## CARBON ACCOUNTING AND GOAL SETTING To Address Supplier Surveys

#### **Teddy Chrisman**

Projects, Environment and Safety Manager (MESH) Uchiyama MFG America LLC

#### Michael Zorger

Duke University Summer Associate Land of Sky Regional Council - Waste Reduction Partners

MBA/MEM Candidate '25, Duke University Nicholas School of the Environment and UNC Kenan-Flagler Business School













#### UCHIYAMA MFG AMERICA LLC

What Do We Do?







































#### UCHIYAMA MFG AMERICA LLC

- Before Carbon Accounting
- 2015 Internal Requirements
  - Portfolio Manager
  - Electricity, Diesel, Water
  - 3489 CO2E metric tons



## PROJECT DRIVERS

- 2019 External
  - M2030 product per OEM
- 2022
  - UMC & M2030 Scope
- 2023
  - July reduced to 1685 CO2E











## PROJECT SCOPE



#### **Focus Areas**

- I. Review/Research carbon emissions, GHG protocols
- 2. Carbon Accounting:
  - Scope I and II emissions
  - Scope 3 emissions and major components
- 3. Energy Assessment
- 4. Roadmap to achieve target reductions

## PROJECT TEAM

#### **Uchiyama MFG America**

- Teddy Chrisman, EHS & Maintenance Manager
- Rusty Rose, President & Plant Manager
- Kensuke Nishinaka, VP and Engineering Manager
- Lianne Hayford, Asst. Plant Manager & Quality Lead

#### **Waste Reduction Partners**

Land of Sky Regional Council / NCDEQ partnership

 Land of Sky employed Summer Associate, Michael Zorger

#### **Duke University**

 Dr. Jeremy Pare, Ph.D., Project Advisor, Nicholas School of Environment

#### **WRP Team**:

- Eric Soderberg
- John Roberts
- Kim Van Niekerk
- Terry Albrecht



#### **EPA Grant Supported**

### **PROCESS**

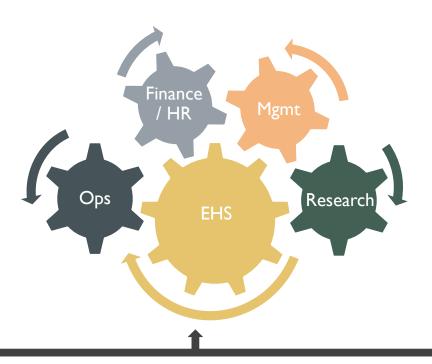
#### Calculation

2030





#### Data Collection



#### Assessment



Cross-functional data and information sourcing informed and enabled GHG calculations, site energy audit, and future improvement efforts.

#### TIMELINE: KEY DATES



May 15: Project Launch.

Late May: Energy Audit preassessment. Calculate Scopes I and II emissions.

Scope III data collection and 80/20 materiality considerations for UMC corporate GHG worksheet.

June 8: UMA plant-wide Energy audit

Mid Jun: Pivot. M2030 OEM Supplier Survey date moved up

June 30: M2030 OEM Supplier Survey response deadline. Expanded survey Qs and calculations. Backdating to 2018...and then 2015!

July 11: Management Presentation: Interim Energy Assessment, GHG findings. Review potential IMW and \$77K annual reduction savings w/2.5 yr payback.

Clean-up and finalize template worksheets

**July 23:** Project concludes

May

June

July

#### **TOOLS**

#### Research

- Customers: Corporate ESG reports, targets and commitments
- Internal: JPA, EUR reporting requirements on large businesses.

#### **Emissions Factors**

- EPA Emissions Factors hub
- GHG Protocol's "Cross-Sector Tools"
- Internationally IPCC
   Emissions Factor Database;
   UK DEFRA Emissions Factor
   Toolkit; Carbon Footprint
- Uncommon/Specific EPA TRACI, EEIO Lifecycle Emissions Factors; LCA Databases (e.g., Ecolnvent, GaBi, SustainableMinds)

#### **GHG Calculations**

- Greenhouse Gas (GHG)
   Protocol Emissions
   Calculation Tool
- EPA Center for Corporate
   Climate Leadership
   Calculator Tool
- GHG Protocol Corporate
   Standard (online trainings + calculation guidance)

## PROJECT OUTCOMES: WRP ENERGY ASSESSMENT

#### Low-Cost Measures

215,000 kWh/yr

151,800 lbs CO<sub>2e</sub>

- Set back HVAC RTUs
- Ovens Scheduling
- Motor Cog Belts
- Compressed Air Leak Program
- Cooling Tower Motor Controls
- Boiler System insulation

#### Capital Cost Measures

758,00 kWh/yr

510,100 lbs CO<sub>2e</sub>

- HVAC Controls & Economizers Retrofits
- Compressed Air Area Booster
- Dust Collection VFDs
- Lighting Completion LED
- Water Heater Replacement
- Emission System Controls.

#### On-site PV Solar Proposals

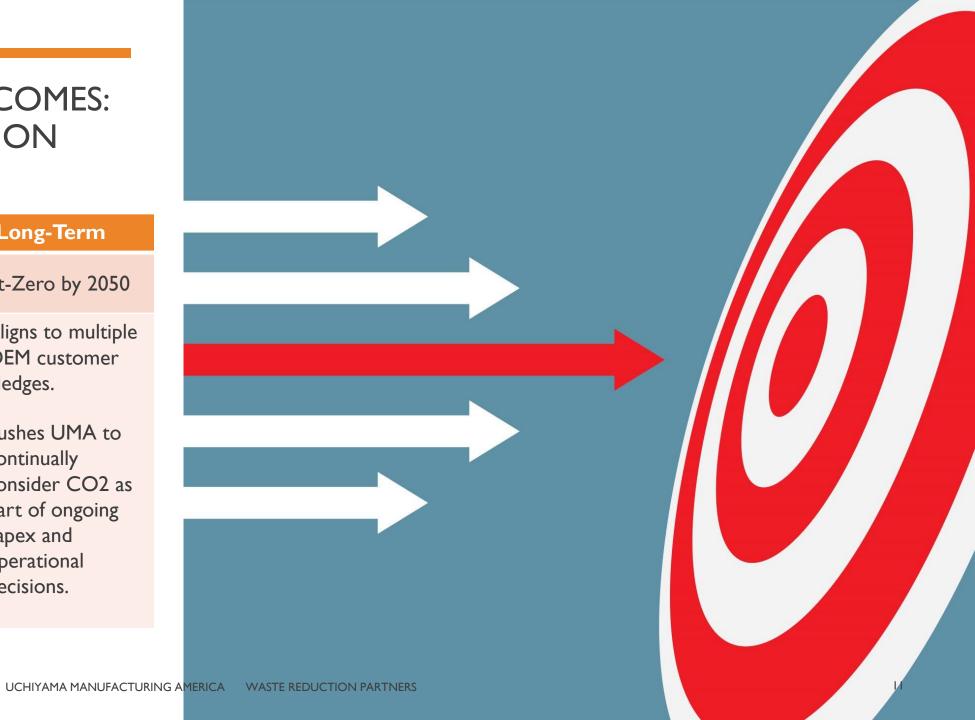
414,300 kWh/yr (output)

278,000 lbs CO<sub>2e</sub>

- Rooftop Proposal
- 8 year Payback w/Incentives

## PROJECT OUTCOMES: NEW REDUCTION TARGETS

Near- & Mid-Term	Long-Term
3% annual CO2e reduction	Net-Zero by 2050
<ul> <li>Raises UMA's previous 2% annual reduction target</li> <li>Aligns to Toyota's 14% absolute CO2 emissions cut from FY2018 baseline by FY2026 for all suppliers.</li> </ul>	<ul> <li>Aligns to multiple OEM customer pledges.</li> <li>Pushes UMA to continually consider CO2 as part of ongoing capex and operational decisions.</li> </ul>
	decisions.



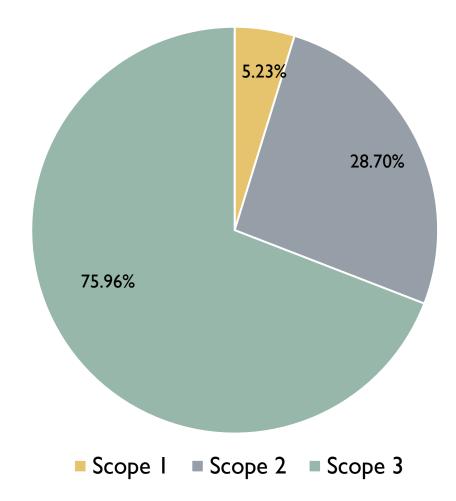
# PROJECT OUTCOMES: EMISSIONS WORKSHEET

#### **Assumptions:**

- Doubles current Purchased Goods and Services; and Upstream T&D
- 50% value for Downstream T&D (i.e., Domestic vs Int'l)

#### **Excludes:**

- Capital Goods
- Processing, Use, and End-of-Life of Sold Products, Leased assets



#### LESSONS LEARNED



#### Prioritization

- Time: Be realistic (goals, needs, collection plans, deadlines, etc.)
- Competing Interests:
  Customers versus
  Internal. Required vs
  Nice-to-Do



#### Targets & Goal Setting

- Research: What are Customer targets/drivers near- and long-term? Who/What driving them?
- Scope 3:Art, not science
- GHGs: Leverage off-theshelf calculator tools
   (GHG Protocol, US EPA)



#### Management

- Data collection: You can't manage what you don't monitor!
- Process: Tie to ISO, KPIs, etc. Otherwise, no ownership!
- Business: Compliance to Opportunity (Ops/CapEx, Marketing, etc.)



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Projects, Environment and Safety Manager (MESH) Uchiyama MFG America LLC tchrisman@umc-uma.com

#### Michael Zorger

Duke University Summer Associate Land of Sky Regional Council - Waste Reduction Partners Michael.Zorger@duke.edu

#### Kim Van Niekerk

Energy Program Manager Waste Reduction Partners KVanNiekerk@wrpnc.org

Waste.Reduction.Partners.org











# Need Assistance with Your Carbon Reduction Goals?

Initiate an Assessment with Waste Reduction Partners.

Kim Van Niekerk,
Energy Program Manager
KVanNiekerk@wrpnc.org
828 251-7477

WasteReductionPartners.org

US EPA Grant Supported Project