Carbon Power from Research or Mythology:

Life Cycle Analysis of the Forest Products Industry – No Longer an Option

SWST Annual Meeting, Boise, June 23, 2009

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> *and* President CORRIM

Consortium for Research on Renewable Industrial Materials



A non-profit research corporation formed by 15 research institutions to develop life cycle environmental measures for all wood-use stages of processing (from cradle to grave)

Is carbon the change agent of the century?

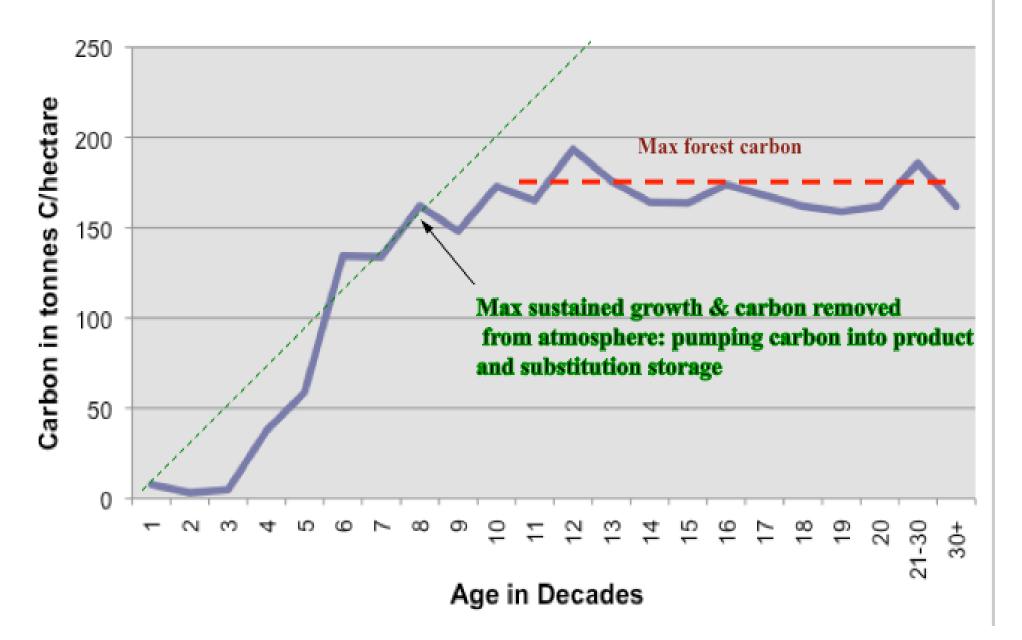
- Carbon is the sustainability metric of our time characterized more by myth than fact.
- Understanding carbon will be critical to effective mitigation policy
- Carbon is not a toxin you can bottle and hide
 -every living thing and every manufacturing process modifies carbon
 - -there are millions of linked carbon pools ²

The CORRIM Research Based Carbon Story

Carbon Sequestration 'in, or by using' Forests?

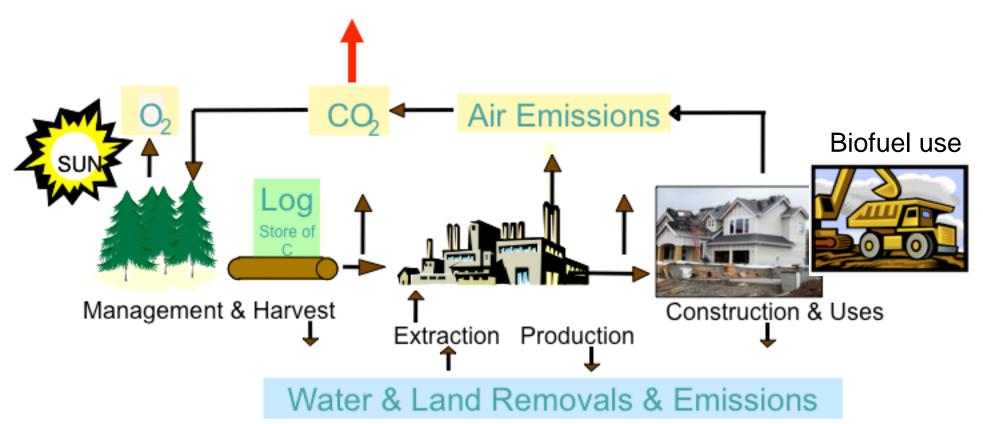
- Options: store carbon in the forest or sustainably pump it into buildings and substitutes for fossil intensive materials
- What we know
- What we don't know
- What's not working

Carbon in USFS Western Washington Standing Inventory by Age



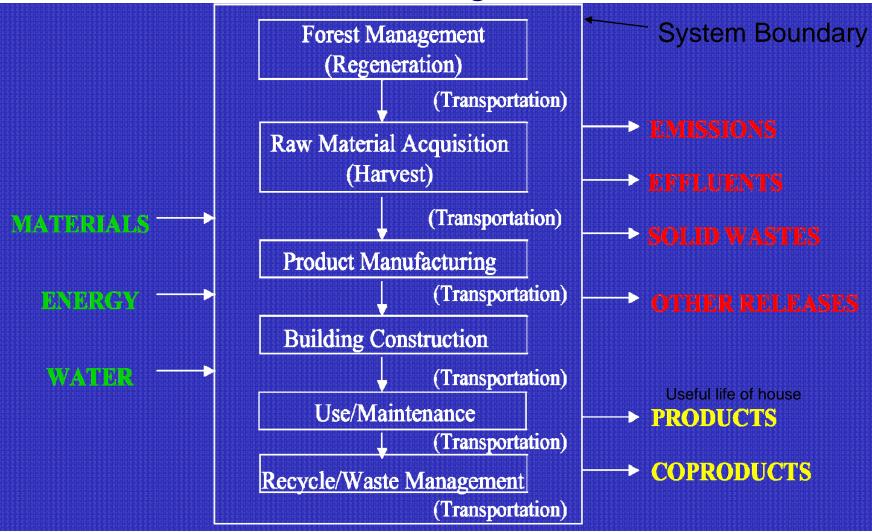
Life Cycle Inventories & Assessment of Products & Buildings & Biofuels

measures of all the inputs and outputs for every stage of processing



Life Cycle Inventory Analysis

'cradle to grave"



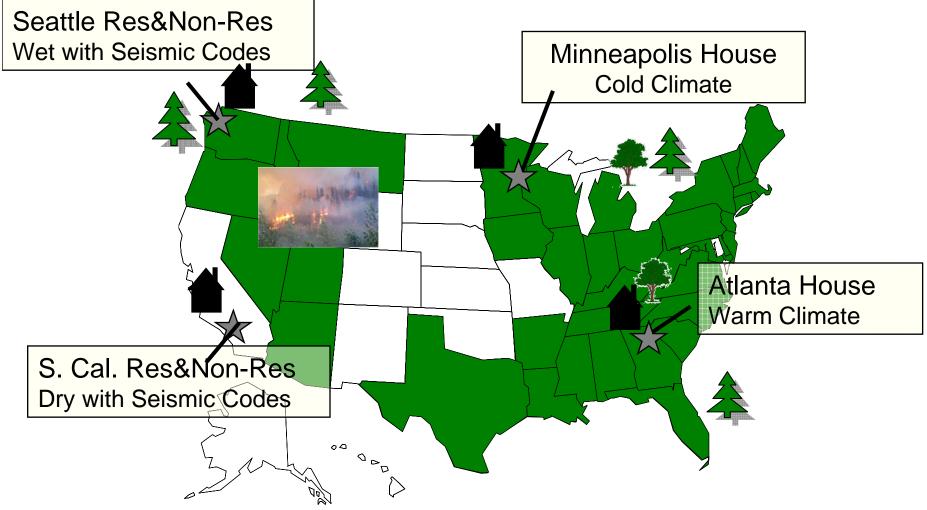
LCI/LCA is the accepted method

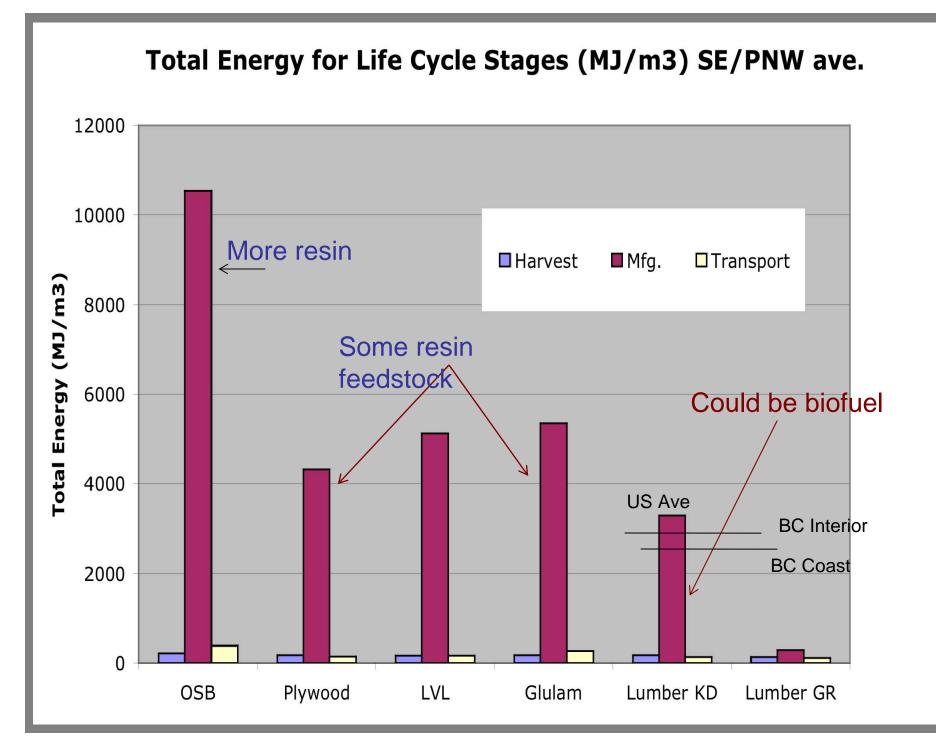
- US EISA 2007 sets GHG thresholds for biofuels requiring LCA – a Congressional mandate
 - Congress's \$.51/gal ethanol tax credit
 - Takes 5 gal corn-ethanol to displace CO2 of 1 gal gasoline

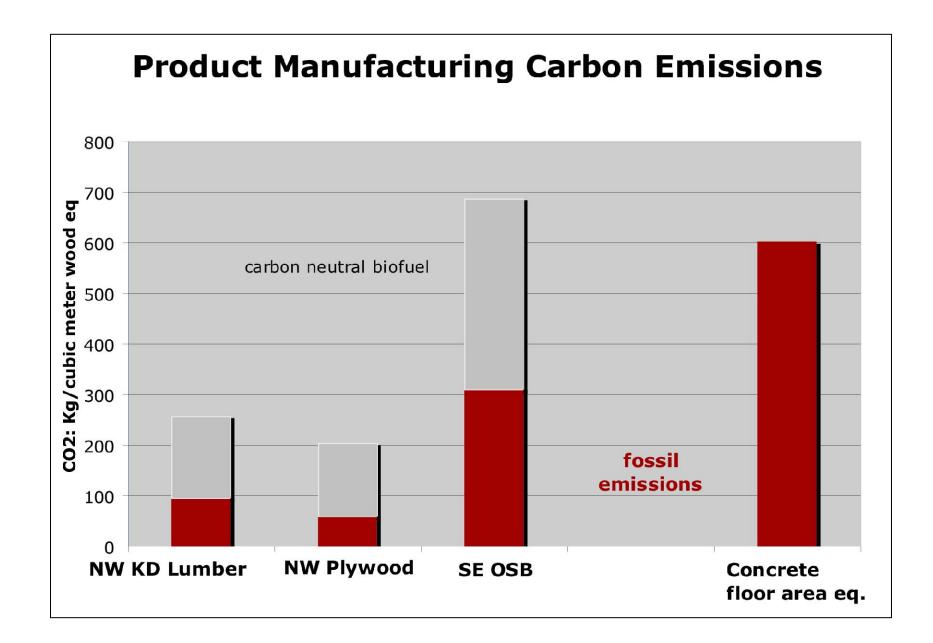
\$2.60/19lbs CO2 or \$295/mtCO2 (metric-ton)

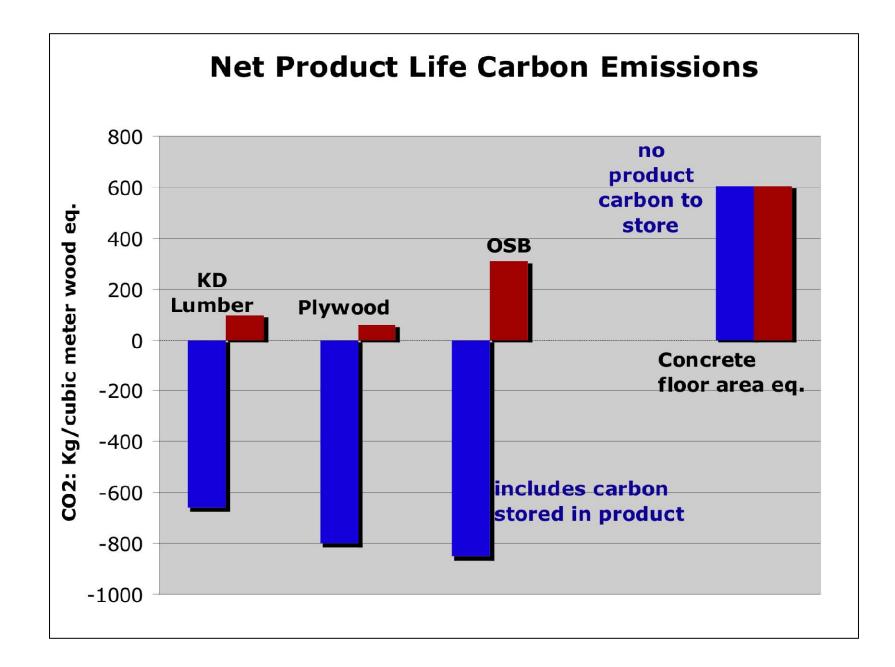
- CCX: \$2, ECX: \$13, Congress: \$295 /mt
- \$244 billion/yr to offset gasoline from imported oil
- While stealing feedstocks from carbon saving uses

Phase1&2: 4 Forest Supply Regions, 9 Products, and 4 Construction Sites









Life Cycle Assessment (LCA) In Terms of Performance Indices

- Embodied & Fossil Energy
- Global Warming Potential (GHG)
- Air Emissions
- Water Emissions
- Solid Waste
- Ecosystem Impacts





Houses Designed to Local Code: LCA comparisons

Minneapolis House Cold Climate



Wood vs. steel *framed* house designed to same R code.

Concrete basement, sheetrock, insulation, wood trusses, vinyl windows, vinyl siding and asphalt roofing.

Atlanta House Warm Climate

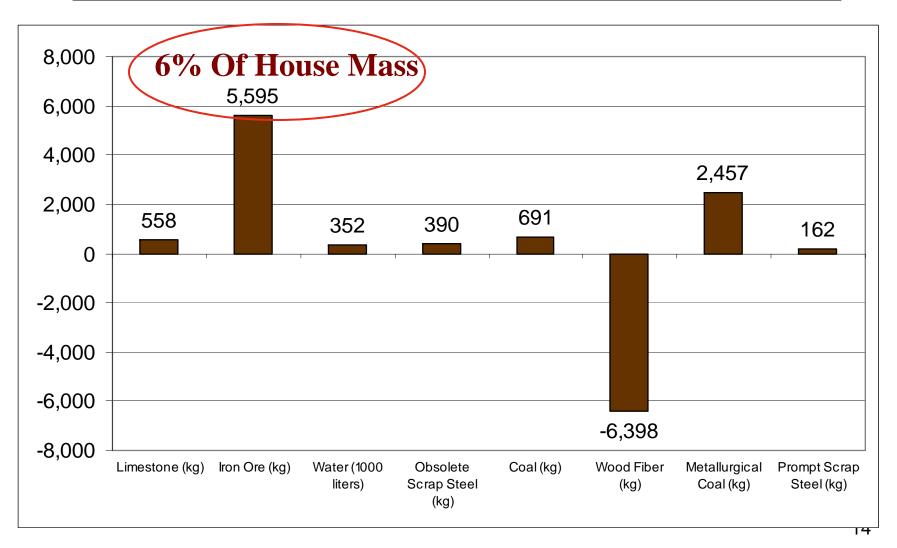


Wood *framed* vs. concrete block exterior walls designed to same R code.

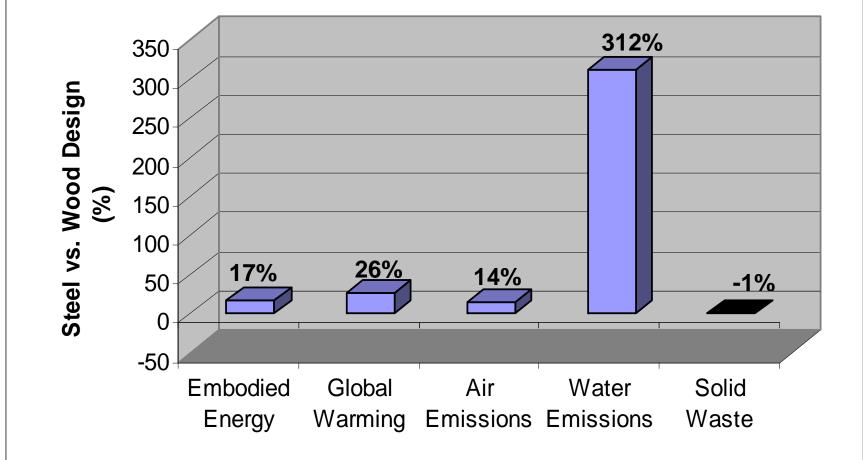
Slab on grade, sheetrock, insulation, wood trusses, vinyl windows, stucco/vinyl siding and asphalt roofing.

Design Differences: Minneapolis

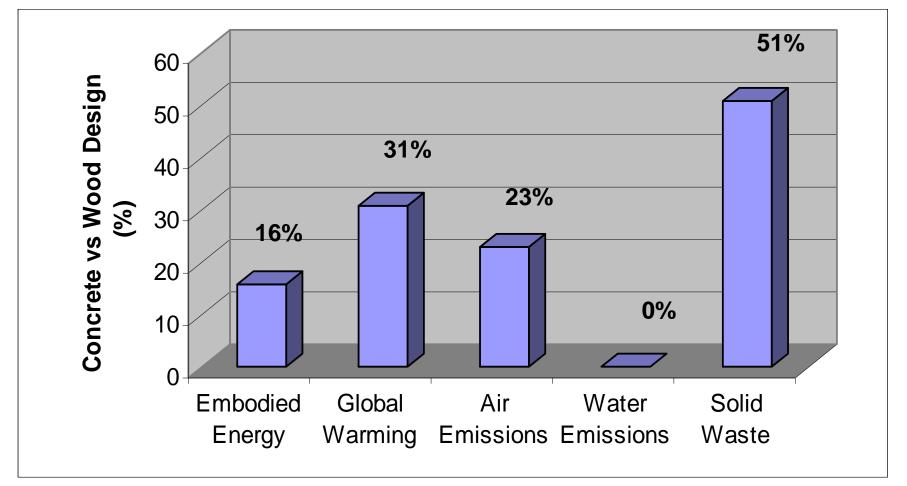
Steel Frame minus Wood Frame Extraction (primary materials in kg)



Summary Performance Indices Life Cycle Assessment (LCA) for Minneapolis House

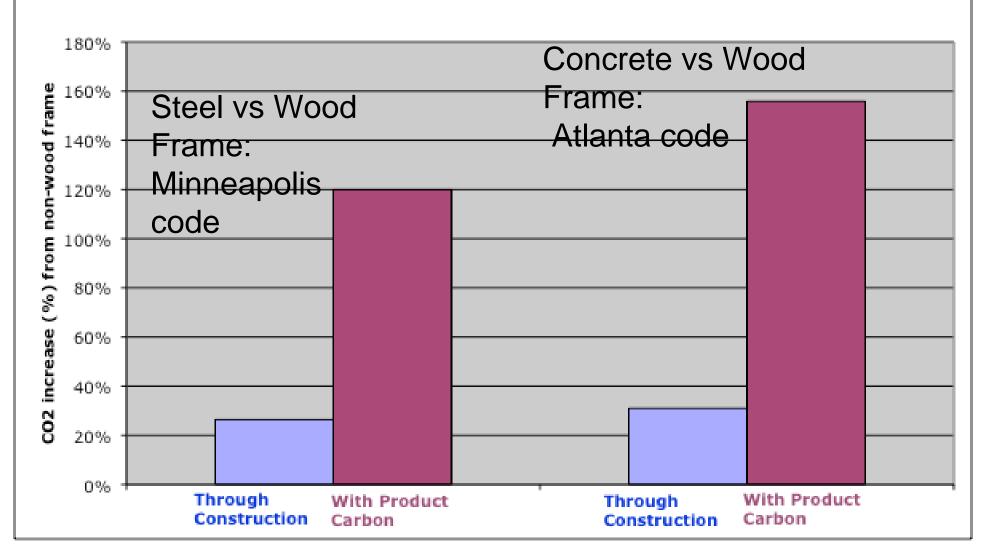


Summary Performance Indices: Life Cycle Assessment (LCA) for Atlanta House

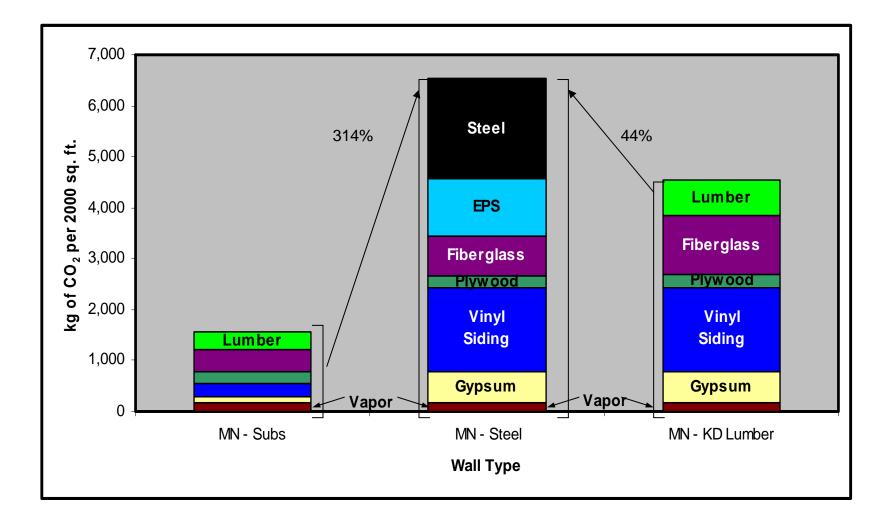


With Carbon in Products

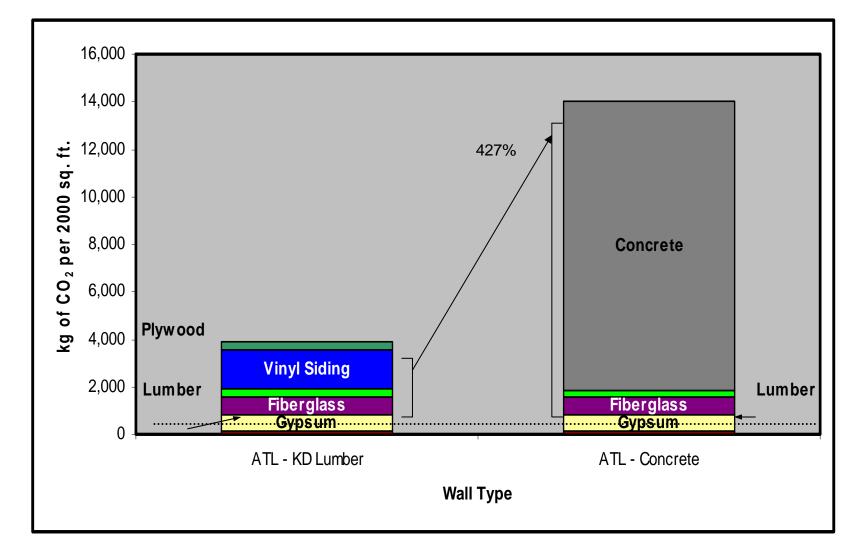
GWP Emissions for Framing Alternatives



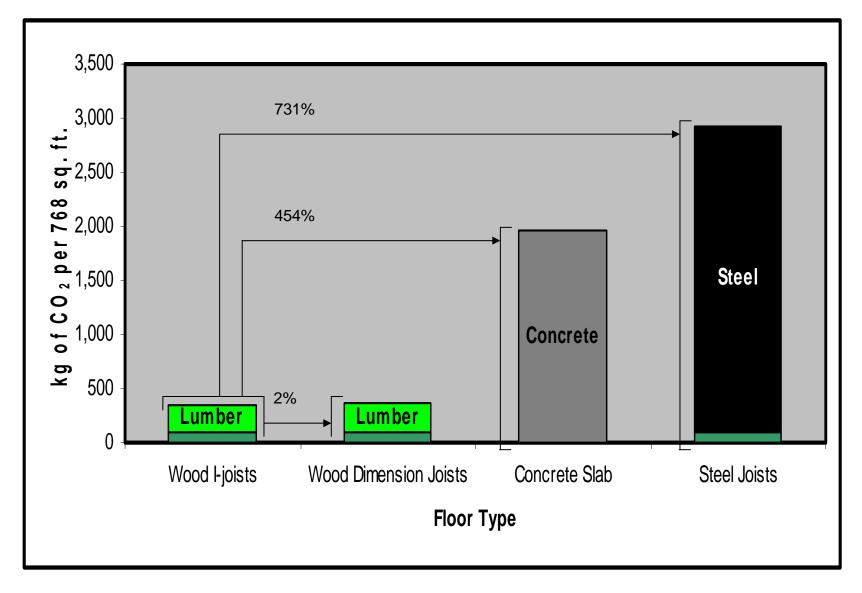
Minneapolis Walls: GWP (GHG) by component



Atlanta Walls: Global Warming Potential: GWP by component



Floors: GWP by component

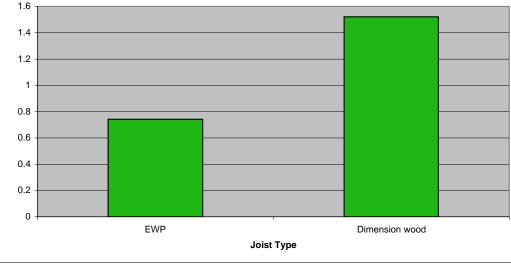


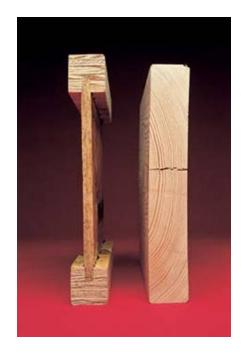
I-joist uses $\frac{1}{2}$ the fiber of a dimension joist:

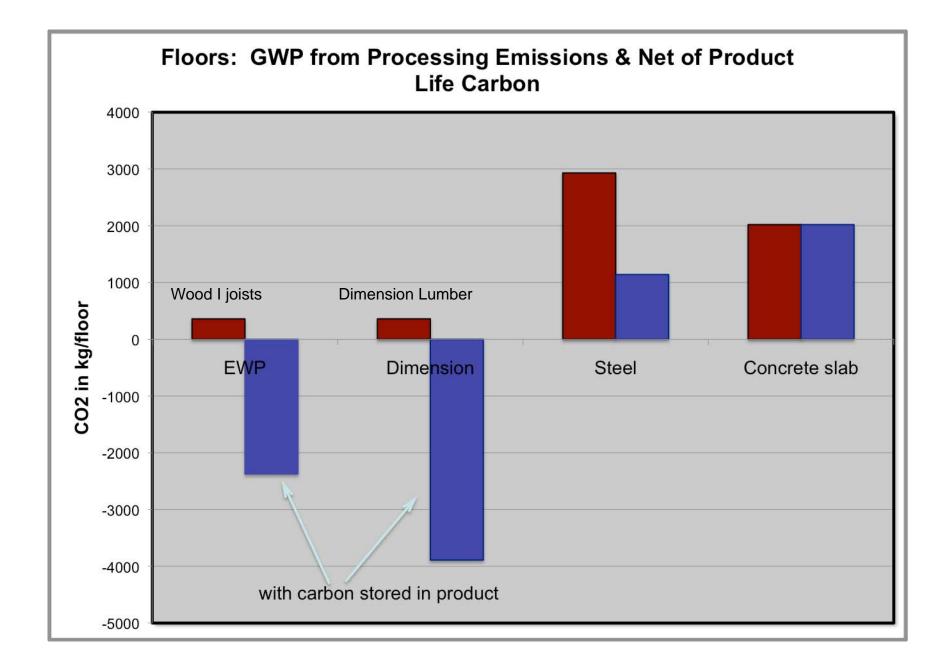
- -reduced profile & stiffer
- -cut to length with less waste
- -underutilized species
- -doubling resource use efficiency





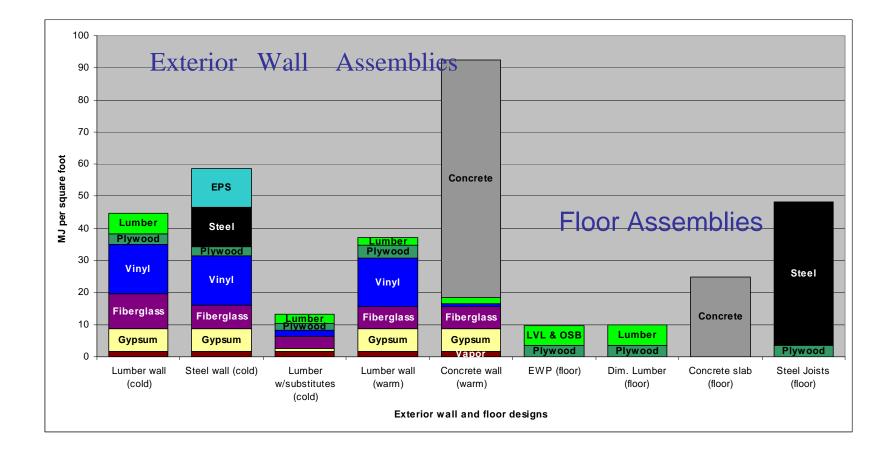






Many Alternatives Can Improve Performance:

materials, product development, design, process



More Direct Substitution



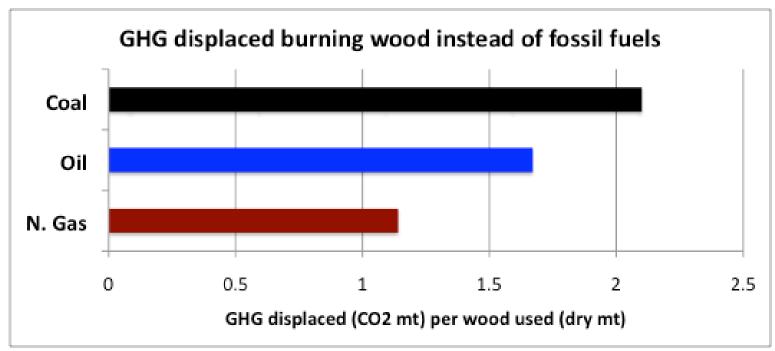






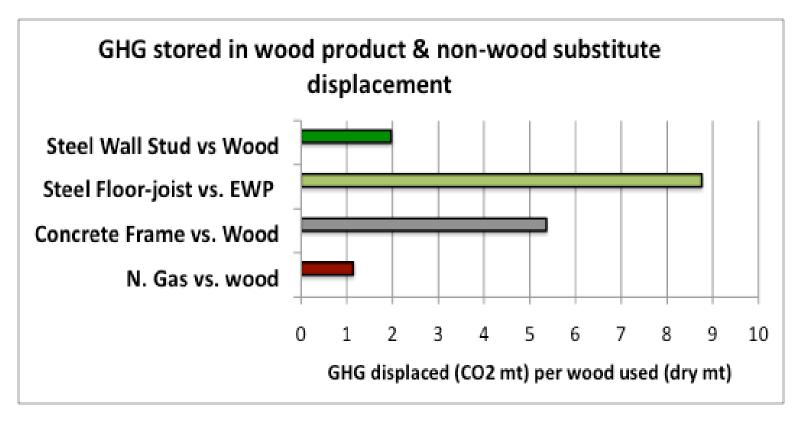
Displacing Carbon Emissions

Burning wood for energy permanently displaces fossil fuel carbon emissions: as important as storing carbon



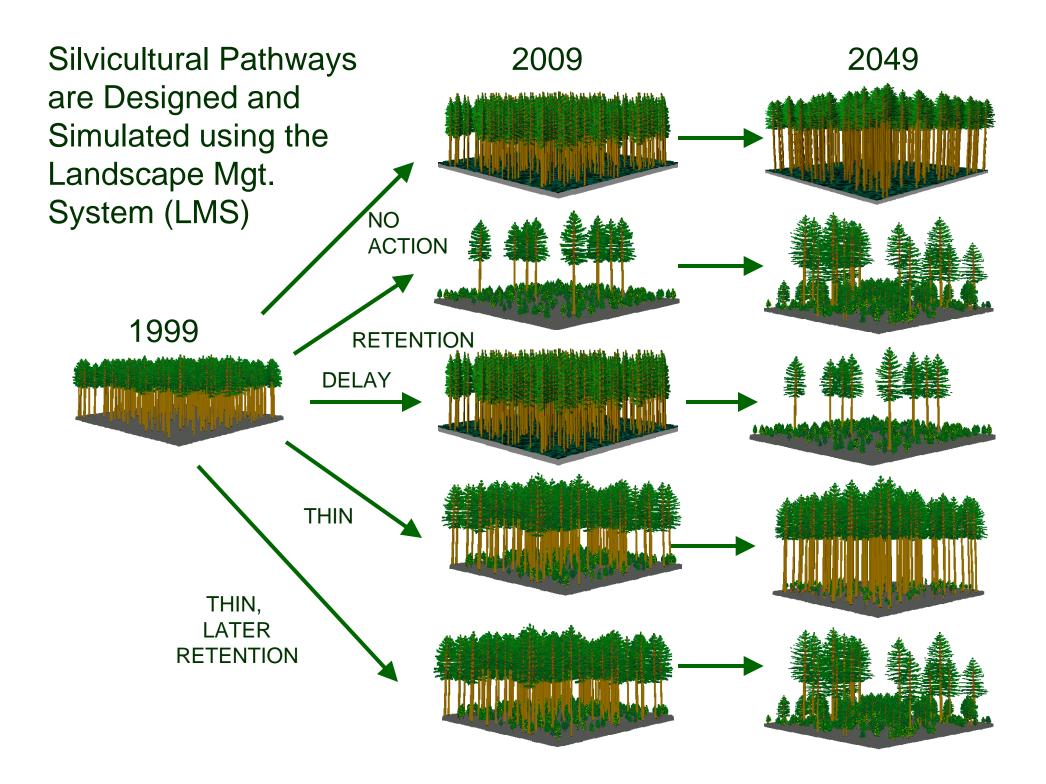
Displacing Carbon Emissions

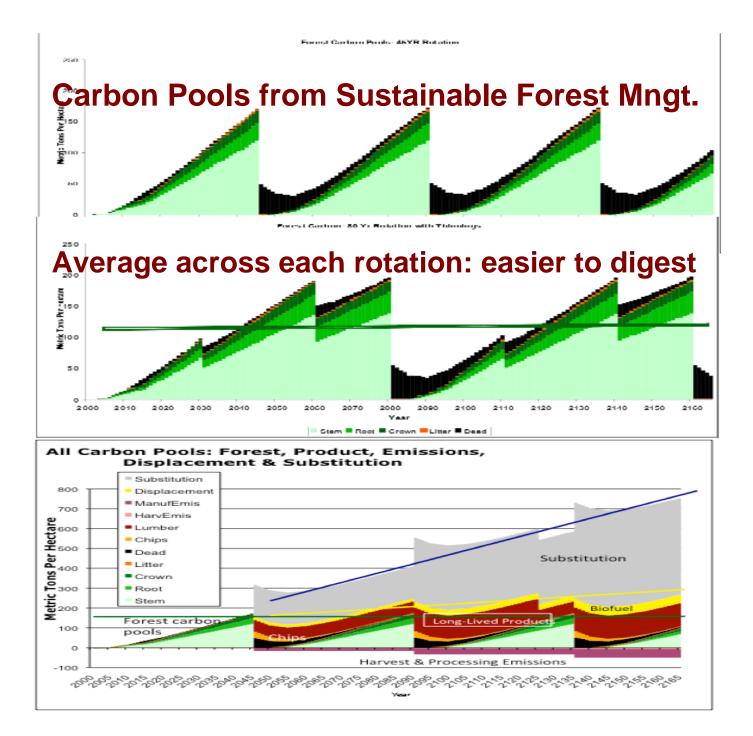
Substituting wood for energy intensive materials can be more effective

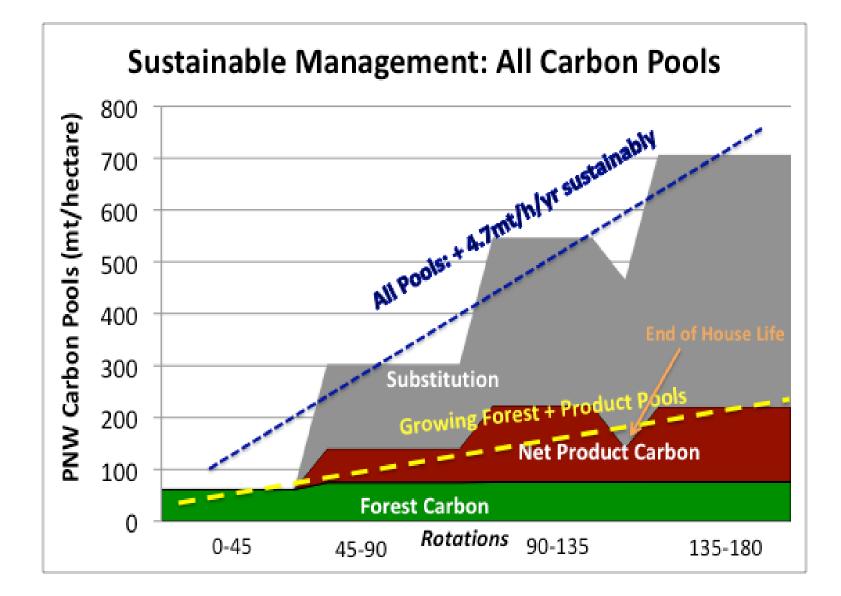


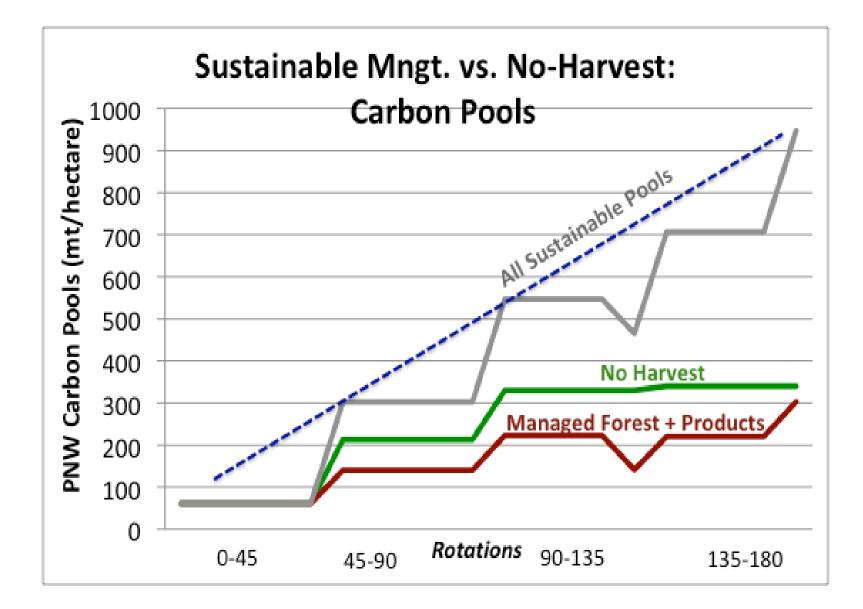
Linking all product life cycle pools to the forest: tracking carbon from forests to uses

- ✓ LCI provides a cross section of every stage of processing at a point in time
- Tracking carbon pools over time: attach each current process to their time event (current processes, not predicted technology change)
- ✓ Simulate forest carbon with growth models linked to product & substitution impacts









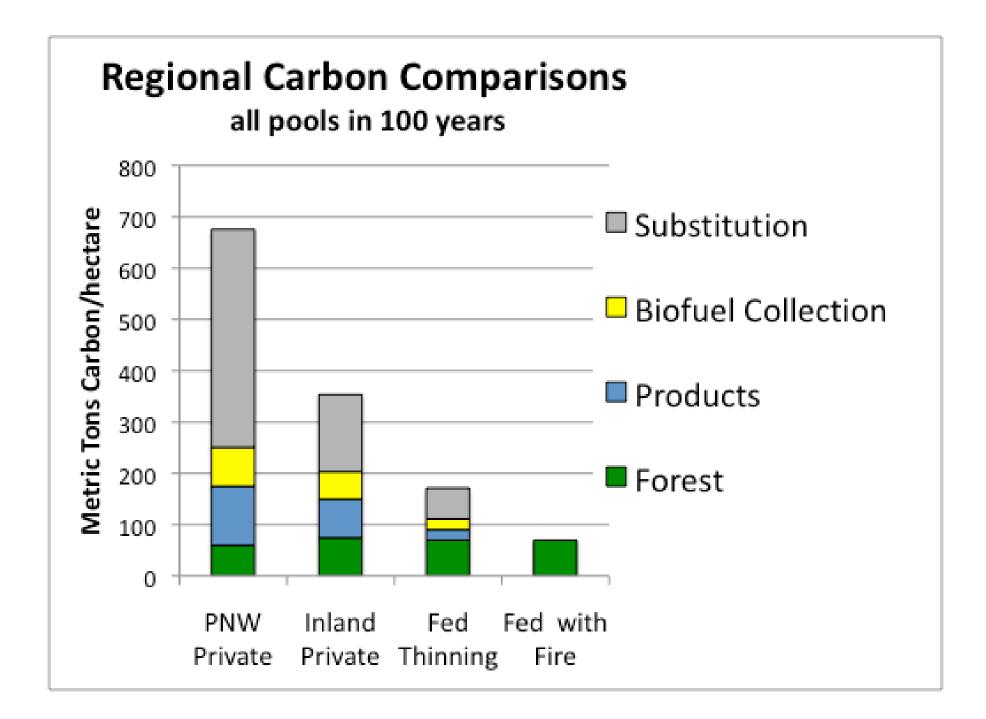
Residuals for Biofuel

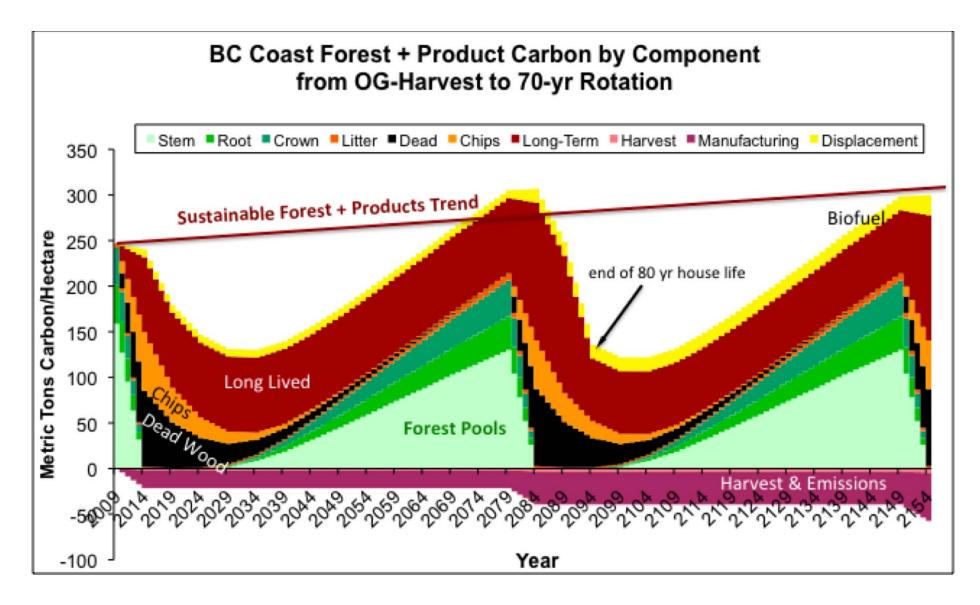
Load of forest residuals and hauling to biomass facility

Ground Slash Feedstock = 50% of merch logs

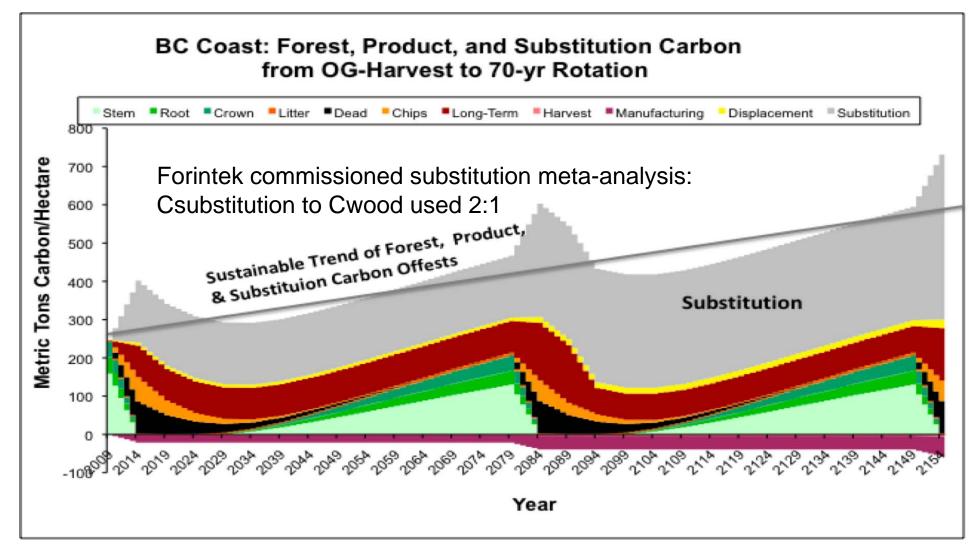
Residuals piles at processing yard



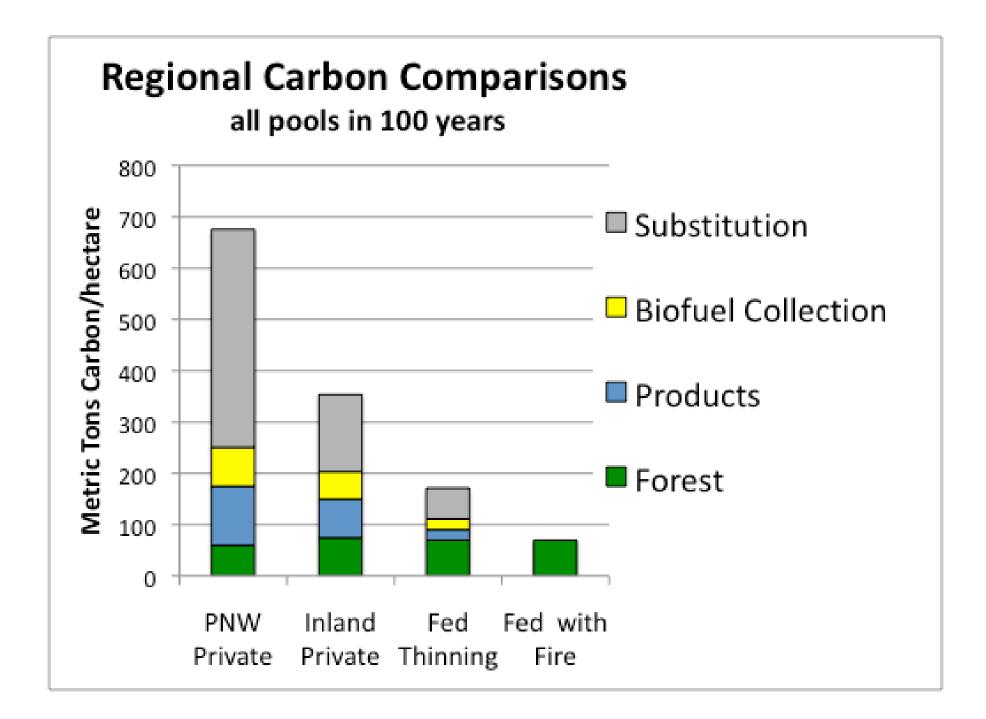




- Forest + Product pools demonstrate sustainable trend although falling below initial forest carbon as short lived pools decompose
- ✓ Long-lived product pool increases with each rotation with longer house life

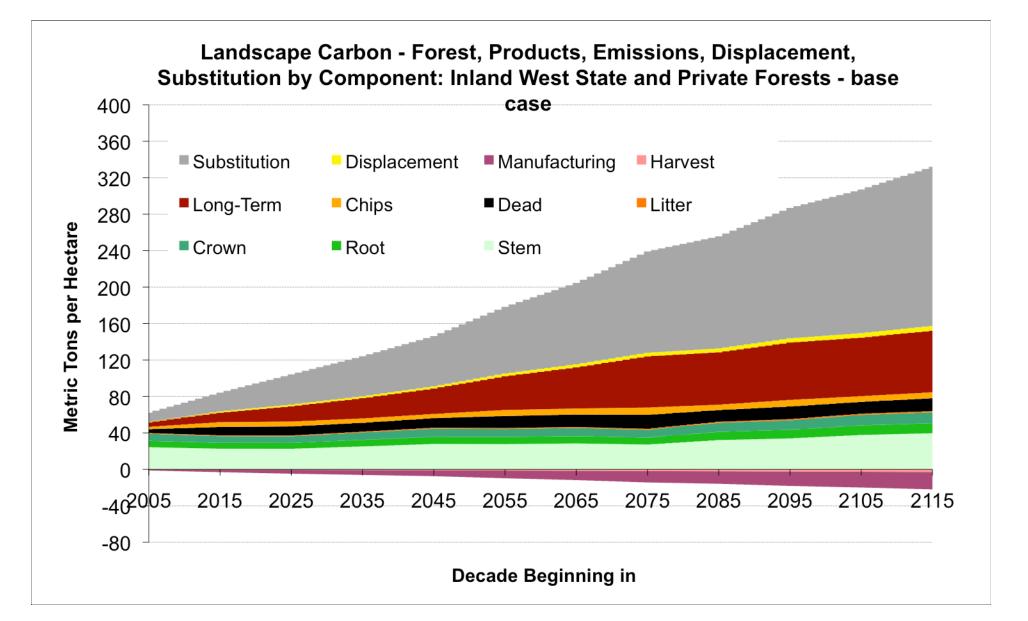


 Substitution at first harvest more than offsets dead wood & short lived product carbon losses

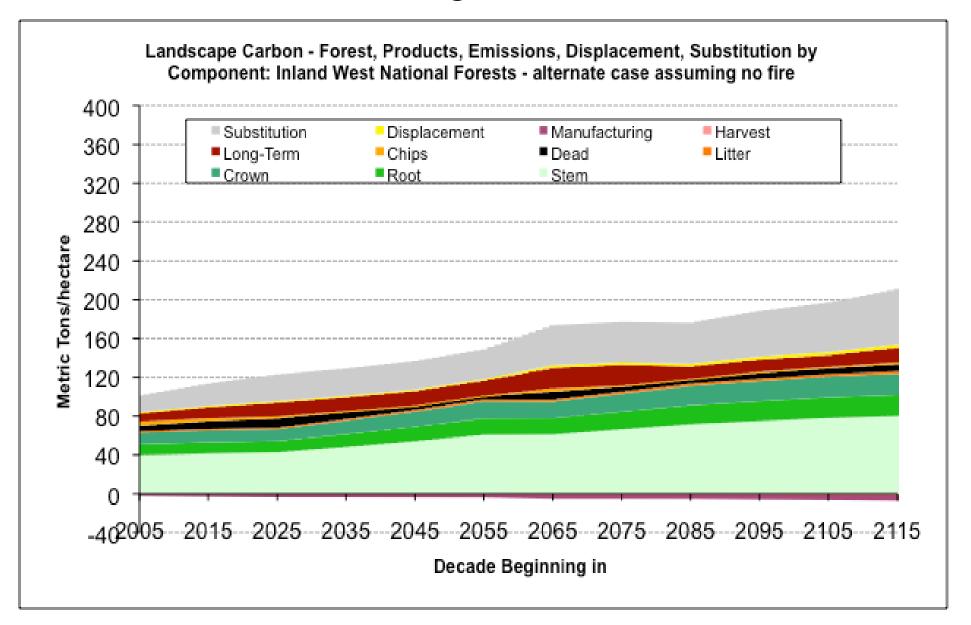


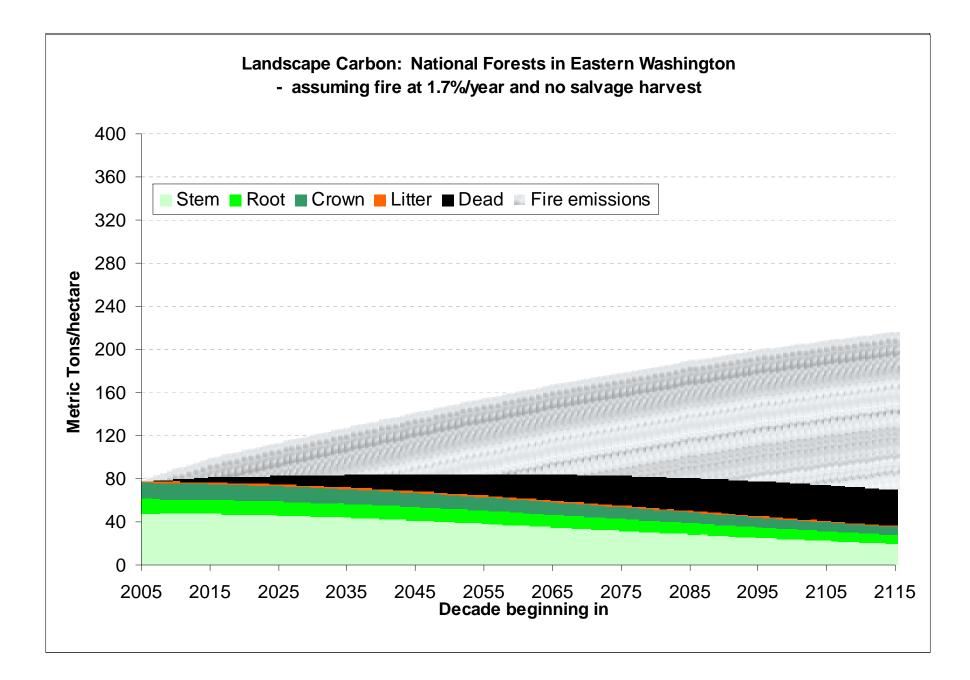
Carbon Pools across State & Private Inland West

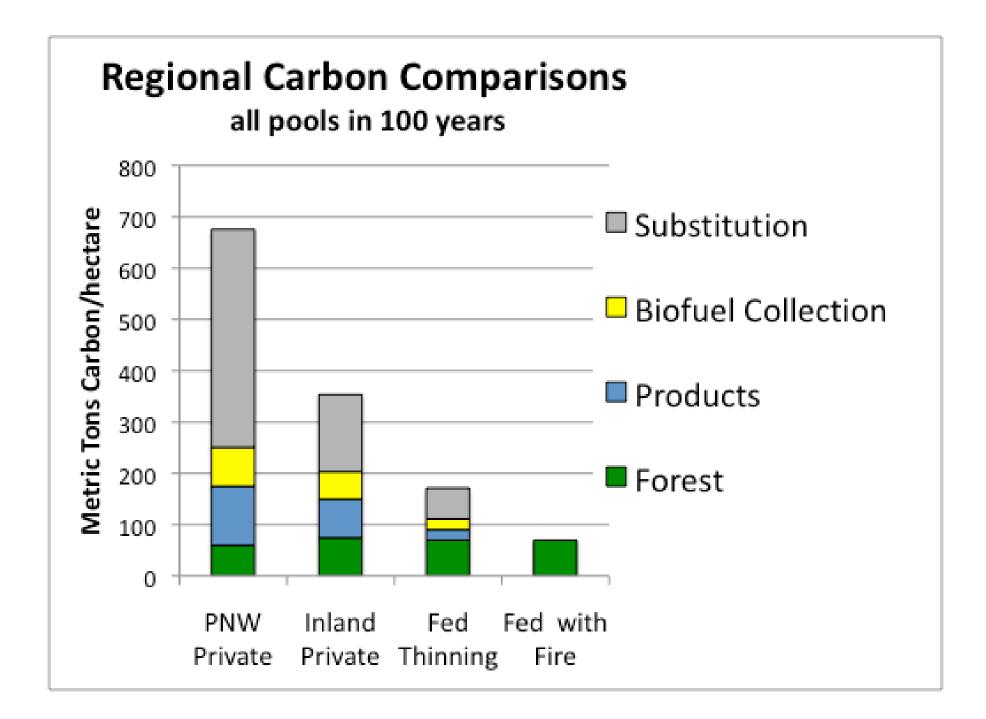
(per hectare average)



If increased Forest Service thinnings were fast enough to avoid fire







Biofuel use provides a major new opportunity

- Remove residuals & thinnings to reduce fire and insect risk
 - Capturing the product and displacement carbon rather than burning forest residuals & wildfire
 - Improves forest resiliency to climate change
 - Need scale volumes inclusive of federal thinnings for scale investments in regional ethanol processing
- Thinnings avoid the future social costs of "nomanagement"
 - cost of fighting fires, fatalities, facility losses, restoration costs, water lost, timber and habitat lost, community impacts of smoke, carbon lost

Uses of Life Cycle Carbon accounting

- track carbon across multiple carbon pools -

- Policy based on single carbon pools will likely be counterproductive.
- Incentives to <u>deliver</u> more carbon faster will increase carbon in all pools (although producing less old forest habitat).
- Credits for builders to displace fossil intensive products. <u>Given the high leverage from substitution</u>, <u>builders have the greatest opportunity to reduce</u> <u>emissions</u>
 - And bid the savings back through the resource supply chain motivating increased investments to reduce emissions.

Uses of Life Cycle Carbon accounting

- Incentives to remove forest residuals to increase biofuels <u>can be productive</u>;
 - Not if the incentive diverts wood feedstocks from higher valued uses like fiberboards that substitute for fossil intensive products.
 - Incentives for the end product ethanol will steal feedstock before collecting residuals

Uses of Life Cycle Carbon accounting

- Arbitrary rules such as requiring permanency in the product to 100 years ignore life cycle assessments
 - Wood uses from the acre are better than permanent, growing sustainably

- Incentives that recognize the losses in carbon from fires and the costs of fighting fires would encourage below cost thinnings to reduce fire & insect risk.
 - Reducing carbon emissions from fires also increases, feedstocks for biofuels & substitution
 - Improves forest resiliency to climate change but we need more <u>site-specific</u> (by forest type) research on how much to thin.

Some Conclusions

- Fossil energy is too cheap and will out-compete wood markets in every downturn until the fossil fuel cost structure is increased.
- We have a long way to go to get the rules consistent with good science so they are not counterproductive.
- Incentives can too easily be counterproductive
 - Incentives for ethanol will bid away existing feedstocks before they pay for the increased cost to collect forest residuals and thinnings
 - Incentives for small scale production like renewal energy standards (targets) will proliferate small scale incremental uses of biofuels preempting the supply needed for scale ethanol plants
 - Incentives for forest carbon will delay harvest & increase fossil fuels use.
 - Be careful what you ask for?

Impact of <u>Higher</u> Fossil Fuel/Carbon Prices - an optimistic future -

✓ Pay to collect forest residuals & waste

- ✓ Pay to use more wood in construction or other fossil substitutes (furniture etc.)
 - Where the carbon displacement leverage is highest
- ✓ Use more biofuels (but solid wood prices must rise more than biofuel feedstock to avoid counter productive result)
- ✓ Pay to grow it faster & use it sooner, not grow it longer

What we don't yet know

- Product substitution parameters
 - Structural change over time
 - losing share for decades
 - where less direct vs more (higher leverage)
 - Elasticities of substitution
 - Furniture, cabinets, trim, hybrids
 - Other uses of mill residuals: paper, plastic composites
 - Recycling (especially for more than energy)
- Environmental product development

What we don't yet know

- Biofuel feedstock & processing LCIs
 - A current Phase I project & Phase II proposals
 - Many different collection settings: regional differentiation
 - Many processing alternatives limited to process models
 - Policy conflicts & unintended consequences

- Science informed strategy needed
 - Value added market/incentive conflicts

What's not working

- Building & Regulatory Standards <u>not</u> consistent with LCA
- Education: university, CE, policy, public, even scientists & the choir (education without political advocacy?)
- Environmental product development
- A more strategic response, from whom?

The "forest woodlot": carbon storage or a pump to stores?

- If your back yard wood-lot is left to grow, once it reaches its carrying capacity it no longer takes carbon out of the air.
- If you cut the dying wood each year to burn in your stove, you can sustainably (forever) avoid freezing while displacing the emissions from energy alternatives you would otherwise need.
- If you cut the wood before the tree growth slows down you may have enough for your neighbor as well,
- Or use that wood to build your growing family's next house displacing even more emissions from the fossil intensive products you will not need, and for their family's after that.
- With more good wood lots <u>pumping</u> carbon you can serve a big part of the nation's housing & energy need, reducing carbon emissions.

Support Acknowledgements

- CORRIM- Consortium for Research on Renewable Industrial Materials
 - 15 research institutions and 23 authors
 - DOE & 5 companies funded the Research Plan
 - USFS/FPL, 10 companies & 8 institutions funded Phase I
- USFS, 10 companies & 6 institutions currently funding Phase 2
- Many product manufactures surveyed

The Details

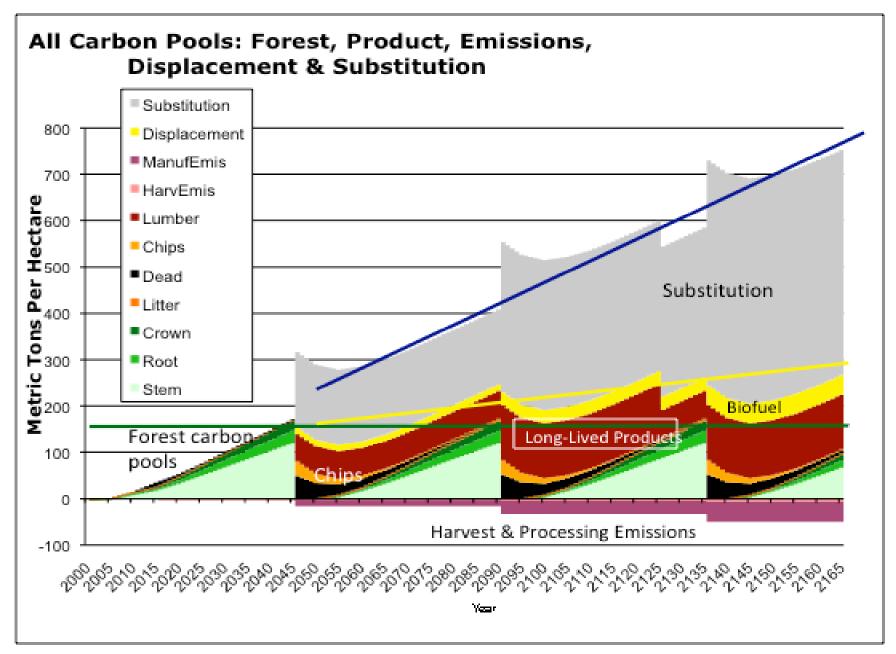
CORRIM: <u>www.CORRIM.ORG</u>

Athena: <u>www.athenaSMI.ca</u>

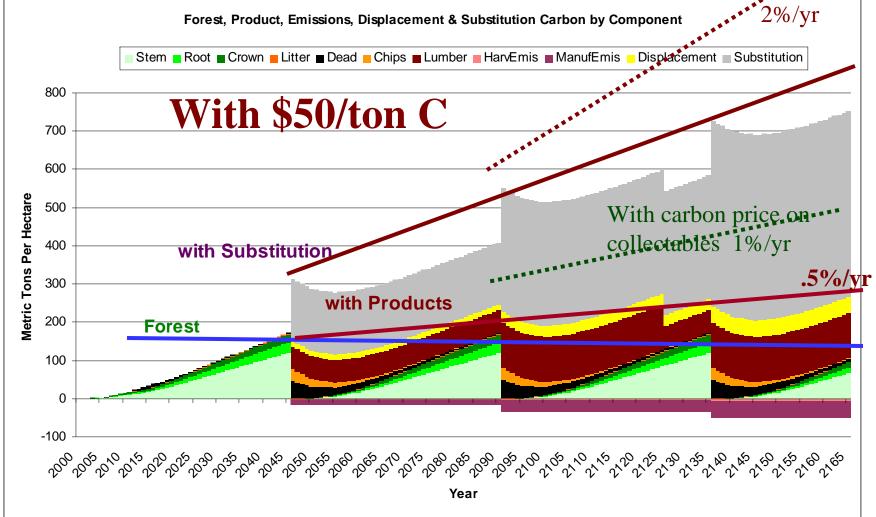
LMS: <u>http://LMS.cfr.washington.edu</u>

USLCI database: <u>www.nrel.gov/lci</u>

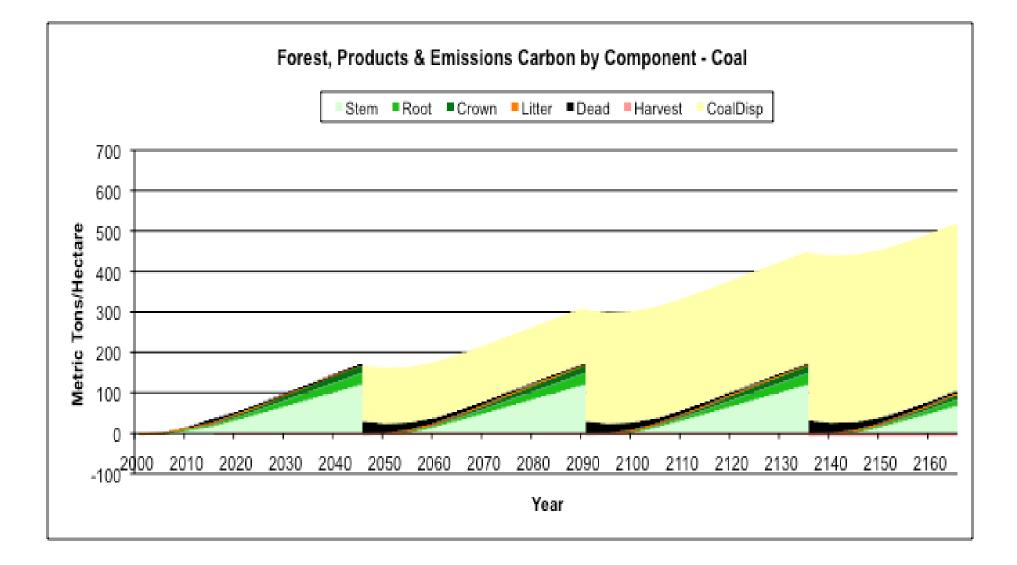
Carbon Pools from Sustainable Forest Management

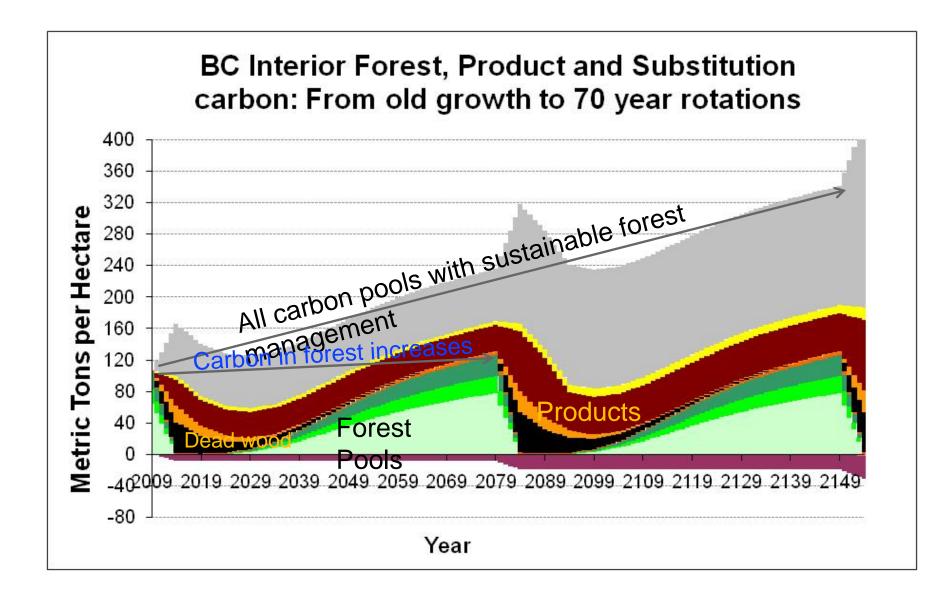


Forest, Product and Substitution Pools with Higher Carbon Prices



Carbon from Forest & Biofuel Displacement of Coal (not reviewed)





 Starting with net merchantable volume from current inventory and projecting average future expected yields generates a positive trend in forest, product, and substitution pools.

