

American Institute of Steel Construction

Comments Relative to Content Distributed Following October 30, 2025 Meeting

Morning Session – Covered Building Material Reporting

This document consists of two parts:

- Part 1 are general comments
- Part 2 are answers to the questions posed at the end of the session

PART 1 – GENERAL COMMENTS

CARB is to be congratulated on the exhaustive nature of the reporting requirements that have been developed. The effort expended and the detail provided is both comprehensive and exhaustive. The level of detail provides a clear vision of what will be asked of material producers and allows material producers the ability to provide meaningful feedback to CARB.

The American Institute of Steel Construction (AISC), a not-for-profit technical institute supported by the steel industry, partners with the architecture, engineering, and construction (AEC) community to develop safe and efficient steel specifications and codes while driving innovation to make steel the most sustainable, economic, and resilient structural material. For more than a century, AISC has been a reliable resource for information and advice on the design and construction of domestically fabricated structural steel buildings and bridges. As such, we represent the vast majority of structural steel producers, service centers and fabricators throughout the United States including 122 companies and 6,773 individual members, not including those working at the member companies, throughout California.

Our general comments regarding the proposal for material reporting are:

1. It seems as if the intent of this portion of the overall program is to develop a database of materials and products used in building construction projects through data submitted by producers and manufacturers. That data will include the GWP impacts of their products, the volume of production, product volume in California and the monetary value of those sales.

This process will be difficult to implement and maintain, unnecessarily expensive for both the state and the individual producers and manufacturers, unreliable resulting from the lack of data from foreign imported material and unnecessary.

If the State of California wishes to build such a database it would be far easier to work from the opposite end of the supply chain and collect relevant facility specific EPDs for products and materials used in building projects and build the database from the submitted EPDs. Those products and their sources could be listed in a publicly available database with their submission on future projects waived if the product and source is already listed. Nearly 100% of all domestic structural steel construction products have facility-specific, publicly available EPDs, all conveniently referenced and summarized by AISC at aisc.org/epd.

Such a process relies on currently available EPDs complying with the relevant ISO standards and industry-specific PCRs. For those products without facility-specific EPDs the introductory period will serve as an opportunity to conduct an LCA and publish an EPD or face the risk of their products not being able to be used in the California market.

Direct collection of data from manufacturers and producers by CARB is not necessary.

2. The reporting program fails to recognize the uncertainties surrounding the reported data and requests no qualitative information regarding the results.

Independent of the source of the data (LCAs, EPDs, or regulatory reporting) the determination of GWP is not precise based on variation in background datasets, data collection processes, calculation methodologies and modeling assumptions. These variations should be identified and recognized in the calculation of GWP-100 presented with a stated range of certainty.

It is recommended that all results published be considered with an uncertainty factor of +/- 10% unless determined differently.

3. The empowering legislation specifies the use of Environmental Product Declarations (EPDs). The introduction of two distinct reporting protocols, three if imported material is included, creates confusion and inconsistency in the marketplace – particularly for California based organizations.

EPDs with their results based on a life cycle assessment are the industry standard for the reporting of GWP impacts. To step away, even in part from that accepted approach will bring confusion into the marketplace. The comment is made that not all construction materials have EPDs at this time. That is correct, but to introduce an alternative method

of reporting if only for a few years will reduce the motivation for construction product manufacturers to invest in an LCA and derivative EPD.

During the implementation of Buy Clean California, organizations and product groups objecting to the program on the basis of lacking EPDs were told “then get one.” And what occurred? A significant increase in the number of facility specific EPDs for covered products occurred. As an organization whose members were directly impacted by Buy Clean California, we can testify that that approach worked. This two-headed approach will not result in a growth of available EPDs and therefore be counter-productive.

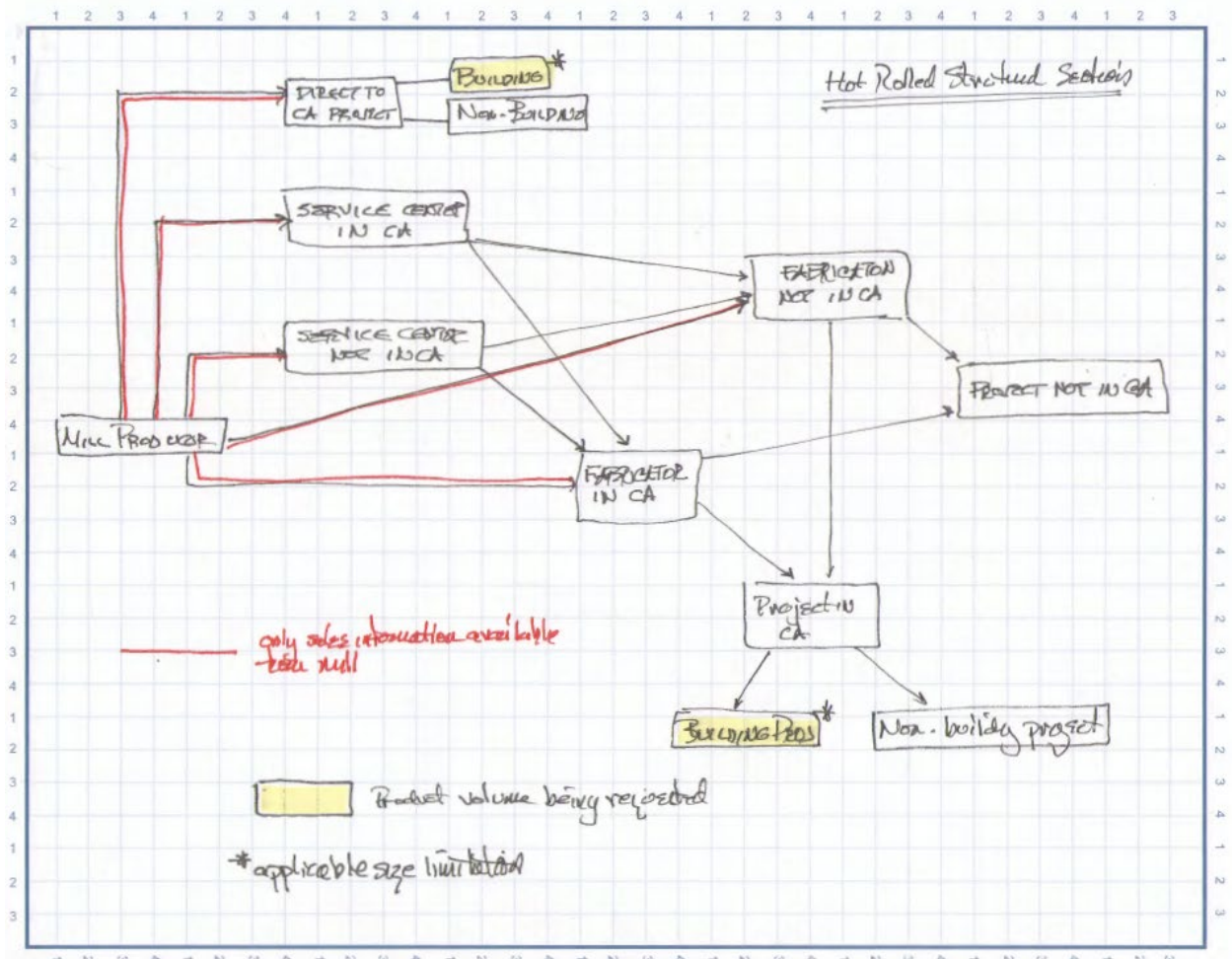
4. Declaration of production quantity and cost data breaches confidentiality standards and provides the opportunity for the disclosure of trade secrets placing reporting firms at a competitive disadvantage.

EPDs were “created” so that product manufacturers could disclose environmental impact information without disclosing company and facility information such as the life inventory data published in a LCA that would compromise trade secrets. By requiring production volumes and cost to be published competitors can back calculate production mixes and energy requirements compromising privileged information.

In addition, not all product manufacturers are public corporations. Unlike public corporations they are not required to publish confidential information including income. This breaches that confidentiality and places non-public corporations at a disadvantage.

5. Tracking a steel product producer’s sales within the State of California for product used in building projects is impossible for both in-state, out-of-state and foreign imported steel products.

The mill producer has no knowledge of the end use of the product and the product volumes involved. In most cases they are 3 steps up the supply chain with no knowledge of the project in which the product will be used.



6. The attempt to define products to be considered based on their use in buildings through the use of NAICS and HS codes is not an appropriate means of identifying building products and will result in significant confusion in the marketplace. The codes listed are very general and include products that would never be used in a building project, i.e. slag. The company codes given do not address many of the manufacturers producing steel construction products. List the products, not the codes.
7. Mandatory reporting of 2026 data is required in 2027Q1, yet the data to be captured and reported has not been finalized and communicated to producers prior to January 1, 2026. If changes are required in tracking product sold in California and the cost of that product those new procedures will not be in place to obtain that data.
8. CARB-Approved EPD requirements are not consistent with the requirements of ISO 21930 and the Product Category Rules applicable to the specific building product. While these items such as the age of primary data, consistency with CARB emissions factors

and upstream data requirements are good ideas they are not required in current PCRs. It is not reasonable to require building product producers to publish EPDs according to a California requirement while also meeting the requirements of the relevant PCR for other jurisdictions.

This is particularly challenging and frustrating for the structural steel industry. Structural steel is one of the construction products included in the California Buy Clean requirements. When the Buy Clean requirements were being developed there were no facility specific EPDs for structural steel products, only industry average EPDs. The structural steel industry moved forward in a cooperative process with the State of California with the understanding that Buy Clean California would probably be the first step in an evolving set of GWP requirements for California projects. As part of that first step it was indicated that the State would be consistent in their future requirements for EPDs. On that basis the structural steel industry invested heavily in the completion of LCAs and development of facility specific and industry average EPDs. The industry did not push back against the Buy Clean requirements but strove to make them work including conducting training programs for our members in California.

Now in the next installment of addressing embodied carbon and GWP in building products and projects new requirements for EPDs are being promulgated that are different than those being used for the Buy Clean program. The steel construction products industry recently (April of 2025) completed and published version 3 of the PCR for steel construction products produced and sold in North America. That PCR is the result of a very expensive two-year effort on the part of the steel industry to revise the relevant PCR guiding the development of EPDs. The committee responsible for the development of the PCR consisted of representatives of the producers, the manufacturers, trade organizations, LCA consultants, users and agencies and invested hundreds of hours working on the PCR. The PCR will be valid until April of 2030.

>>>It must be noted that representatives of the State of California were invited to participate on the PCR committee and did so. Not once during the discussions about crafting the new PCR did those representatives propose the inclusions of these new CARB requirements in the steel construction products PCR.

To comply with the new CARB requirements, it will require reopening the PCR process, remobilizing the committee and revisiting a variety of new requirements. This will be expensive and time-consuming and not necessary.

9. Requiring disaggregation of A1, A2 and A3 is certainly a possibility and many PCRs, including the PCR covering steel products require such disaggregation. However, this requirement raises concerns regarding the use of the disaggregated data and the potential of comparing the discrete A1, A2 and A3 values for one product to that of another product. The basis of A1, A2 and A3 can and does vary significantly by product. For instance, for a hot-rolled steel section A1 is the feedstock material at the mill, A2 the transportation of that material to the mill and A3 the mill production process. Yet for a steel product like a hollow structural section the A1 value in an EPD represents the aggregated A1, A2 and A3 values of the hot-rolled coil used in the manufacture of the product including wastage, A2 the transportation from the hot-rolled sheet mill to the HSS manufacturing facility and A3 the manufacturing of the hollow structural section.

If CARB requires the disaggregation of a2, A2 and A3, CARB must be clear in its use of the data that no comparisons be made on an A1 versus A1, A2 versus A2 or A3 versus A3 basis.

10. The rules for disclosure of RECs should follow the guidelines of ACLCA (2nd version to be released in the near future) which allow the crediting of RECs and other voluntary renewable energy purchase vehicles in the primary results section the EPD along with the reporting without the RECs in the additional environmental information section of the EPD.
11. Any attempt to develop meaningful building GWP thresholds using two or three different methods of collecting primary data from producers will result in the use of different assumptions and inaccurate and meaningless conclusions. This is further highlighted by the lack of the reporting of uncertainties surrounding the data reported to CARB by producers.

PART II REQUESTED FEEDBACK

1. *Are there ways that we could **structure our tools** so that data can be submitted more easily?*

Yes, the basic information you are seeking is already available in EPDs compliant with existing PCRs. Those EPDs are beginning to be published electronically so that they can be scanned by organizations such as CARB. The GWP data you are seeking would be available from the capture of as-built building project data indicating the source of mill or manufactured material eliminating the need for capturing manufacturer data separately.

2. *Are there other **relevant supply chain reporting options** that could streamline product source disclosure to ensure product sourcing and reporter information is accurately disclosed down the supply chain?*

Disclosure requirements are product specific relative to upstream information being used and calculation methodologies that are spelled out in the relevant PCR. The PCR should be followed for individual products as it is only the PCR that reflects the understanding of the industry's nuances.

3. *Is there a **common physical unit** that could be used to track materials through diverse stages of the supply chain?*

For steel products the declared unit is required to be 1 metric ton (1,000 kg) by the PCR.

At the same time it is important that the unit for GWP reporting is consistent between all materials and products. While GWP-20 (20 year greenhouse gas horizon) is gaining favor in tracking operational carbon emissions, GWP-100 (100-year greenhouse gas horizon) remains the standard for embodied, GWP, reporting.

Are there preferred physical units for specific sectors or specific product categories?

These are not for CARB to define but must correspond to the specification of the declared unit in the PCR.

4. *Are there **additional NAICS sectors and product HS headings** that should be included in reporting to accurately cover the materials that are reporting priorities?*

The use of NAICS and HS headings should be eliminated. Is it really the intent of CARB to track iron ore (HS 2601), slag (2618 and 2619), coke (2704), Gasses produced (2705), coal tar (2706), pig iron (7201), ferroalloys (7202)...if they are never installed in a building? A list of covered products is needed, not these generalized categories.

The same is true of the NAICS codes which include manufacturers described broadly as:

3311 - This industry comprises establishments primarily engaged in one or more of the following: (1) direct reduction of iron ore (2) manufacturing pig iron in molten or solid form (3) converting pig iron into steel (4) making steel (5) making steel and manufacturing shapes (e g bar plate rod sheet strip wire) (6) making steel and forming pipe and tube and (7) manufacturing electrometallurgical ferroalloys add critical elements such as silicon and manganese for carbon steel and chromium vanadium tungsten titanium and molybdenum for low and high alloy metals Ferroalloys include iron rich alloys and more pure forms of elements added during the steel manufacturing process that alter or improve the characteristics of the metal

And 3312 – 33121 - This industry comprises establishments primarily engaged in manufacturing welded riveted or seamless pipe and tube from purchased iron or steel; 33122 - This industry comprises establishments primarily engaged in rolling and/or drawing steel shapes such as plate sheet strip rod and bar from purchased steel.

It is interesting to note that the manufacturing of hollow structural shapes does not specifically fall under any of these categories.

5. *Are there specific **concerns about submitting quantity data** from importers? Are these concerns specific to certain products or places of origin?*

The use of the term “importers” is challenging as there are both “domestic importers” and “foreign importers”. As noted above in the general comments, the determination of the volume of structural steel imported from a domestic mill into California is not a possibility. There are simply too many destinations for that material to be able to say that this volume of steel from a given mill entered California for building projects. From a mill material may flow to a service center in California, from that service center it can flow to any number of uses within California or it can flow back out to other states for fabrication and/or installation. Likewise, a mill can ship to a service center in an adjoining state who in turn sells the steel to a fabricator in California who then may fabricate it for a project in California or in another state. The mill may also ship directly to a fabricator with no knowledge if the project is a building or some other use and what state the project is in.

Foreign importation of material is even more complex as it may enter the US through a California port but be headed anywhere in the western US. And that material may already be fabricated for a building project and not flow through a service center or fabricator.

6. *Are there specific **concerns with phasing out Method 2 reporting** for 2030 reported data?*

Method 2 should never be implemented. The end methodology is required to use EPDs, creating an interim work-around will only further delay and complicate the process while generating a dataset whose values are mismatched.

7. *Are there **alternative approaches** that CARB should consider to get data on the quantities of building materials manufactured outside of California and used in California?*

Eliminate the manufacturer reporting except for EPDs compliant with the product's PCR and rely on quantities and sources reported for the as-built project via the existing permitting process.

8. *Are there **alternative annual revenue thresholds** that should be considered for exemption from reporting for manufacturers or for importers? How would these alternative thresholds be defined?*

Revenue thresholds would not be required if quantity reporting came from the as-built project.

9. *How much **time or monetary cost** do you anticipate it will take your organization to complete the reporting requirements as discussed today – for both facility - specific data and for EPDs that meet CARB standards? Do you have additional suggestions for reducing reporting time and/or costs?*

The cost will be significant. To meet CARB requirements will mean revising the relevant PCRs. The steel industry just published version 3 of the PCR that covers steel construction products produced and used in the United States in April of 2025. That PCR has a validity period of 5 years. The cost of development of the PCR including consultant time, PCR committee time and publishing costs significantly exceeded \$100,000. To reopen PCR would result in similar costs.

It should be noted that representatives of the State of California participated in the development of version 3 of the PCR and none of these new requirements were suggested or discussed.

Once a new PCR is published, each individual producer will need to conduct new LCAs and generate new EPDs for their product mix. Considering all steel products under consideration – probably 50 to 100 EPDs annually at a total cost (staff time included) of over \$50,000 each. And this will need to be performed annually to meet the CARB requirement of impact data specific to the period being reported. The cost is significant.

The alternative is to use the EPDs already being published meeting the requirements of the current PCR.

10. *Would your organization do this **reporting in-house**, or would an external entity handle this process?*

As a trade association we only conduct LCAs and publish EPDs for industry-average impacts. An external consultant handles this task but a significant amount of staff time is involved in data collection and review.

11. Does your organization ***already report similar or related data*** for other purposes not discussed today that CARB could build upon or use to meet reporting requirements?

Yes, LCAs and EPDs compliant with the current version of steel construction products PCR.