



April 14, 2025

Rajinder Sahota
Deputy Executive Officer for Climate Change and Research
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: *Reporting and Baseline Options for Building Embodied Carbon*, Workshop #2,
March 13, 2025

Dear Deputy Executive Officer Sahota:

The American Wood Council (AWC) appreciates the opportunity to provide comments on concepts presented during the California Air Resources Board's (CARB) *Reporting and Baselines Options for Building Embodied Carbon* workshop.

AWC represents 86 percent of the structural wood products industry and the almost 465,000 men and women working family-wage jobs in mills across the country. From dimension lumber to engineered wood products, we champion the development of data, technology, and standards to ensure the best use of wood products and recognition of their unique sustainability and carbon-reduction benefits. We are leaders in providing education to the design, code and fire official communities who view AWC as a trusted and credible resource.

As the industry expert on the embodied carbon of structural wood products, AWC has made significant investments in collecting domestic embodied carbon data for wood products, which we in turn publicly report through industry-wide Environmental Product Declarations (EPDs). AWC manages numerous industry-wide EPDs for structural wood products that are available to the public on our website.

AWC commends California's recognition of the built environment as a significant source of embodied carbon emissions. As our data shows, structural wood products made in North America are a right-now solution to reducing embodied carbon in the built environment.

In recognition of the built environment's impact on Global Warming Potential (GWP), AWC has historically supported California's work on reducing emissions from the built environment and was vocally supportive of AB 2446. We viewed it as a "common-sense solution that seeks to continue to make progress across sectors to



reach our carbon emission goals while creating a positive impact on local communities, and the housing crisis through a sustainable approach.”

Overarching Concerns with the Proposed Regulation

AWC is concerned with the manufacturer reporting requirements as proposed by CARB during the March workshop, which have the potential to create significant unintended consequences by creating onerous and costly burdens for the wood products industry. Unfortunately, we believe the proposed reporting requirements are:

1. outside of the scope of the statute,
2. infeasible and costly for manufacturers to comply with, and
3. exacerbate the affordability crisis by increasing costs on building materials.

We would appreciate the opportunity to work with your team on the following concerns within the proposed reporting requirements. A non-exhaustive list of concerns follows below.

Proposed Requirements are Outside of the Scope of the Statute, Leading to Misalignment with Internationally Accepted Practices

Per statute, by December 31, 2026, CARB is tasked with developing a framework for measuring the average carbon intensity of materials used in the construction of new buildings. Plain language in the statute directs CARB to establish its baselines based on *industry-wide EPDs*.

"The baseline for the 40-percent net reduction shall be established based on an industry average of environmental product declarations reported for the 2026 calendar year, or the most relevant, up-to-date data that is available, as determined by the state board." (HSC §38561.3 (b))

Statutory language in Subsection (c)(2) also directs manufacturers of building materials to submit EPDs, as part of the reporting framework established under this Section.

*"A requirement for the submission by the manufacturer of a building material of an Environmental Product Declaration, Type III, as defined by the International Organization for Standardization (ISO) Standard 14025, or similarly robust material life-cycle assessment approaches that have **uniform***



standards in data collection consistent with ISO Standard 14025, industry acceptance, and integrity for construction materials used for the building.”(HSC §38561.3 (c)(2))

An example of a proposed requirement that is outside of the scope of alignment with ISO standards is the requirement for manufacturers to use CARB-approved default emissions consistent with California’s Mandatory Reporting Requirement or the Greenhouse Gas Protocol. As written, the statute is reliant upon ISO, and as such, CARB should align with the embodied carbon expressed in EPDs as GWP100.

Compliance with Proposed Requirements Will Be Infeasible and Costly

With proposed requirements being outside the norms of internationally accepted practices, this leads to significant concerns that the regulation will be infeasible and costly to comply with. The Health and Safety Code statute that guides CARB’s framework does not contemplate the need for primary and background data less than two years old at such a disaggregated scale, nor does it require the level of detail in facility-specific EPDs as laid out by the CARB presentation. There is no basis for requiring revenue data in statute, and it is unclear what would happen with this data. Quarterly reporting is an unrealistic and unnecessary framework for building materials manufacturers to submit data to CARB. This quarterly submission schedule will be overburdensome for both materials manufacturers and administrators of the program.

Requiring both granular, facility-specific production data and revenue information presents significant anticompetitive and antitrust risks. The information CARB is interested in collecting is generally considered confidential business information and protected from such reporting disclosures. Manufacturers will likely not be willing, due to antitrust concerns, to disclose this information. Revenue is immaterial to the intent of the statute, and we strongly encourage CARB to focus this regulation on projects.

Exacerbates the Affordability Crisis

The proposed regulations, while focused on manufacturers and project teams, will lead to unintended consequences that will have real negative impacts on Californian families attempting to participate in the home marketplace. The previously described reporting requirements will add significant costs to manufacturers of all sizes, which will directly increase material costs. This will lead to higher costs of construction, working against other initiatives in the state to improve affordability and increase housing stock.



AWC appreciates the opportunity to provide comments on CARB's *Reporting and Baseline Options for Building Embodied Carbon* workshop. We would be happy to meet with the Building Embodied Carbon Analysis Section to provide further details regarding our concerns in efforts to shape this regulation.

AWC is supportive of the intent to reduce the emissions of the built environment and looks forward to engaging with CARB and other stakeholders in this rulemaking process to ensure reporting requirements are feasible and supportive of the goals of the State. If you have further questions, please do not hesitate to reach out. We thank you for your time and consideration of our comments.

Sincerely,

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CC: Building Embodied Carbon Analysis Section, California Air Resources Board

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