



NATIONAL STONE, SAND  
& GRAVEL ASSOCIATION

February 13, 2023

Ms. Jennifer Hawes  
Procurement Analyst  
Regulatory Secretariat Division  
General Services Administration  
1800 F Street NW  
Washington, DC 20405

RE: FAR Case 2021-015, Docket No. FAR-2021-0015; Federal Acquisition Regulation:  
Disclosure of Greenhouse Gas Emissions and Climate-Related Financial Risk

Dear Ms. Hawes:

The National Sand, Stone and Gravel Association (“NSSGA”) appreciates the opportunity to provide this comment letter on the proposed revision of the Federal Acquisition Rules (FAR) to implement section 5(b)(i) of Executive Order (E.O.) 14030, Climate-Related Financial Risk, to require major Federal suppliers to publicly disclose greenhouse gas (GHG) emissions and climate-related financial risk and to set science-based reduction targets.

NSSGA represents aggregates producers, as well as those who manufacture equipment and provide services that support the construction industry. Our members are essential to the work that keeps this country moving, and we represent more than 90 percent of the crushed stone and 70 percent of the sand and gravel produced annually in the United States. Our members employ more than 100,000 hard-working people who are responsible for the essential raw materials found in every home, building, road, port, dam and public works project.

DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement a requirement to ensure certain Federal contractors disclose their greenhouse gas emissions and climate-related financial risk and set science-based targets to reduce their greenhouse gas emissions.

NSSGA members are doing their part to voluntarily report emissions and work daily to improve environmental stewardship. Even though the aggregates sector consistently generates the lowest greenhouse gas emissions footprint among construction materials sectors, NSSGA members are committed to doing their part to address and reverse emissions trends to reduce the potential impacts of climate change worldwide. Importantly, aggregates are an essential component as we design and build our cities, waterways, airports, ports, and other critical infrastructure to be durable and resilient in addressing future changes in the climate.



The NSSGA comments respond to the following questions posed in the preamble:

1. The necessity of this collection of information for the proper performance of the functions of Federal Government acquisitions, including whether the information will have practical utility.

In section II of the preamble the applicability of the FAR amendment for “major Federal suppliers” is divided into two categories: “significant contractors” and “major Contractors”. Both significant and major contractors would be subject to annual Scope 1 and Scope 2 GHG emissions disclosure requirements contained in section II.B.1. of the preamble. Major contractors would be subject to an additional annual climate disclosure of Scope 3 GHG emissions and science-based target requirements discussed in sections II.B.2. and II.B.3. of this preamble.

Concerning Scope 3 GHG emissions, we recognize that the FAR revision proposes only to require this disclosure for “major contractors.” However, even with that targeted applicability, mandating Scope 3 GHG emissions disclosure is simply not appropriate or logically feasible at this time. Specifically, NSSGA members cannot accurately or completely collect all relevant data given their complicated supply chains. Our members cannot control how their products are used, and we cannot create a useful model to collect this data. Perhaps in the future, technologies will develop in a manner that allows for accurate data tracking, which would allow for complete reporting, but that is unfortunately not currently realistic.

We also point out that GSA is authorized under current law to procure products and services required by Federal agencies and is governed by the FAR to ensure the best value and at the lowest cost. The proposal would require SCOPE 1, 2, and for major contractors, scope 3 emissions across their entire business. The enlargement of the Scope 1, 2, and 3 emissions analysis beyond the specific product or service, to the entire entity providing a bid for the product or service is illogical and will produce distorted data that will not reflect the actual, specific procured product or service’s emissions. GSA’s proposal appears intended to produce emissions data from entities’ entire operations, which is not within GSA’s mandate to demand and provides no useful information on products or services being procured.

2. The accuracy of the estimate of the burden of this information collection.

We expect the burden on entities to collect Scope 1, 2 and 3 emissions data, particularly the Scope 3 data, to be more burdensome than GSA suggests. We also expect the burden to be higher on small businesses, given their smaller economic scale and capacity to gather the data required. We believe the small business exemption from the requirements for “significant contractors” should be amended to exclude a larger number of small businesses from these requirements.



3. Ways to enhance the quality, utility, and clarity of the information to be collected.

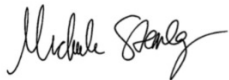
The GSA's interest in disclosure of GHGs and associated climate-related risk would be improved if it relied on Environmental Product Disclosures (EPD) for construction materials under construction contracts. Requiring EPDs for construction materials, in the case of EPDs for the products and materials GSA actually procures, would provide Scope 1 and 2 disclosures actually related to the GSA's supply chain. Environmental Product Disclosures are produced using international standards and include product category rules that are industry specific. These Industry-specific rules apply standardized methodologies and rules within a product category for emissions calculations which allow for genuine emissions comparison across a particular product category. In addition, EPDs are more reliable because they are independently verified.

The GSA is relying on EPDs, instead of a vendors' enterprise-wide Scope 1, 2, and 3 emissions, in its draft "Low embodied Carbon Material Standard". Executive Order 14057, which authorized the "Federal Buy Clean Initiative," relies on EPDs, as does the Federal Highway Administration's "Every Day Counts" initiative.

Our industry is working diligently with the agencies and departments implementing these reduced carbon and emissions initiatives, all of which incorporate EPDs. The GSA's departure from the mainstream of GHG disclosure efforts relying on EPDs will inhibit progress toward accurate, verifiable GHG disclosures by introducing a new, scientifically questionable approach to GHG disclosures.

We urge GSA to abandon its proposed approach and redraft its disclosure rules to rely on EPDs for the specific product and construction materials being procured.

Respectfully,



Michele Stanley  
Vice President, Government & Regulatory Affairs  
National Stone Sand and Gravel Association

