U.S. General Services Administration Inflation Reduction Act Low Embodied Carbon Asphalt Requirements

December 12, 2023

Preface

The Inflation Reduction Act of 2022 (IRA), Pub. L. No. 117-169, was enacted in August 2022. The IRA made the single largest investment in climate and energy in American history. The IRA will help the United States tackle the climate crisis, advance environmental justice, and secure our Nation's position as a world leader in domestic clean energy manufacturing. This law puts the United States on a pathway to achieving the Administration's climate goals, including a net zero operational emissions federal building portfolio by 2045, and net zero emissions procurement by 2050. IRA Section 60503 provides the U.S. General Services Administration (GSA) with \$2.15 billion for acquisition and installation of construction materials and products with substantially lower levels of embodied greenhouse gas emissions as compared to estimated industry averages, as determined by the Administrator of the U.S. Environmental Protection Agency (EPA). EPA issued its Interim Determination in December 2022.

In line with the Interim Determination, and consistent with standard GSA and Federal Acquisition Regulation processes for defining agency requirements, GSA has developed these IRA Low Embodied Carbon Asphalt Requirements to specify some material attributes that are necessary to satisfy the agency's asphalt needs when contracting for construction services that are funded in whole or in part by GSA's IRA Low Embodied Carbon appropriation. These IRA Low Embodied Carbon Asphalt Requirements apply to Section 60503-funded purchases of asphalt; construction product assemblies qualify for IRA funding if at least 80% of the assembly's total cost or total weight comprises asphalt materials that meet these Requirements. These IRA Low Embodied Carbon Asphalt Requirements do not apply to all procurements and only apply after a contracting officer exercises their discretion to incorporate IRA Section 60503-qualifying asphalt into a procurement contract. Additionally, these IRA LEC Asphalt Requirements do not supersede existing laws such as the Buy American Act of 1933 or the Trade Agreements Act of 1979. Asphalt procured for GSA projects must meet these laws. For IRA Section 60503-funded procurements, existing trade-related laws will be applied first, then GSA's IRA LEC Asphalt Requirements will be applied.

U.S. General Services Administration Inflation Reduction Act Low Embodied Carbon Asphalt Requirements

December 12, 2023

Asphalt

Material Type

- Asphalt concrete is a mixture mainly composed of mineral aggregates, asphalt binder, and additives.
 - Aggregates and asphalt binder are typically heated at an asphalt plant, mixed according to precise formulas, and loaded into trucks for transport to paving sites.

GSA IRA LEC Material Requirements

| GSA IRA Limits for Low Embodied Carbon Asphalt (EPD-Reported GWPs, in kilograms of carbon dioxide equivalent per metric ton - kgCO ₂ e/ t) | | |
|---|---------------|---------------------------|
| Top 20% Limit | Top 40% Limit | Better Than Average Limit |
| 55.4 | 64.8 | 72.6 |

Compliance Documentation

- A product-specific Type III (third-party verified) EPD that: (i) is based on the PCR used to develop these limits: the National Asphalt Paving Association's <u>Product Category Rule for</u> <u>Asphalt Mixtures</u>, (4/2022, version 2.0); and (ii) conforms with ISO 14025 and ISO 21930.
 - Where feasible, EPDs must also rely on facility-specific data, including for the supply chain's associated unit processes, such as asphalt binder production, rather than industry or manufacturer average data. If an EPD containing facility-specific data for the material's most greenhouse-gas intensive processes is unavailable, an EPD without such data that meets Compliance Documentation criteria (i) and (ii) is sufficient.
- There is not currently any <u>ENERGY STAR Energy Performance Indicator</u>, nor any Energy Performance Score reporting requirement or template, for Asphalt mix plants.