for Sustainable Project Delivery
- 40 states have enrolled

https://www.fhwa.dot.gov/innovation/everydaycounts/edc_7/







EPA

- \$250 million to standardize EPDs and help industry develop EPDs
- \$100 million to develop "low-embodied carbon construction material labeling program"

Low Carbon Construction Material Procurement

- FHWA \$2 billion in grant funding to state, local, and federal agencies
- GSA \$2.15 billion for federal building projects
- FEMA Grants can include additional costs for low carbon materials





Low-Embodied Carbon Projects

- 150 projects valued at \$2 billion
- 1 asphalt project in IL
 - East St. Louis



https://www.gsa.gov/real-estate/gsa-properties/inflation-reduction-act/lec-program-details/lowembodied-carbon-projects





EPA Interim Determination of Substantially Lower Embodied Carbon

- Best performing 20% of similar materials/products
 - If not available locally, then best performing 40%
 - If not available locally, then better than estimated industry average
 - GSA and FHWA will define these thresholds based on published EPDs
- Also, report ENERGY STAR Energy Performance Score (currently under development for asphalt plants)

https://www.epa.gov/inflation-reduction-act/inflation-reduction-act-programs-fight-climate-change-reducing-embodied





Low Carbon Material Pilot Program

Federal office buildings, courthouses, and land ports of entry

GSA IRA Limits for Low Embodied Carbon Asphalt - May 16, 2023 (EPD-Reported GWPs, in kilograms of carbon dioxide equivalent per metric ton - kgCO₂e/ t)		
Top 20% Limit	Top 40% Limit	Better Than Average Limit
55.4	64.8	72.6

https://www.gsa.gov/about-us/newsroom/news-releases/gsa-pilots-buy-clean-inflation-reduction-act-requirements-for-low-embodied-carbon-construction-materials-05162023



Building a Better Industry Average

In a perfect world, industry averages would be:

- Based on local agency specifications
- Divided into geographic regions within a given state
- Able to account for transport distance from the plant to the jobsite (A4)

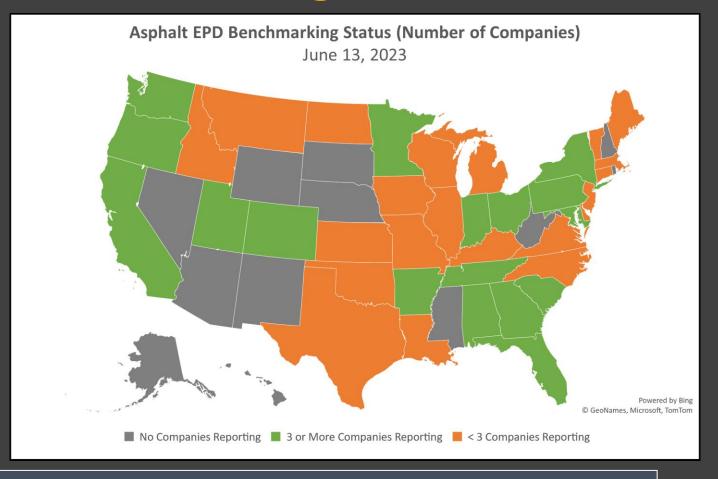
This will take several years to accomplish!

What do we do in the meantime?



NAPA EPD Benchmarking Initiative

- No cost to participate
- Will enable agencies to develop reasonable estimates for industry averages based on:
 - local conditions
 - key parameters in their specifications



Benchmarking data collection is open through January 8, 2024



The paradigm shift of Buy Clean policies

Procurement policies under development include:

- Pilot programs
- Information only (EPD collection and analysis)
- Differential cost (when low carbon materials are *more expensive* than conventional alternatives)
- Incentives (when low carbon materials are less expensive than conventional alternatives)
- GWP limits (prequalification go/no-go criteria)





Priority Targets & KPIs:

Have EPDs available for 50% of our materials facilities by 2025

Granite Construction

- 2021 Sustainability Report

https://www.graniteconstruction.com/sites/default/files/inline-files/Granite-2021-Sustainability-Report.pdf



"We are working with [NAPA] to generate EPDs for our fixed asphalt plant sites across the Summit enterprise."

Summit Materials

- 2022 Investor Day presentation

https://s201.q4cdn.com/127035939/files/doc_presentations/2022-Elevate-Summit_ID-Presentation_vFINAL_3.pdf



"We encourage Congress to rely on EPDs for current and future legislation concerning low emission and low carbon materials."

Dwayne Boyd President, Midsouth Region, CRH Americas Materials March 28, 2023

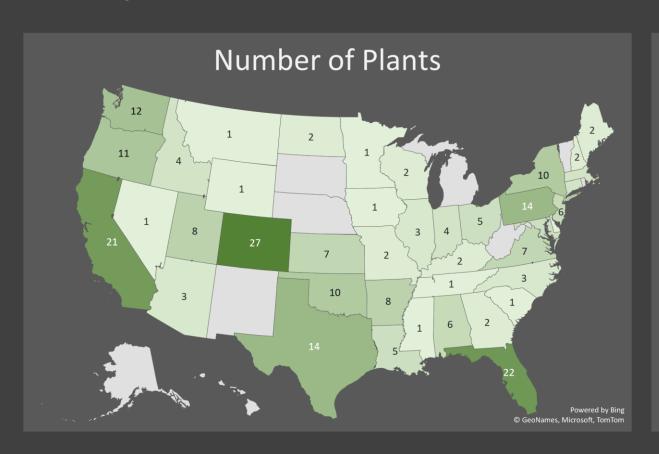
- Testimony to House Transportation and Infrastructure Subcommittee on Highways and Transit

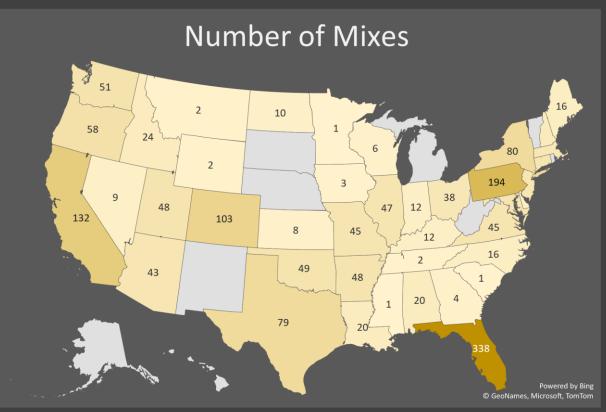
https://docs.house.gov/meetings/PW/PW12/20230328/115557/HHRG-118-PW12-Wstate-BoydD-20230328.pdf



Published EPDs in November 2023

• 246 plants with 1,700+ EPDs across 41 states







Illinois Companies Leading the Effort







How to Get Started With EPDs



Key Components of NAPA's EPD Program

General Program
Instructions



General Program Instructions for

Emerald Eco-Label Environmental Product Declarations (EPD) Program

National Asphalt Pavement Association

Version 2 June 9, 2020





6406 Ivy Lane, Suite 350 | Greenbelt, MD 20770 | 301-731-4748 www.AsphaltPavement.org/EPD

Underlying Life Cycle Assessment

Update to the Life Cycle Assessment for Asphalt Mixtures in Support of the Emerald Eco Label Environmental Product Declaration Program

April 2022

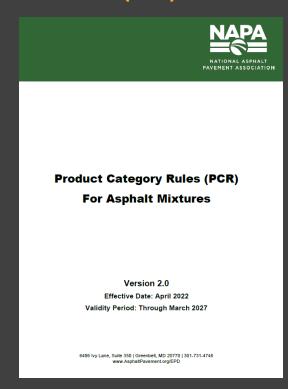
Amilan Mukherjee, PhD, PE Professor
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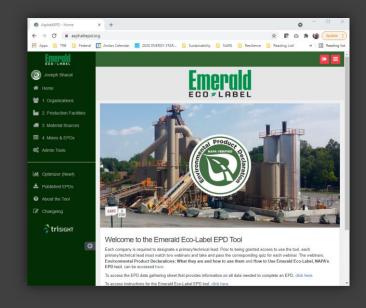
For:
National Asphalt Pavement Association
6406 try Lane, Suite 350

Greenbelt, MD 20770-1441

Product Category Rules (PCR)



EPD Software

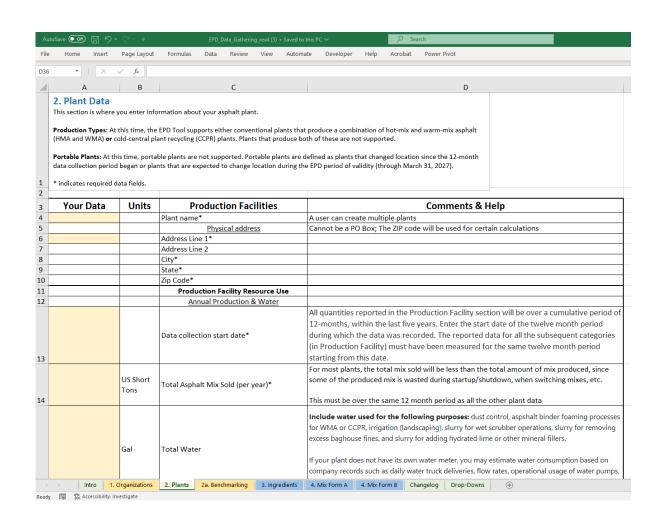


Learn more at www.asphaltpavement.org/epd



How to use Emerald Eco-Label

- Register at https://asphaltepd.org/
- Watch two webinars and pass the quizzes
- Compile data for plant and mixes
 - Use EPD Data Gathering spreadsheet
- Purchase access for your plant(s)
- Enter data for plant and mixes to produce EPDs
- Upload supporting documentation



Data requirements for the plant

- 12 consecutive months of data
 - Within the past five years
- Fuel consumption
 - Burner
 - Hot oil heater
 - Generator
 - Equipment
- Electricity consumption
- Water consumption
- Total mix sold (tons)

Your data is confidential!



Photo courtesy of Duval Asphalt

Data requirements for mix designs

- Material content (by weight of total mix)
 - Aggregates
 - Asphalt binder
 - RAP and RAS
 - Additives
- Transportation mode and distance
 - Truck, rail, or barge
- Mix production temperature



Your data is confidential!

Photo courtesy of Rock Road Companies, Inc.

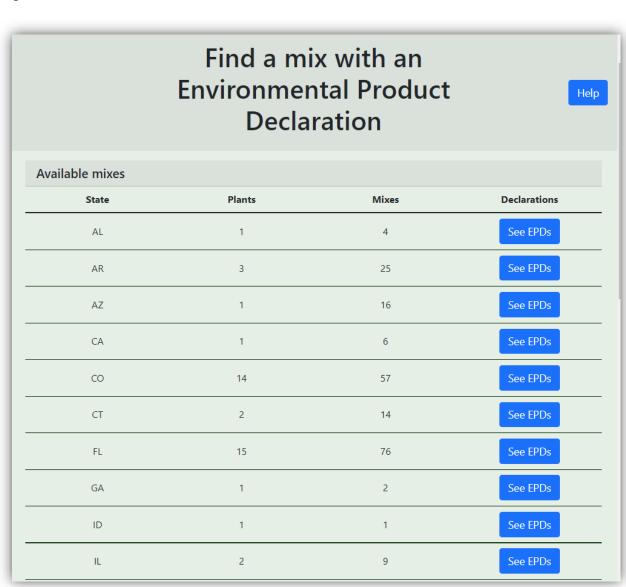
Where can I find published EPDs?

asphaltepd.org/published/

 The most comprehensive and up-todate directory of EPDs for asphalt mixtures

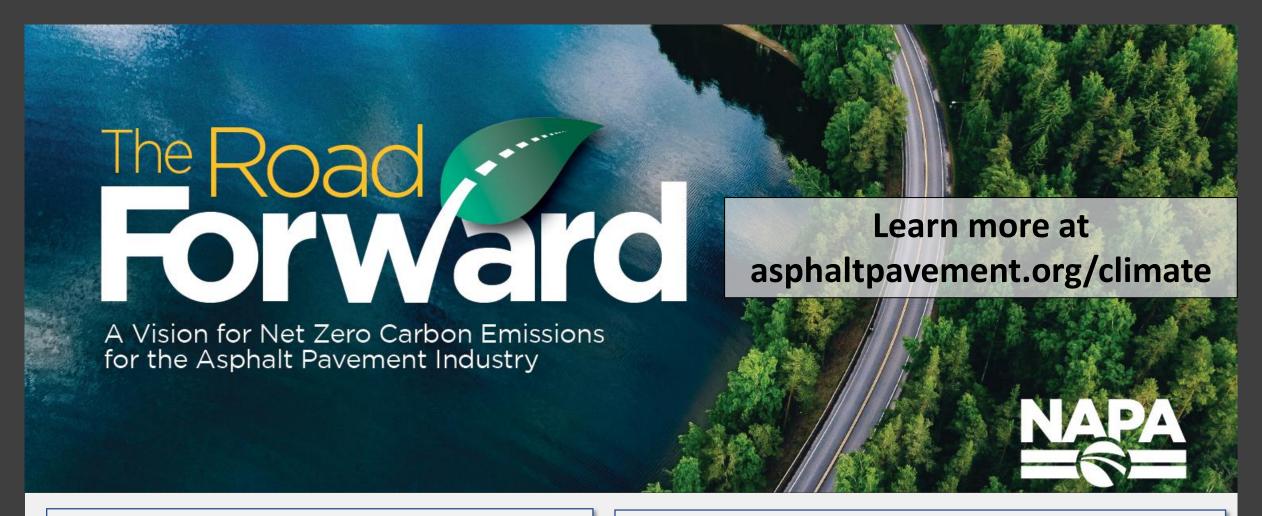
www.asphaltpavement.org/epd

- Program documents and other information
 - Product Category Rules (PCR)
 - Underlying Life Cycle Assessment (LCA)
 - Other documents



Resources to Help Mix Producers Reduce Emissions

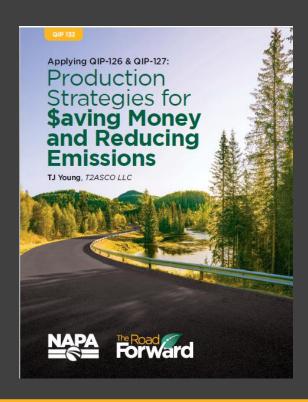




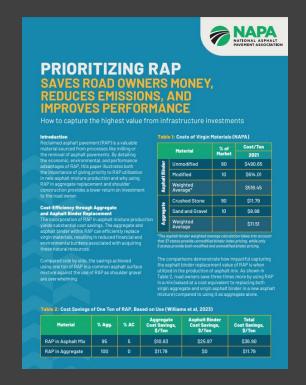
Vision: Sustainable communities and commerce, connected by net zero carbon emission asphalt pavements

Mission: Engage, educate, and empower the U.S. asphalt community to produce and construct net zero carbon emission asphalt pavements

Production Strategies



Prioritizing RAP



Inform Decisions



THE STATE.

An affiliate of an NYC based heavy civil infrastructure contractor, Green Asphalt LLC located in Long Island City, New York was envisioned in 2009 as an asphalt producer committed to making and constructing

> In fact, the team had never produced a ton of mix but wanted to prove that the reuse of construction materials was possible. Knowing that they needed to develop, prove and sell the vision to road owners, they began by building a plant with old parts. Working in conjunction with the City Department of Design and Construction, they began by placing temporary asphalt, then moved on to get a 100 percent reclaimed asphalt pavement (RAP) mix design approved. Finally, in 2015, New York state approved Green Asphalt's R-0001, the first recycled asphalt plant in the state. To this day, despite the ability to run conventional asphalt mixtures, Green Asphalt runs high RAP with the minimum amount of RAP used set to 50 percent.

Quantifying Our Impacts
Emerald Eco-Label, NAPA's verified Environmental
Product Declaration (EPD) tool, makes it easy to quantify
the environmental impact of an asphalt mix. Created by industry professionals and stakeholders and evaluated industry professionals and stakeholders and evaluated by sustainability experts, the Emerald Eco-Label EPD tool was developed in conformance with ISO 14025, ISO 21930, and the Product Category Rules (PCR) for Asphalt Mixtures, These standards establish the principles and procedures for developing a Type III environmenta declaration program and prescribe specific rules for asphalt mixture EPDs.



Participate in Benchmarking

- Additional data collection open from November 6 to January 8
- No cost to participate
- Benchmark <u>training webinar</u> is required





EPD Optimizer Tool

- Easily compare two of your own mixes to each other
- More granular analysis of data
- Create plant variants to see how changes to plant operations affect EPDs
- Evaluate economic and environmental impacts of certain changes
 - Switching fuel types
 - Aggregate moisture reduction





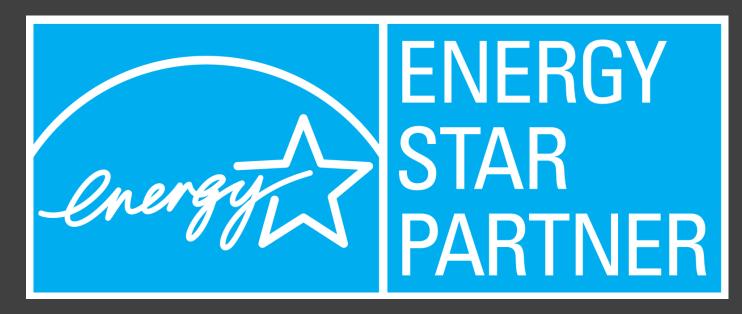




Included with EPD license

Training webinar available on NAPA's store at goaspha.lt/Optimizer.

Asphalt Plant Energy Performance Peer Exchange (APEX)



- Partner with U.S. EPA
- Market and promote your company's partnership
- Learn best practices to manage energy
- Get assistance from an experienced industrial energy advisor

https://www.asphaltpavement.org/expertise/sustainability/tools/energy-star-apex-program



THE ROAD FORWARD PARTNERS































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MAPA Illinois Members

Gold Club (50+ Years)

- BP
- E.D. Etnyre & Co.
- Gallagher Asphalt
- Geneva Construction
- Gunther Construction Co.
- Howell Asphalt Co.
- Kankakee Valley Construction
- Open Road Paving Co.
- S.G. Hayes & Company

Members

- Allied-Locke Industries
- Applied Research Associates, Inc.
- Arrow Road Construction Co.
- Asphalt Plus LLC
- Asphalt Sales & Products Inc.

30-Plus Club

- Advanced Asphalt Co.
- BLS Enterprises, Inc.
- Charles E. Mahoney
- Diamond Construction Co.
- E.T. Simonds Materials Co.
- Iroquois Paving Corp.
- Litchfield Bituminous Corp.
- Monmouth Asphalt
- Truman L. Flatt & Sons Co. Inc.
- William Charles Construction Co. LLC

State Advisor: Dan Gallagher, Gallagher Asphalt

- ASTEC
- Bigane Paving Co.
- Chicago Testing Laboratory
- Curran Contracting Co.
- Digital Forces Corp.

- ECF Inc.
- Freesen, Inc.
- Gearflow
- Global Track Warehouse
- Helm Civil

Illinois Members

Members

- Hoerr's Blacktop & Sealcoating
- Holcim US
- Humboldt Mfg. Co.
- Interstate Asphalt
- K-Five Construction Corp.
- Keyesport Asphalt LLC
- MAT Asphalt LLC
- Murphy Pavement Technology Inc.
- Nouryon
- Ogden Avenue Materials
- OMI Industries
- Open Road Paving Co.

- Peter Baker & Son Co.
- Phillips 66
- Southwest Oil
- Tri-State Asphalt LLC
- United Contractors Midwest
- Vulcan Materials Co. Central Division
- W.L. Miller Co.

State Advisor

Dan Gallagher, Gallagher Asphalt Corp.

Thank you, Illinois!





Panel Discussion

James Cassem
Curran Contracting



Don Gallagher Gallagher Asphalt



Joseph Shacat NAPA

