

Sustainable Public Procurement in the United States

The SPP & EL Landscape in the USA *From the Federal to the Local Level*

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Agenda

1. Overview of SPP in the US at the Federal Level

- A brief overview of the legal context & current SPP activities

2. Activities at the State and Local Government Level

- Cooperative purchasing and other highlights, case studies

3. Collaborative SPP Work in the United States

- The role of organizations such as the SPLC & RPN

4. An Overview of Ecolabelling Practices

- How ecolabels are being developed and used

5. A Changing Landscape: Impact of a New Administration

- Predicting the effects of a changed US Federal Government

Section 1

SPP IN THE US AT THE FEDERAL LEVEL

US Federal Government

- Nation's largest consumer of energy
- 360,000 buildings
- 650,000 fleet vehicles
- Over \$425 Billion (USD) supply chain



Legal Framework for SPP

1993 Executive Order, “Federal Acquisition, Recycling and Waste Prevention.”

- Established the EPA’s Environmentally Preferable Purchasing (EPP) Program
- EPP activities include:
 - development of product and service standards,
 - creating procurement guidance,
 - developing model contract language, and
 - developing tools to help buyers assess products & services

Legal Framework for SPP

October 2009 Executive Order, “Federal Leadership In Environmental, Energy, and Economic Performance”

- Expanded on EPP program
- Required federal bodies to explore the feasibility of:
 - requiring vendors and contractors to report greenhouse gas emissions
 - using Federal Government purchasing preferences for products manufactured using processes that minimize greenhouse gas emissions

Legal Framework for SPP

February 2015 Executive Order, “Planning for Federal Sustainability in the Next Decade”

- Further expanded on existing EPP Program
- Required Federal Agencies “where life-cycle cost-effective” to:
 - Purchase renewable energy (or renewable energy credits);
 - Adopt preference for designated recycled content products, energy- and water-efficient products, less toxic chemicals and materials;
 - Referenced several ecolabels or standards: ENERGY STAR, BioPreferred, WaterSense, Safer Choice, SmartWay, etc.

Federal Government Goals

Purchasing is being leveraged to achieve 2015 goals:

- 25% of total federal energy (electric and thermal) consumption is from clean energy sources by 2025;
- Reduce energy use in Federal buildings by 2.5% per year between 2015 and 2025;
- Reduce per-mile GHG emissions from Federal fleets by 30% from 2014 levels by 2025;
- Increase the percentage of zero emission and plug in hybrid vehicles in Federal fleets;
- Reduce water intensity in Federal buildings by 2% per year through 2025.

SPP Implementation

2015: GSA-DOE Verification Guide for Federal Purchasers of Sustainable Products

- Intended for purchasers
- Outlines pre-award and post-award procurement actions for verifying contractor compliance with sustainability requirements specified in contracts

GSA-DOE Verification Guide for Federal Purchasers of Sustainable Products

Developed by U.S. General Services Administration and U.S. Department of Energy

I. Overview

This guide is intended for all Federal agencies (particularly procurement officials, requirement officials/specifiers, and other staff who affect acquisition decisions) to help verify contractor compliance with sustainability requirements specified in contracts. Both pre-award procurement actions and post-award procurement actions for verifying compliance are outlined in this guide. This document is not designed to provide guidance on determining which sustainable requirements must be included in the contract. For more information on determining what sustainable requirements are applicable for your procurement, visit the Green Procurement Compilation (<https://sftool.gov/greenprocurement> - on the Sustainable Facilities Tool website).

II. Pre-Award Procurement Actions

Product Information: In addition to ensuring all applicable sustainable requirements are specified in the contract, ensure language is included in procurements requiring a contractor to submit product documentation verifying compliance with the contract's sustainable requirements. Some of the federal sustainability standards (see Vendor Compliance Determination Resources Section below) require the product to be third party certified and provide a database showing compliant products. As a general guideline, give preference for products with detailed information regarding their sustainable attributes (for example, environmental product declaration, multi-attribute sustainability label) or products providing independent verification of sustainable attributes. Preferable is third-party certified product documentation, but the manufacturer can also document which sustainability requirements the product meets. While material safety data sheets (MSDS) may contain information regarding sustainable attributes, these documents are usually not designed to capture specific sustainability requirements. Product documentation verifying compliance with sustainable requirements need only be required once from the contractor for new products submitted on the contract.

Waste Management Reports: If waste management is included in the statement of work (for example, janitorial contracts, construction or demolition contracts), ensure language is included requiring documentation showing compliance with all waste diversion requirements (for example, management hauling receipt, certificate of recycling). Consider requiring third party certified construction or demolition waste recyclers. Required waste management documentation should be identified in the contract, so contractors understand the documentation they will need to show waste management compliance. For accurate waste diversion measurement, require the waste hauler to provide weights (and not volumes) of materials disposed and recycled. See the Sample Janitorial Services Contract on the Green Procurement Compilation for sample statement of work language (<https://sftool.gov/greenprocurement/green-services/7/janitorial-services>).

SPP Implementation

Federal Supplier GHG Management Scorecard

- Discloses emissions / has a current GHG goal or target / discloses climate risk
- Commitment to disclose emissions / set a target in 2016
- No disclosure / no target
- ★ Change from 2015 Scorecard

Company	Total USG Contracts FY 2015	Discloses Emissions	Emissions Target(s)	Discloses Climate Risk
Lockheed Martin	\$ 36,259,911,071	●	●	●
Boeing	\$ 16,646,781,380	●	●	●
General Dynamics	\$ 13,632,984,914	●	●	●
Raytheon	\$ 13,114,246,705	●	●	●
Northrop Grumman	\$ 10,637,246,771	●	●	●
McKesson Corporation	\$ 8,358,491,281	●	●	●
United Technologies Corporation	\$ 6,792,039,706	●	●	●
L-3 Communications	\$ 5,450,824,010	●	●	●
Bechtel	\$ 4,645,069,050	●	● ★	●

SPP Implementation

2016: Green Check Program

- In Acquisition Gateway (one-stop purchasing portal)
- Used by 10,000 Federal employees
- Green ✓ displayed next to sustainable contracts
- Starting with IT Hardware, adding other categories
- Eligible contracts identified by a cross-agency team
 - Reviewed all contracts in the category

Challenges

Compliance

- Example: Solicitation Review of FY15 Energy efficient product procurement (EEPP) contracts
 - Identified 765 solicitations with enough information available to evaluate compliance
 - Find legal compliance rates below 50% and effective compliance of only 39%

“more than half the time, federal agencies do not specify a compliant efficiency requirement and are unlikely to receive an efficient product”



Building Technologies and Urban Systems Division

Federal SPP at Work

Case Study: Federal Aggregated Solar Procurement Pilot

What: The Federal Government's first-ever joint solar power procurement contract was awarded in California & Nevada to SolarCity Corporation in 2015.

Expected Results:

- reduce GHG emissions by ~ 40,000 metric tons of CO₂
 - Equivalent to taking 8,400 cars off the road for one year!
- Save the government \$5 million in energy costs



Federal SPP at Work

Case Study: White House Capital Solar Challenge



Source: GSA Blog

What: GSA awarded contract to construct & operate solar energy systems on rooftops of 18 buildings housing federal and quasi federal agencies in Washington, DC

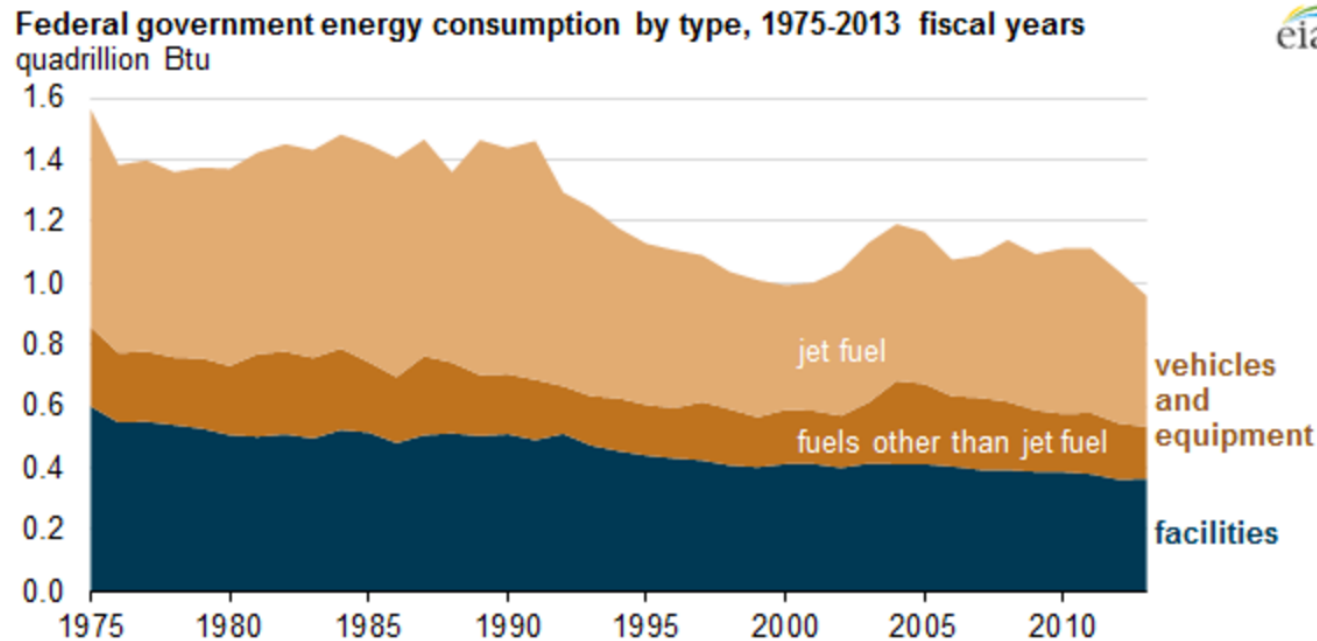
Expected Results:

- Reduce CO₂ emissions by 2400 metric tons annually
- Save agencies \$5 million in utility costs over the contract term

Results

FEBRUARY 4, 2015

Energy consumption by U.S. government at lowest level since at least 1975



Source: U.S. Department of Energy, [Federal Energy Management Program](#)

Note: Energy usage includes both civilian and military agencies.

Not purchasing-specific reductions, but SPP is certainly contributing to this

Section 2

ACTIVITIES AT THE STATE & LOCAL GOVERNMENT LEVEL

Some Leading Players

- City of Portland, Oregon
- City of Washington, District of Columbia
- King County, Washington
- City of San Francisco, California



Online Guidance for Staff

- San Francisco's Precautionary Purchasing Ordinance requires that City staff buy *only* green products
- Online Guide helps City staff to:
 - Choose required green products
 - Improve green purchasing
 - Review the City's green purchasing legislation
 - Access reports on City green purchasing

Choose:

☒ Required

Consider:

☒ Suggested

Avoid:

 Limited

Never Choose:

 Prohibited




SF APPROVED

Use less, buy the right thing

Sustainable Product Specifications


Libraries of pre-created specifications



Department of Executive Services
Finance and Business Operations Division
Procurement and Payables Section
Strategic Partnerships and Analytics
Environmental Purchasing Program
www.kingcounty.gov/procurement/green
206-263-9294 TTY Relay: 711

Recycled Asphalt

- ▶ INTRODUCTION
- ▶ REGULATIONS
- ▶ USAGE HISTORY AND EXPERIENCE
- ▶ BID AND CONTRACT SPECIFICATIONS
- ▶ FOR MORE INFORMATION
- ▶ VENDOR INFORMATION




INTRODUCTION

Recycled Asphalt Pavement, or RAP, is commonly used as a component of new asphalt. Washington State Department of Transportation (WSDOT) allows the use of up to 20% RAP in new pavement.


Asphalt shingles can be processed into a ground product and used for road applications such as hot mix asphalt (HMA) pavement and cold patch. In King County, the Solid Waste Division estimates that 40,000 tons of asphalt shingle waste is disposed each year. While some shingles are being recycled, local end markets for the material are not well established. HMA paving is considered the highest and best end

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of Contracting and Procurement



ENVIRONMENTAL SPECIFICATION GUIDANCE FOR CLEANING SUPPLIES

The District of Columbia is committed to procuring quality goods and services in a timely manner and reasonable cost that support the District in meeting its sustainability goals. Compliance with specification guidance is sufficient to meet PPRA Section 1101(a) environmentally preferable procurement requirements. To access solicitation documents with full contract language, click [here](#).



Scope

This specification addresses four categories of products: A) general purpose cleaning products, B) disinfectants and sanitizers, C) specialty cleaning products, and D) miscellaneous janitorial supplies.

Specification Language

1. Cleaning, disinfecting, and sanitizing products shall include a Material Safety Data Sheet (MSDS) and product label with a list of ingredients and instructions for proper handling.
2. The product manufacturer or contractor shall offer training on the proper use of cleaning, disinfecting, and sanitizing products upon request.
3. Cleaning, disinfecting, and sanitizing products shall be ordered in concentrated form, wherever practical. Concentrated cleaning products shall be packaged and designed to be used in a closed dilution control system that limits worker exposure to chemical concen-

Measurement & Reporting

2013 Annual Report of King County's
**Climate Change, Energy,
Green Building and
Environmental Purchasing
Programs**

- saved >\$200,000 over 3 years by purchasing copiers that can easily email documents & make 2-sided copies
- cut copy paper usage by 20%

Publish Success Stories

- In 2002, the Portland Bureau of Transportation (PBOT) began replacing the city's 7,100 single-space parking meters with multi-space, solar-powered SmartMeters; the city now has 1,330 SmartMeters
- Higher up-front cost but positive returns:
 - Decreased maintenance costs
 - Increased revenue: FY12-13 revenue 87% higher than FY02
 - Fewer machines: 1 machine serves a whole block (vs. 1/ spot)
 - Batteries are rechargeable and last 5-7 years (vs. replaced annually)



SmartMeters use solar panels specially designed to work in cloudy, rainy climates.

Cooperative Purchasing

- Western States Contracting Alliance (WSCA)
 - A branch of National Association of State Procurement Officials (NASPO)
 - Comprised of the 15 western state NASPO purchasing directors
 - Established to create the means by which participating states may join together in cooperative multi-State contracting
 - Includes sustainable contracts



Cooperative Purchasing

WSCA-NASPO Office Supplies Contract

- Facilitated by RPN
- Included a variety of environmental considerations
 - Recycled content
 - Low or non-toxic
 - Rechargeable, refillable, reusable
 - Low VOC
 - References several standards (e.g. RoHS, USDA Biobased...)
 - Contractors must supply verification upon request



Green Office Supplies Contract

Ultimately created a Green Bid Sheet

A	B	C	D	E	F
ITEM LETTER	GENERAL PRODUCT DESCRIPTION [Environmental Specification]	UOM	SAMPLE PART #	SAMPLE BRAND	ESTIMATED ANNUAL USAGE
A-EPP	Copy Paper, White, 8.5" x 11", 20 lb., 92 Brightness, 500 Sheets/REAM [Minimum 30% Post-Consumer Recycled Content (PCRC)]	REAM	054901	Boise (Aspen)	156,386
B-EPP	Copy Paper, White, 8.5" x 11", 20 lb., 92 Brightness, 500 Sheets/REAM [Minimum 100% Post-Consumer Recycled Content (PCRC) AND FSC-Certified]	REAM	054922	Boise (Aspen)	46,302
C-EPP	Copy Paper, White, 8.5" x 11", 20 lb., 92 Brightness, 5000 Sheets/CARTON [Minimum 30% Post-Consumer Recycled Content (PCRC)]	CARTON	054901	Boise (Aspen)	60,205
D-EPP	Copy Paper, White, 8.5" x 11", 20 lb., 92 Brightness, 5000 Sheets/CARTON [Minimum 100% Post-Consumer Recycled Content (PCRC) AND FSC-Certified]	CARTON	054922	Boise (Aspen)	13,193
E-EPP	Copy Paper, White, 11" x 17", 20 lb., 92 Brightness, 20 lb., 2500 Sheets/CARTON [Minimum 30% Post-Consumer Recycled Content (PCRC)]	CARTON	054907	Boise (Aspen)	993
F-EPP	Copy Paper, White, 8.5" x 11", 20 lb., 92 Brightness, 200,000 Sheets/PALLET [Minimum 30% Post-Consumer Recycled Content (PCRC)]	PALLET	054901	Boise (Aspen)	287
G-EPP	Copy Paper, White, 8.5" x 11", 20 lb., 92 Brightness, 200,000 Sheets/PALLET [Minimum 100% Post-Consumer Recycled Content (PCRC) AND FSC-Certified]	PALLET	054922	Boise (Aspen)	37
H-EPP	Copy Paper, White, 11" x 17", 20 lb., 92 Brightness, 100,000 Sheets/PALLET [Minimum 30% Post-Consumer Recycled Content (PCRC)]	PALLET	054907	Boise (Aspen)	19
<div> <div> RISI Paper-EPP Toner Vendor Specific Catalog Wholesaler Catalog Market Basket </div> <div> RISI INDEXED PAPER EVAL </div> </div>					

Section 3

COLLABORATIVE SPP WORK IN THE UNITED STATES

Sustainable Purchasing Leadership Council



Mission

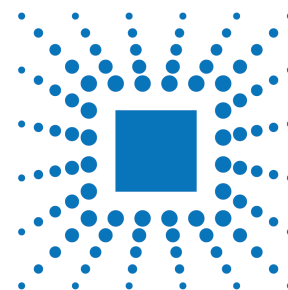
To support and recognize institutions for strategic leadership in understanding and taking responsibility for all of the consequences of all of their goods and services spending.

Sustainable Purchasing Leadership Council



We are collaborating to
launch a multi-sector program
for guiding, measuring, and
recognizing leadership in sustainable
purchasing.

The SPLC Approach



**SUSTAINABLE
PURCHASING
LEADERSHIP
COUNCIL**

1

ANALYZE

Identify impacts within spending.
Prioritize categories for action.

2

ACTION PLAN

Identify and select proven strategies for
mitigating impacts while delivering value.

3

IMPLEMENT

Set goals, timelines and policies.
Train staff and engage suppliers.

4

MEASURE

Track and benchmark performance.
Evaluate for continuous improvement.

5

EARN

leadership
recognition.



SPLC Principles for Leadership



Principles for Leadership in Sustainable Purchasing



Version 1.0
Adopted April 2014

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SPLC Principles for Leadership

Principles for Leadership in Sustainable Purchasing

An organization⁹ demonstrates leadership in sustainable purchasing through:¹⁰



Understanding. Understanding the relevant¹¹ environmental, social, and economic (ESE) impacts of its purchasing.



Commitment. Taking responsibility for the relevant environmental, social, and economic (ESE) impacts of its purchasing by committing to an action plan.



Results. Delivering on its commitment to improve the relevant environmental, social, and economic (ESE) impacts of its purchasing.



Innovation. Actively promoting internal and external innovation that advances a positive future.



Transparency. Soliciting and disclosing information that supports a marketplace of innovation.

These criteria outline a framework for specific actions. The SPLC recognizes that timelines for achievement will vary across criteria and market sectors based on the availability of: tools and resources to implement representative actions; products and services that effectively improve the relevant ESE impacts of an organization's purchasing; and practical tools and resources to measure that improvement.



SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

Principles for Leadership in Sustainable Purchasing v1.0
© 2014 Sustainable Purchasing Leadership Council

5

Responsible Purchasing Network (RPN)



International Network

- State and local governments
- Federal agencies
- Colleges and universities
- School districts
- Businesses
- Nonprofit organizations
- Faith-based organizations

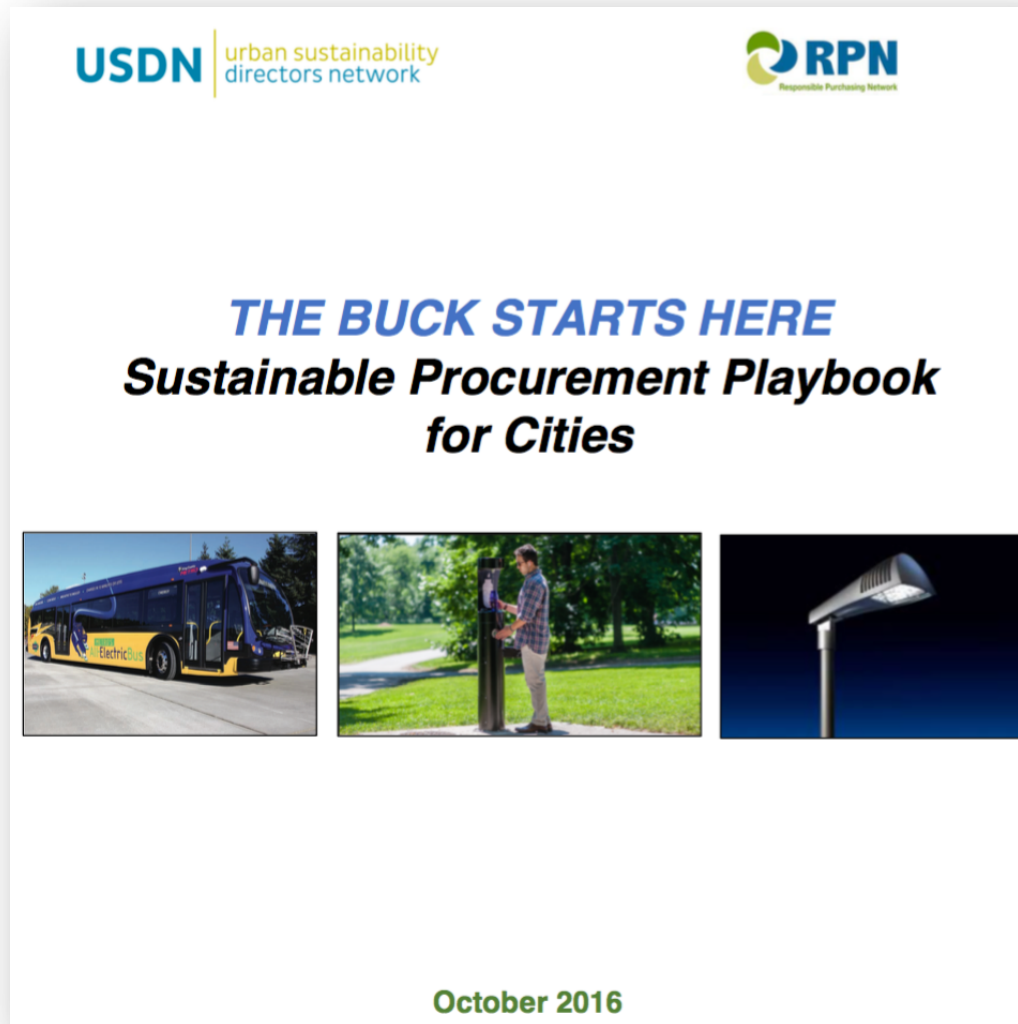


Responsible Purchasing Network (RPN)



- Assist in the design and implementation of Sustainable Purchasing Program
- Develop fact sheets and resource materials
- Assist in developing environmental bid specifications for upcoming solicitations
- Cooperative purchasing activities

RPN – USDN SPP Playbook



RPN – USDN SPP Playbook

Chapters Address Steps to Practice Effective SPP

- Making the Business Case for Sustainable Procurement
- Developing a Sustainable Procurement Policy
- Designing a Sustainable Procurement Program
- Setting Sustainable Procurement Priorities
- Creating Contracts for Sustainable Goods and Services
- Tracking and Reporting Sustainable Procurement Results
- Specific Chapters on Electronics; Vehicles and Fleet Maintenance Products; Green Building Supplies

Section 4

AN OVERVIEW OF ECOLABELLING PRACTICES

Many Ecolabels



Example: UL Sustainability

Portfolio of standards includes:

- GREENGUARD: chemical emissions requirements
- ECOLOGO: multi-attribute, life cycle-based sustainability standards
- single-attribute green claims validations
- waste to landfill validation
- Environmental Product Declarations
- organizational sustainability certifications



UL Standards Development

- Standards created through a “collaborative process that takes a holistic approach”
- Standards Technical Panels (STPs)
 - balanced cross-section of stakeholders affected by a product's manufacture, sale and use
 - “help in the development and review of UL's Standards for Sustainability”
- Process has been approved by the American National Standards Institute (ANSI)



Section 5

POTENTIAL IMPACT OF A NEW FEDERAL ADMINISTRATION

Impact on SPP & EL?



Source: Slate.com

Not All Bad News

- We don't know what Trump Administration will do
 - Has not consistently followed a Republican direction
- Much work being done at State/Local level
 - Operates quite independently of Federal
- Collaborative organizations – continued commitment
 - Work will continue at grassroots
- Business case may already be proven
 - No incentive to deviate if this is the case

Comments & Questions?



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