

Climate Friendly Purchasing Toolkit; An Introduction

www.westcoastclimateforum.com

Tuesday, May 3, 2016



West Coast Climate & Materials Management Forum

West Coast Climate and Materials Management Forum

The West Coast Climate and Materials Management Forum is an EPA-convened collaboration of state, local, and tribal government

- Develop ways to institutionalize sustainable materials management practices.
- Develop tools to help jurisdictions reduce the GHGs associated with materials



Check out the Forum's Resources

- Original Report Connecting Matls/Climate
- <u>Research Summaries</u>
- <u>Turnkey Materials Management Presentation</u>
- <u>Climate Action Toolkit</u>
- Food Too Good to Waste Toolkit
- <u>Climate Friendly Purchasing Toolkit</u>
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West Coast Climate Forum Webinar Series Disclaimer

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Climate Friendly Purchasing Toolkit; An Introduction

Moderator

Speakers



Shannon Davis West Coast Climate Co-lead, EPA Region 9





Karen Cook Sustainability Project Mgr Alameda County



Aaron Toneys Senior Associate Good Company



Climate Friendly Purchasing Toolkit

Shannon Davis US EPA, Region 9 davis.shannon@epa.gov

Tuesday, May 3, 2016



West Coast Climate & Materials Management Forum

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Celebration Time









Toolkit Goals:

- Reduce carbon footprint from purchases
- Identify the most carbon-intensive products and services
- Provide how-to guide for purchasing professionals





Toolkit Modules





Systems Based GHG Emissions



Life Cycle of Products and Services (materials)





Public Institution Purchasing Power

Governments, collectively, spend over 1.6 trillion dollars year







Scope of Toolkit

Cities, counties, public utilities, higher education Carbon lens Modular



Toolkit Modules

Sector-specific strategies

Each module includes background on how the sector contributes to GHG emissions, and guidance on specific purchasing strategies to reduce GHG emissions.



Carpeting & Flooring



Construction Asphalt, Concrete and More



Diesel Fuels



Information and Communication Technology (ICT)

Professional Services

Food

Sector Specific Reduction Strategies

Reducing the amount of goods and services purchased

Food: menu planning

Carpet: replacing only worn areas

- □ Shifting the way that goods and services are purchased
 - ICT: buying services of the cloud instead of servers
- Identifying and purchasing less carbon intensive products that still provide performance
 - Warm Mix Asphalt

Sector Specific Reduction Strategies, cont

Build in incentives for vendors to use different/less

- Carpet and Concrete Environmental Product Declarations (EPDs)
- □ Shift the way that goods and services are used
 - Diesel: no-idling policy
 - Carpet: maintenance
- Utilize alternative end of life strategies
 - Food: Recovery



Targeting Tools

Targeting Tools

To help government target their efforts on the most significant GHG emissions in the supply chain.



How to complete a supply chain GHG inventory

This detailed primer shows how to combine purchasing data and available LCA tools to get a complete picture of the GHG emissions in your organization's specific supply chain.

Trends Analysis

Instructions are provided on how to use the data from trends analysis to target GHG reductions. It is a compilation of more than 40 supply chain GHG inventories, sortable by organization type, size, and total supply chain budget.

More Toolkit Resources

Purchasing Resources

Including model and sample specifications, evaluation criteria, contract language, and vendor qualifications.

Case Studies

Real world experiences from organizations of all sizes.

Measurement Tools

Approaches for measuring and tracking GHG reductions in the supply chain and results from puchasing changes.

Pilot Organizations Wanted!

Be an CFPT Pilot Organization!

- Get expert and peer-to-peer assistance in implementing any part of the Toolkit.
- Get \$10-15K in contractor assistance and access to peer-to-peer assistance from Forum members
- Help improve the Toolkit

What's it involve?

- Commitment to implementing at least one of the strategies in the Toolkit
- Report results and lessons learned

Contact John Katz, EPA Region 9: katz.john@epa.gov

Upcoming Webinars

- Tuesday, May 17ICT & Diesel Fuel
- Tuesday, June 7Concrete & Asphalt
- Tuesday, June 20Food

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Aaron Toneys Senior Associate Good Company

THANK YOU

Next Webinar: Tuesday, May 17 Watch you email for registration Survey





Calculating Supply Chain Greenhouse Gas Emissions for Institutional Purchasing A How To Guide

West Coast Climate Forum May 3, 2016

Aaron Toneys Good Company Eugene, OR





Good Company

- sustainability research and consulting firm
- mission-driven, for-profit
- clients: government, higher ed, private sector

Scopes 1&2 (Required)	Public	Private	Capital Projects	TOTAL
Electricity use (generated and purchased)	45	30	14	89
Stationary fuel use (natural gas, etc.)	45	30	14	89
Fugitive emissions of refrigerant use	45	30	N/A	75
Fleet fuel use (diesel, gasoline, CNG, LNG, etc.)	45	30	14	89
Scope 3 (Optional but Recommended)	Public	Private	Capital Projects	TOTAL
Solid waste management	45	23	11	79
Employee commute	45	24	8	77
Business travel (air, car, train, etc.)	45	23	8	76
Supply chain purchases from operations	30	24	14	68
Supply chain purchases from capital projects	30	24	14	68
Transit access trips	1	1	N/A	2
Benefits of mode shift to transit, congestion relief and land use multiplier	0	1	6	7
Benefits of onsite renewable energy generation	1	4	6	11



GHG inventories and purchasing





GHG elephant in the inventory...





Example of direct, Scope 1 operational emissions



<u>good</u> Exa

Example of related indirect supply chain emissions





Beginning with the end in mind - results





- I. Leadership Support and Project Team
- II. Select an Approach and Tool
- III. Prepare a spreadsheet
- IV. Collect and Refine Purchasing Data
- V. Exclude Certain Purchases
- VI. Adjust Expenditures for Inflation
- VII. Sort and Group Data
- VIII. Assign GHG Intensities to Purchases
- IX. Calculate GHG Emissions
- X. Summarize the Results

For details visit http://westcoastclimateforum.com/cfpt/HowTo



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Approach – Converting \$ to CO₂e



- \$ = expenditure (i.e. your purchasing data)
- $CO_2e/$ = "carbon intensity" of expenditure (from EIOLCA)
- CO_2e = final estimate of total emissions in expenditure



Inventory Tool: eiolca.net

- powerful web-based, public-domain tool
 - Carnegie Mellon University's Green Design Institute
 - translates economic activity into GHG emissions (and other things)
 - easy to use
 - free, based on deep research
 - Website: http://www.eiolca.net
- Economic Input-Output (EIO) =
 - model of the US economy
 - includes 428 economic sectors
- Lifecycle Assessment (LCA) =
 - details from academic literature on environmental impacts





Inventory Tool: eiolca.net (continued)

- EIOLCA has limitations
 - a chainsaw, not a scalpel
 - results capture national averages
 - cannot use to compare products within one sector
 - 2002 data set
 - trade not included (i.e. products produced in China)



Easy to use: Answer 5 questions

four current model is the US 2002 Benchm	ark, which is a Producer Price Model.
Show more details) US 2002 (428)	
Select industry and sector:	
Search for a sector by keyword:	
construction (Search	
Or browse for a sector below:	
Construction	Nonresidential commercial and health care structures
Construction	Nonresidential commercial and health care structures
Construction	Nonresidential commercial and health care structures
Construction	Nonresidential commercial and health care structures
Construction Select the amount of economic	Nonresidential commercial and health care structures
Construction Select the amount of economic Million Dollars (Show more details)	Nonresidential commercial and health care structures
Construction Select the amount of economic Million Dollars (Show more details)	Nonresidential commercial and health care structures
Construction Select the amount of economic 1 Million Dollars (Show more details) Select the category of results	Nonresidential commercial and health care structures c activity for this sector: to display:
Construction Select the amount of economic Million Dollars (Show more details) Select the category of results Greenhouse Gases	Nonresidential commercial and health care structures c activity for this sector: to display:



Example of results

	<u>Sector</u>	<u>Total</u> t CO2e
	Total for all sectors	589.
230101	Nonresidential commercial and health care structures	216.0
221100	Power generation and supply	111.0
331110	Iron and steel mills	42.2
327310	Cement manufacturing	36.8
211000	Oil and gas extraction	25.1
324110	Petroleum refineries	17.7
484000	Truck transportation	16.0
325310	Fertilizer Manufacturing	9.67
32712A	Brick, tile, and other structural clay product manufacturing	7.88
3274A0	Lime and gypsum product manufacturing	6.20



Example of results

	Α	B	С	D	E	F	L
1							
2	Purchasing Category Description	Annual Expenditure	Inflation Correction Factor	Annual Expenditure (inflation corrected)	EIOLCA Sector # and Description	Total CO ₂ e	Total CO ₂ e
3		\$ / year	unitless	\$ / year		MTCO ₂ e / \$1 Million	MT CO ₂ e
4	Building Construction	\$1,000,000	0.81	\$810,000	230101: X structures	589	=477
5	Paper	\$50,000	0.81	\$40,500	322120: Paper mills	1520	1231
6	Source: Data fr depart	om purchasing tment	ICF = (2002 CPI / Inventory year CPI)	\$ / year = C4*D4			MT CO ₂ e = (E4/1000000)* <u>G</u> 4
7							
8		=	User input cell				
9		=	Calculated with a F	ormula			



Getting started on your inventory...

- Team
 - Interest in carbon accounting
 - Comfort with math and Excel
 - Familiar with accounting / purchasing systems and data
- Approach
 - Internal
 - Consultant
 - Hybrid
- Or...use the Trends Analysis and Toolkit to develop climate actions for purchasing



Thank you!

Aaron Toneys Senior Associate aaron.toneys@goodcompany.com (541) 341-GOOD (4663), ext. 218 www.goodcompany.com



Learning from Others: Trends Analysis of Inventories

Karen Cook Alameda County, CA

West Coast Climate Forum May 3, 2016



Alameda County

- Serving 1.5M people over 739 sq miles
- 9,500 employees
- 22 agencies/departments
- \$2.74B operating budget (FY2016)





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The inventory is intended to establish a baseline of Washington

investment decisions that reduce both emissions and operating

costs. The assessment of inventory data will allow Washington County to reduce the negative impacts of GHG emissions on

depending on whether the sources are owned or controlled by

the organization. To distinguish between indirect and direct

emissions, three "scopes" are defined for traditional accounting

Resources Institute's Greenhouse Gas Protocols. The following pages will provide significant detail on the three scopes.

County's GHG emission sources in order to make sound

human health, economies and the environment.

GHG sources are classified as either direct or indirect

and reporting purposes in accordance with the World

 Estimated Emissions 37,105 MT CO2e
 Includes emissions generated from the resource extraction and manufacture of purchased goods and services

Oregon University System Greenhouse Gas Inventory





AUTHORITY

ОСТА





Project Team

Project Partners







West Coast Climate & Materials Management Forum

Completed by



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Finding Trends in Results

- 86 inventories from 36 organizations
- Organization types:
 - Public Agencies
 - Higher Education
 - Public Utilities
- Alternate views:
 - Population & Revenue

Higher Education Funding Council for England (HEFCE)
Portland Community College
University of California - Berkeley
University of Cambridge
De Montfort University
Nottingham Trent University
Yale University
University of Oregon
Southern Oregon University
Eastern Oregon Univeristy
Western Oregon University
Oregon State University
Portland State University
Oregon Institute of Technology
University of Texas - Austin
University of North Carolina - Willmington
Portland, OR - Parks and Recreation
Tualatin Hills, OR - Parks & Recreation District
Eugene, OR
Vancouver, WA
Gresham, OR
Hillsboro, OR
Beaverton, OR
Corvallis, OR
Lake Oswego, OR
Springfield, OR
Orange County, CA - Transportation Authority
Washington County, OR
Alameda County, CA
Portland Metro
East of England Local Authorities
Minnesota Pollution Control Agency
Oregon DEQ Operational
Joint Water Commission
Eugene Metropolitan Wastewater Management
Commission
Eugene Water and Electric Board

Significance of Supply Chain GHG Emissions



Source (next 7 slides): Good Company on behalf of StopWaste (2015). Supply Chain Greenhouse Gas Inventory Meta-Analysis

Significance of Supply Chain GHG Emissions













Purchasing Category "Hot Spots"

On-site fuel

combustion

 EIOLCA.net emissions sources for a construction sector



Source: Good Company on behalf of StopWaste (2015). Supply Chain Greenhouse Gas Inventory Meta-Analysis

Toolkit Modules

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Thank You!

Karen Cook (510) 208-9754 <u>Karen.Cook@acgov.org</u> www.acsustain.org





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