The Intersection of Resilience, Low-Embodied Carbon, and LCCA in Materials



National Building Institute of Sciences October 3, 2023

SPEAKERS









JENNA HAMILTON VP, National Affairs Green Building Initiative

MARK RUSSELL Founding Partner Wise Built, LLC

ADOLFO SALAS Director of HPF Consulting Merrick & Company VICKI WORDEN President & CEO Green Building Initiative





LEARNING OBJECTIVES









Understand the environmental drivers that are reshaping business as usual to focus on specifying low-embodied carbon materials within federal and commercial real estate sectors. Recognize the different expectations for applying consideration of climate resilience (risk), global warming potential (net zero), and Life Cycle Cost Analysis (LCCA) for each project based on a variety of client objectives. Recognize that building cost decisions should be made with an understanding of longterm economic and environmental impacts instead of merely upfront costs. Identify opportunities for each evaluation in materials selection to contribute to ESG reporting, green building certification, and federal compliance.







The Green Building Initiative (GBI) is an international, nonprofit organization whose mission is **to reduce climate impacts by improving the built environment.**

Better buildings, together.

Delivering educational roadmaps through our certification and validation programs.







Sustainable, healthy, and resilient buildings for all.



Global Environmental Drivers



Global Focus on Net Zero Carbon Emissions by 2050-2060









SCOPES OF EMISSIONS







Policy & Investors Driving Change in Focus







U.S. ENERGY INFORMATION ADMINISTRATION - ENERGY PLANTS



This web map displays the eGRID 2018, 2019, 2020, and 2021 data for power plants across the US.

U.S. ENERGY INFORMATION ADMINISTRATION - ENERGY FLOW

U.S. energy flow, 2022 quadrillion Btu coal 12.04 petroleum exports 17.98 exports 27.41 other⁵ exports residential¹ 9.43 natural gas 37.10 21.81 coal 9.85 fossil fuels 81.47 domestic production 102.92 commercial¹ 18.15 natural gas⁷ 33.41 crude oil¹ 24.66 fossil fuels⁹ supply 127 82 consumption 79.05 consumption¹⁰ 100.41 industrial¹ 32.91 NGPL² petroleum 35.85 nuclear electric power 8.05 nuclear electric power 8.05 renewable energy imports 21.47 13.40 transportation¹¹ 27.54 petroleum renewable energy³ 13.18 imports⁴ 17.97 stock change other and other⁶ 3.42 imports 3 50

¹ Includes lease condensate. | ² Natural gas plant liquids. | ³ Conventional hydroelectric power, biomass, geothermal, solar, and wind. | ⁴ Crude oil and petroleum products. Includes imports into the Strategic Petroleum Reserve. | ⁵ Natural gas, coal, coal coke, biomass, and electricity. | ⁶ Adjustments, losses, and unaccounted for. | ⁷ Natural gas only; excludes supplemental gaseous fuels. | ⁸ Petroleum products supplied; excludes biofuels. Biofuels are included in "renewable energy." | ⁹ Includes -0.06 quadrillion Btu of coal coke net imports. | ¹⁰ Includes 0.14 quadrillion Btu of electricity net imports. | ¹¹ Total energy consumption, which is the sum of primary energy consumption, electricity sales, and electrical system energy losses. Losses are allocated to the end-use sectors in proportion to each sector's share of total electricity sales. See Note 1, "Electrical System Energy Losses," at the end of U.S. Energy Information Administration (EIA), *Monthly Energy Review* (April 2023), Section 2. See Note 2, "Other Energy Losses," at the end of U.S. Energy Information and primary. • Values are derived from source data prior to rounding for publication. • Totals may not equal sum of components due to independent rounding.

Risk, Net Zero, and LCCA

WHAT IS RESILIENCE?

Industry Statement on Resilience:

- "we define resilience as the ability to prepare and plan for, absorb, recover from, and more successfully adapt to adverse events."
- Preparing to Thrive by NIBS / AIA May 2016

Evaluation of Resilience:

- Risk Analysis
- Life Cycle Cost Analysis
 - US Department of Energy
 - https://www.osti.gov/biblio/1856022

CLIMATE RISK

CLIMATE RESILIENCE

Global Warming Potential

From International Journal of Disaster Risk Science

Paris Accord COP 21

To limit global warming to 1.5°C, greenhouse gas emissions must peak before 2025 at the latest and decline 43% by 2030

WHAT IS LOW EMBODIED CARBON?

Life-Cycle Assessment Phases

What is Embodied Carbon?

- Millions of tons of carbon emissions released during the lifecycle of building materials
- Account for 11 % of GHG emissions
- Imperative for builders, manufacturers, and policymakers to prioritize this issue to meet climate goals.

Evaluation of Embodied Carbon?

- Life Cycle Assessments
- Environmental Product Declarations

Source: RMI

LIFE CYCLE COST ANALYSIS (LCCA)

What is LCCA?

 Method for assessing the total cost of facility ownership. It takes into account all costs of acquiring, owning, and disposing of a building or building system

Evaluation of LCCA?

- NIST BLCC5 program
 - <u>https://www.nist.gov/services-</u> resources/software/building-life-cycle-costprograms
- Effective tool for evaluating options to determine most cost effective.

WHAT IS NET ZERO?

- Balance between resources used and resources produced
 - Energy, Water, Waste
 - Fuels
 - Greenhouse Gases
 - Offsets
- US Goal to achieve net-zero green house gases by 2050
 - Net Zero emission buildings by 2045, with 50% reduction by 2032
 - Executive Order 14057
- How is it evaluated?
 - Calculate carbon footprint
 - Source or Site

HOW DO THESE INTERACT?

Long-term Economic and Environmental Impacts

GC: GREENING GOVERNMENT STRATEGY

USG: EO-14057

acquisitions by 2027;

percent emissions reduction by 2032;

•

•

•

•

2030 from 2008 levels; ٠ Clean policy to promote use of construction materials with

a 65 percent reduction in scope 1 and 2 greenhouse gas

emissions, as defined by the Federal Greenhouse Gas Accounting and Reporting Guidance, from Federal operations by

100 percent carbon pollution-free electricity on a net annual

electricity, as defined in section 603(a) of this order;

100 percent zero-emission vehicle acquisitions by 2035,

including 100 percent zero-emission light-duty vehicle

basis by 2030, including 50 percent 24/7 carbon pollution-free

a net-zero emissions building portfolio by 2045, including a 50

- net-zero emissions from Federal procurement, including a Buy
- lower embodied emissions;
- climate resilient infrastructure and operations; and
- a climate- and sustainability-focused Federal workforce.

The Greening Government Strategy is helping Canada to take action on climate chang within federal operations. We are taking steps to reduce the environmental impacts across e Government of Canada. The science is clear. Human activities are driving unprecedented hanges in the Earth's climate. These pose significant risks that need to be addressed. We are eening our own operations with a new net-zero emissions by 2050 commitment, and ding the scope of the target to include areas such as emissions related to national muting, and procurement of goods and service

Four key focus areas

Government Gouvernemen of Canada du Canada

Canadä

State & Local Buy Clean Programs Emerging

- State projects
- Cost exceeds \$500K
- Jan. 1, 2024

•Asphalt and asphalt mixtures •Cement and concrete mixtures •Post-tension steel •Reinforcing steel •Wood structural elements

Climate Policy in California

Senate Bill 261

- As of 2026, companies with annual revenues of \$500 MM+ that do business in California will now be required to issue a biennial climate-related financial risk report.
- The reports must be prepared in accordance with the Task Force on Climate Related Financial Disclosures (TCFD) reporting framework
- Failure to report will be subject to a fine of up to \$50,000 per year

Climate Policy in California

Senate Bill 253

- SB 253, also known as the "Climate Corporate Data Accountability Act" applies to companies that do business in California and have total annual revenues in excess of \$1 Billion
- Beginning in January 2026, reporting entities must annually publicly disclose their scope 1 and scope 2 GHG emissions for the prior fiscal year
- Beginning in 2027, reporting entities will also be required to annually disclose their **scope 3** emissions for the prior fiscal year

What is ESG?

lacksquare

ENVIRONMENTAL

Sustainability

Reduce energy and carbon emissions toward net zero

Increase water efficiency

Enhance sites and protect habitats

Choose low impact materials

Address climate resilience

Improve IEQ, health, and wellness

Minimize and work toward zero waste

Implement ESG policies

SOCIAL Responsibility

Cultivate diversity, equity, and inclusion

Support openness, consensus, stakeholder engagement, and due process

Invest in community access, improvement, and engagement

Promote and assess health, safety, and satisfaction

Evaluate supplier impact on human rights, labor standards, and working conditions

> Forge partnerships for societal benefit

GOVERNANCE Transparency

Emphasize ethical behaviors

Implement conflict of interest policies and ensure compliance

Ensure stakeholder rights

Assess climate risk

Protect data and privacy

Disclose compensation strategies

Create accountability for public commitments

Provide transparent reporting C

- Quarterly/Annual Financial Reporting
- Sustainability Statements
- Corporate Social Responsibility Report
- Sustainability Report
- Materiality Assessment Report

ESG Report

© 2021 Green Building Initiative, Inc. All Rights Reserved

Evaluation in Materials Selection

Assessing Resiliency, LCCA, and Material Selection

Government Projects use Guiding Principles to assess compliance with UFC standards

Resiliency

- UFC 1-200-02, Paragraph 2 2.1: Integrated Design
- UFC 1-200-02, Paragraph 2-7 Address Climate Change Risk
- GPC Section 1.b Integrated Design
- GPC section 6: Assess and Consider Climate Change Risks

LCCA

- UFC 1-200-02, Paragraph 1-7 Life Cycle Cost Analysis (LCCA)
- UFC 1-200-02, Paragraph 2-3.2: On-Site Renewable Energy
- GPC Section i.a LCCA Format
- GPC Section 2.b Renewable
 and Clean Energy

Material Selection

- UFC 1-200-02, Paragraph 2-6.1.1 Recycled Content
- UFC 1-200-02, Paragraph 2-6.1.2 Biologically-Based Products
- UFC 1-200-02, Paragraph 2-6.1.3 Ozone Depleting Compounds
- UFC 1-200-02, Paragraph 2-6.2.2 Waste Diversion
- GPC Section 5: Reduce Environmental Impact of Materials

Assessing Resiliency, LCCA, and Material Selection

Non-Federal Government Projects use Green Globes to assess compliance with ANSI standards

Resiliency

- 1.1.1 Performance & Green Design Goals
- 1.1.2 Integrated Design Process
- 1.1.3 Site and Building Resilience
- 5.3.1 Occupant Exposure Screening Report

LCCA

- 1.3.1 LCCA or Building Service Life Plan
- 5.1.1.1 Whole Building Life Cycle Assessment
- 5.2.1 Product Life Cycle

Material Selection

- 5.4.1 Product Sustainable Materials Attributes
- 5.7.1 Off-Site Fabrication for Construction Optimization
- 5.5.1 Structural Systems and Non-Structural/ Interior Elements

Green Globes and Low Embodied Carbon

Green Globes for New Construction 2021 & 2023

 Points are awarded based on a Sustainable Materials Index that includes third-party sustainable forestry certification content.

Green Globes for New Construction 2023

 Points are awarded when least 9% reduction is demonstrated for GWP when using a life cycle assessment, ASTM E2921-16a, or an embodied carbon tool such as EC3. The objective of this criteria is to determine global warming potential comparisons between the building and the proposed design.

Green Globes for Existing Buildings 2023

 Points are awarded for product materials that include thirdparty sustainable forestry certification, categorized as Responsible or Certified Sources in accordance with ASTM D7612. 10. MATERIALS (150 points)

10.1 WHOLE BUILDING LIFE CYCLE ASSESSMENT (26 POINTS)

10.1.1 WHOLE BUILDING LIFE CYCLE ASSESSMENT

10.1.1.1 The project team evaluates a minimum of two different building designs using ASTM E2921-16a and the following assessment protocol to select the building with the lower environmental impact.

Assessment protocol:

The life cycle assessment reports the following life cycle impact indicators:

- Global warming potential (GWP)/climate change;
- Acidification potential;
- Eutrophication potential;
- Ozone depletion potential (ODP); and
- Smog potential.

The proposed final design of the building with the lower anticipated environmental impact achieves the following performance targets compared to the reference design:

- A minimum 5% reduction each, for at least three impact indicators, one of which is *global warming potential*; and
- No other impact indicator exceeds the reference design by more than 5%.

Operating energy consumption and MEP systems can be included A registered design professional verifies structural material quantities, with the exception of *existing buildings*.

GREEN GLOBES EB 2023 & ESG + Climate Risk & Resilience

• 5% of total Green Globes points can be earned for Resilience

- Buildings earn points for environmental goals including CO₂e, reduction of waste, water, and energy, i.e.
 - Leases include monitoring of goals
- Earn points for DEI, CSR, and ESG policies/reports

1.3.2 SOCIAL & GOVERNANCE		
1.3.2.1 Ownership/stakeholders engage in social and governance best practices.	1 point	
1.3.2.2 The organization issues a CSR (Corporate Social Responsibility) or ESG (Environmental, Social, Governance) report on an annual or regular basis.	1 point	
1.3.2.3 The CSR or ESG report is publicly available.	1 point	
1.3.2.4 The report aligns with an industry standard for disclosures and includes a materiality and climate <i>risk</i> or <i>resilience</i> assessment.	1 point	

1.2.1 RISK ASSESSMENT & FACILITY ADAPTATION	
1.2.1.1 A multi-hazard <i>risk assessment</i> has been completed for the building and location that includes as a minimum the following <i>risks</i> or hazards as applicable:	3 points
 1.2.1.1.1 Floods (coastal storm surge, tidal, pluvial/stormwater, or fluvial/riverine) 1.2.1.1.2 Seismic events (earthquake, vulcanism, and/or resulting tsunami) 1.2.1.1.3 Landslides and avalanches 1.2.1.1.4 Severe weather (wind, tornado, hail, lighting, snow, ice-storm, drought, or severe heat or cold) 	
 1.2.1.1.5 Wildfires 1.2.1.1.6 Man-made <i>risks</i> (explosion, terrorist act, or poison release) 1.2.1.1.7 Health issues (e.g., pandemic, or sanitation issue in the aftermath of a disaster) 1.2.1.1.8 Infrastructure disruptions (loss of energy, water, sanitation, transportation, or communications service) 1.2.1.1.9 Changes to geology and/or groundwater conditions that affect or disrupt infrastructure and/or facility function 	
1.2.1.2 A <i>risk assessment</i> has been completed for 1.2.1.1 for each associated <i>risk</i> or hazard.	Maximum = 4 pointsOne point is earned for in 1.2.1.1 for a maximu
1.2.1.3 The assessment evaluates building functional requirements and prioritizes accordingly for future facility resiliency modifications.	3 points

GBI's Green Globes[®] Clients Across Industry

Live Chat - www.thegbi.org email - info@thegbi.org

THANK YOU

VICKI WORDEN vicki@thegbi.org

ADOLFO SALAS adolfo.salas@merrick.com

JENNA HAMILTON hamilton@thegbi.org

MARK RUSSELL russ1307@unm.edu

