



EPP Update

Issue 2 | November 1997

ENVIRONMENTALLY PREFERABLE PURCHASING



Green Purchasing Symposium Is a Success

Over 450 people participated in the two-day "Greening Federal Purchasing" symposium held in Baltimore, Maryland, on July 16 and 17. The symposium was sponsored by the EPP Program and the Office of the Federal Environmental Executive, and coordinated by the U.S. Conference of Mayors. The meeting provided an excellent opportunity for vendors, manufacturers, government procurement officials, and EPP Program staff to discuss ways to increase environmentally preferable purchasing practices throughout the government.

Fidel Reijerse, a conference participant from Ontario, Canada, reported that the

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Highlights

- Bees Software
- DOD's "Green" Parking Lots
- Recent EPP Publications
- New EPP Publications Coming Soon
- NACo's Environmentally Preferable Purchasing Project
- Cleaning Products Pilot Project Update

The Greening of the FAR

For the first time, the federal government's \$200 billion-a-year purchasing power will focus on the environment in a uniform, comprehensive way. Environmental considerations are now officially part of the Federal Acquisition Regulation (FAR), the federal procurement "bible." On August 22, 1997, after years of work and deliberation, final changes to the FAR were published in the *Federal Register*. The final rule incorporates policies for the acquisition of environmentally preferable and energy-efficient products and services. These changes

were effective as of October 21, 1997, for new federal contracts.

The FAR provides the basic contracting guidance and implementing regulations used by federal agencies for buying products and services from the private sector. Policies addressing environmental concerns are addressed under Subchapter D, Socioeconomic Programs, Part 23, Environment, Conservation, Occupational Safety, and Drug-Free Workplace.

The FAR changes consolidate numerous environmental purchasing requirements previously issued in laws,

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FAR Revisions

The changes to the FAR consolidate the following federal environmental purchasing requirements:

- Resource Conservation and Recovery Act (RCRA), as amended.
- Executive Order 12873 on Federal Acquisition, Recycling, and Waste Prevention.
- Executive Order 12902 on Energy Efficiency and Water Conservation at Federal Facilities.
- Office of Federal Procurement Policy (OFPP) Policy Letter 92-4 on Procurement of Environmentally-Sound and Energy-Efficient Products and Services.

For additional information, consult the August 22, 1997 *Federal Register* (volume 62, number 163, pages 44809-44813). The *Federal Register* is available online http://www.access.gpo.gov/su_docs/aces/aces140.html.

If additional clarification is necessary, contact Ralph De Stefano with the General Services Administration at 202 501-1758 and cite FAC 97-01, FAR case 92-054A.

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executive orders, and policy directives. (See "FAR Revisions" sidebar.) Federal purchasing officials now have a single reference that describes their responsibilities for including the environment in their purchasing decisions.

Many of the FAR revisions address the buy-recycled requirements of the Resource Conservation and Recovery Act, Section 6002 and Executive Order 12873. Since 1984, federal agencies have been required to buy recycled content products designated by EPA. These buy-recycled requirements are now spelled out in greater detail, incorporating language from EPA's Comprehensive Procurement Guideline.

The FAR changes, however, go well beyond recycled content requirements by institutionalizing environmental purchasing considerations throughout the procurement and contracting process. For example, agencies are now required to "...prepare product descriptions to achieve maximum practicable use of recovered materials, other materials that are environmentally preferable, and products that are energy-efficient."

Agencies also are required to "consider environmental objectives in every source selection, when appropriate." The FAR states that "these considerations may be expressed in terms such as resource or energy conservation, pollution prevention, waste minimization, and recovered material content."

Key environmental terms for use in federal contracts also have been added to the FAR. "Postconsumer material," "virgin material," "reconditioned," "remanufactured," "pollution prevention," and even the word "new" are defined for use in contracts for goods and services supplied to the government. ■

Excerpt From the New FAR Text

FAR policy now explicitly directs agencies to establish a preference for environmentally preferable products, as shown in the section reprinted below:

Part 23.704 Policy

(a) Agencies shall implement cost-effective contracting preference programs favoring the acquisition of environmentally preferable and energy-efficient products and services, and shall employ acquisition strategies that affirmatively implement the objectives in paragraph (b) of this section.

(b) The following environmental objectives shall be addressed throughout the acquisition process:

(1) Obtaining products and services considered to be environmentally preferable (based on EPA-issued guidance).

(2) Obtaining products considered to be energy-efficient; i.e., products that are in the upper 25 percent of energy-efficiency for all similar products, or products that are at least 10 percent more efficient than the minimum level that meets federal standards (see Executive Order 12902, Section 507).

(3) Eliminating or reducing the generation of hazardous waste and the need for special material processing (including special handling, storage, treatment, and disposal).

(4) Promoting the use of nonhazardous and recovered materials.

(5) Realizing life-cycle cost savings.

(6) Promoting cost-effective waste reduction when creating plans, drawings, specifications, standards, and other product descriptions authorizing material substitutions, extensions of shelf-life, and process improvements.

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conference was "very informative and extremely well set-up for networking and information exchange." He described it as "a very enjoyable experience, despite the nine hour drive."

The conference included 18 sessions divided into six areas of interest: Business Opportunities for Environmental Entrepreneurs, Laws and Regulations, Green Purchasing in Practice, EPP Tools and Resources, Partnerships, and Green Buildings. The session formats varied from lectures, question and answer panels, audience dialogues, and facilitated discussions.

The symposium also provided a valuable opportunity for manufacturers and vendors to talk directly with federal procurement officials. Procurement officials heard about the challenges facing small and medium sized companies as they attempt to market products with environmental attributes to the federal government. The manufacturers and vendors learned about some of the constraints facing federal buyers and creative ways in which others have navigated the complex federal procurement environment.

"I was impressed by the fact that I was encouraged to stand up and tell the 450 people who attended what frustrated me about my dealings with the government on my [government] contract," explained Greg Barber, a conference participant. "This was a no holds

barred 'group therapy' for both the vendors and the government. With this type of attitude, it's obvious to me that progress is imminent."

Fran McPoland, the Federal Environmental Executive, promised to use her position and the information she gathered at the conference to further advance environmentally preferable purchasing throughout the federal government. She described the symposium as "an integral building block in our efforts to promote the increase and maintenance of markets for environmentally preferable commercial products in the federal government."

John Shoaff, an EPP Program staff member and one of the conference organizers, was "pleasantly surprised at the level of participation and the diversity of what is already going on: we saw lots of activities in the private sector and in government that show how many people are thinking about these issues and considering multiple environmental attributes in purchasing decisions. This speaks well for the future success of EPP."

The symposium minutes, attendee list, and networking notes are available from the EPP Program's web page at <http://www.epa.gov/opptintr/epp>. ■

"Very informative and extremely well set-up for networking and information exchange."



The EPP Program unveiled its new booth at the "Greening Federal Purchasing" symposium in Baltimore, Maryland. It is used to promote environmentally preferable purchasing and to distribute EPP publications. The booth has been seen recently at P2 Week festivities in Washington, DC, and at the National Recycling Coalition's conference in Orlando, Florida. Look for it at upcoming conferences in your area.

BEES Software

With support from the EPP Program, the National Institute of Standards and Technology (NIST), has completed a milestone in the development of its Building for Environmental and Economic Sustainability (BEES) software. The "Beta" version of the software was circulated for testing to more than 100 people this past summer. It is designed to help users balance environmental and economic concerns when designing and constructing new buildings.

The BEES software presents users with overall performance scores for the products being compared based on weights set by users for each product's economic and environmental performance data.

Individuals using the BEES software can select the relative importance for each of the six environmental impact categories included in the software: global warming, acidification, nitrification, natural resource depletion, indoor air quality, and solid waste. The software also allows the user to select the relative weights of the environmental and economic performance scores when computing the overall performance score for each product.

ous building materials.

Economic performance is measured using a standard life-cycle costing approach and is based on published economic data. Environmental performance, which is more difficult to quantify, is computed using an evolving, multi-disciplinary approach called environmental life-cycle assessment (LCA). LCA is a popular tool because it attempts to quantify environmental impacts throughout a product's life-cycle across all environmental media (air, land, and water).



For additional information, contact Barbara Lippiatt with NIST at 301 975-6133 or via e-mail at blippiatt@nist.gov.

NIST's Building Environment Division began the project in 1995 after recognizing that building materials, construction, and operation, including raw materials extraction, building material manufacture and transport, building use, and building-related waste generation, can significantly impact the environment. NIST decided to develop a tool that would help mitigate negative environmental impacts by identifying building materials that properly balance both environmental and cost concerns. The result is the BEES decision-support software, which incorporates a life-cycle approach that considers the economic and environmental impacts of numer-

The BEES software generates relative environmental scores for building product alternatives with a ranking system based on U.S. average product data that was compiled for use in the software. The economic and environmental performance scores are then combined into an overall performance measure. ■

DOD's "Green" Parking Lots



The U.S. Department of Defense (DOD) maintains some of the world's largest buildings and facilities. It also maintains some of the largest surface parking lots. With help from the EPP Program, DOD is now using products with enhanced environmental attributes to repair and maintain those parking lots.

In June, DOD awarded a 5-year, \$1 million per year contract to maintain and repair the parking lots and access roads at four Washington, DC, area facilities, including the Pentagon's 67 acres of parking. The contract includes several unique features to ensure that the work not only meets all price and quality concerns, but also incorporates the use of products with multiple environmental attributes whenever feasible.

As one of the first EPP pilot projects, DOD teamed with EPA to help develop its strategy for incorporating environmental preferability into its contracting process. EPA recently released *Paving the Road to Success*, a case study that explains how DOD incorporated the seven guiding principles outlined in EPA's *Guidance on Acquisition of Environmentally Preferable Products and Services* in the parking lot repair and maintenance contract.

The most innovative aspect of the contract provides the contractor with a financial incentive to use products with

the greatest number of beneficial environmental attributes. Contractors can earn a two percent price differential for each environmental attribute. The attributes eligible for the price differential are identified in the contract, although the contractor can suggest additional attributes for any product required under the contract. The contractor can also suggest changes in construction practices that improve environmental performance. If DOD approves the changes, the contractor can receive a price differential for using them.

In less than a month after beginning work, D-M&S Inc., the Woodstock, Maryland, contractor awarded the contract, had already identified several products and a new process, all of which appear to significantly improve environmental quality while continuing to meet or exceed DOD's mandatory performance criteria. Gene Asher, D-M&S's President, is very pleased with the process for incorporating new environmental attributes and is excited at the opportunity to earn a price differential for doing so.

"We are really excited about the project," Asher explained. "Incorporating environmentally friendly products is the wave of the future and should help our future business."

Call EPA's Pollution Prevention Information Clearinghouse at 202 260-1023 or e-mail ppic@epamail.epa.gov to order a copy of *Paving the Road to Success* (EPA 742-R-97-007). For additional information, contact Ruth Heikkinen with EPA's EPP Program at 202 260-1803 or via e-mail at heikkinen.ruth@epamail.epa.gov or contact Bob Cox with DOD at 703 693-3765 or RCox@ccmail.gov.ref.osd.mil. ■

**Did you know
the federal
government
purchases more
than \$200
billion worth of
goods and
services each
year?**



Recent EPP Publications

EPA recently published a new EPP case study and two brochures that provide valuable information for vendors interested in marketing environmental products.

Paving the Road to Success—The Department of Defense's Parking Lot Repair and Maintenance Contract: An Environmentally Preferable Purchasing Case Study (EPA 742-R-97-007)

describes the Department of Defense's (DOD) efforts to incorporate environmental purchasing into a 5-year, \$1 million per year contract to repair the Pentagon's parking lots. For additional information, see the article on page 9.

Selling Environmental Products to the Federal Government (EPA-742-K-97-002)

helps companies—especially small to medium sized companies—better target the federal consumer, the largest purchaser of goods and services in the United States. This fold out poster brochure includes an outline of the guiding principals of the EPP Program, answers to frequently asked questions about selling environmental products to

the federal government, and helpful hints on simplifying procedures for marketing and selling to the federal government. The poster also includes an extensive reference section that lists additional literature, contact names, and phone numbers, as well as marketing information on the government's largest purchasers.

Environmental Marketing Claims: A Message to Vendors from the EPA and the Federal Trade Commission (FTC) (EPA-744-F-97-005)

discusses problems and solutions regarding environmental product claims made by manufacturers. This tri-fold brochure offers suggestions on how to avoid vague, misleading claims and how to present consumers with clear, accurate product information. The FTC's Guides for the Use of Environmental Marketing Claims are summarized in the brochure, along with a discussion on the content, purpose, and enforcement of the guidelines. Also included are examples from the FTC guidelines and how the guidelines can affect government purchasing. ■

To order free copies of these publications, call EPA's Pollution Prevention Information Clearinghouse at 202 260-1023 or E-mail ppic@epamail.epa.gov.

EPA's Environmentally Preferable Guidance

EPA identified seven guiding principles to help federal agencies incorporate environmental preferability into their procurement practices. These principles were proposed in the *Federal Register* (FR) in EPA's Guidance on Acquisition of Environmentally Preferable Products and Services (60 FR 50722):

- 1) Consideration of environmental preferability should begin early in the acquisition process and be rooted in the ethic of pollution prevention, which strives to eliminate or reduce, up front, potential risks to human health and the environment.
- 2) A product or service's environmental preferability is a function of multiple attributes.

New EPP Publications Coming Soon

The EPP Program is in the process of documenting ongoing environmentally preferable purchasing efforts among local, state, and federal governments. The following case studies will be available in early 1998:

Local Government Case Study: City of Santa Monica

Learn how Santa Monica, California, made its environmentally preferable purchasing goals a reality. The city is purchasing a wide-range of products with environmentally preferable attributes including cleaning products, alternative-fuel vehicles, re-refined motor oil, less-toxic antifreeze, recycled paint, and a large variety of recycled paper and office supplies. Santa Monica has also adopted an Integrated Pest Management approach in city facilities to replace regular spraying of indoor pesticides.

State Government Case Study: Commonwealth of Massachusetts

Find out how the Commonwealth of Massachusetts increased its environmentally preferable purchasing efforts from \$2 million to \$21 million a year. An upcoming case study documents the his-

tory of Massachusetts' environmentally preferable purchasing efforts, overviews the Commonwealth's program, and describes how Massachusetts evaluates the environmental attributes of the products it buys.

Federal Government Case Study: EPA's Construction Program


EPA is building a new headquarters facility in Washington, DC, and a new research laboratory and office complex in Research Triangle Park, North Carolina, that together will house over 8,000 EPA employees. A forthcoming case study documents how EPA's environmentally preferable purchasing practices are ensuring that both facilities protect indoor air quality, maximize energy efficiency, reduce water consumption, incorporate the use of environmentally preferable building materials, encourage alternative forms of transportation, and promote pollution prevention during the construction process. ■

Additional Information


For additional information on these and other EPP case studies, check the EPP web page regularly <http://www.epa.gov/opptintr/epp>. If you would like to suggest or participate in a case study, please fill out the form on the back of this newsletter.

- 3) Environmental preferability should reflect the life-cycle considerations of products and services to the extent feasible.
- 4) Environmental preferability should consider the scale (global versus local) and temporal reversibility aspects of a product or service's impact.
- 5) Environmental preferability should be tailored to local conditions where appropriate.
- 6) Environmental objectives of products or services should be a factor or subfactor in competition among vendors, when appropriate.
- 7) Agencies need to examine product attribute claims carefully. ■


NACo's Environmentally Preferable Purchasing Project




The National Association of Counties (NACo), which represents all 3,000 U.S. county governments, is promoting environmentally preferable purchasing throughout the United States. As part of this activity, NACo is currently recruiting counties and other local governments to participate in a series of EPP demonstration projects.




Counties participating in the demonstration project will be asked to initiate or expand their environmentally preferable purchasing efforts in one or more of eight different departments or product categories: automobile and heavy equipment; cleaners; pesticides and lawn chemicals; office supplies; paints; construction and demolition; buildings design and energy efficiency; and printing.



NACo will share ongoing results throughout the duration of the pilot programs with anyone who is interested. In addition, an advisory committee of local elected officials, environmental staff members, and procurement officials will promote environmentally preferable purchasing to NACo members.



The Association is also developing a "starter kit" to encourage counties nationwide to adopt environmentally preferable purchasing practices. The kit will include a variety of documents and fact sheets to assist in local governments' involvement, including: a sample policy resolution; case studies highlighting successful efforts in urban, suburban and rural jurisdictions; recommendations for selecting a procurement area on which to focus; suggestions for selecting environmentally preferable goods; and a list of resources and contacts.



NACo's environmentally preferable purchasing initiative is just one of several NACo environmental programs. NACo also assists counties and local governments with radon and indoor air pollutants, coastal watershed management, and pollution prevention initiatives. For more information about NACo's environmentally preferable purchasing initiative or other pollution prevention activities, contact Naomi Friedman with NACo at 202 942-4262 or via e-mail at nfriedma@naco.org, or Tony Hayes at 202 942-4247 or thayes@naco.org.



Green Uncle Sam

I represent good ol' Uncle Sam,
Uncle Sam I am.

We've decided to buy what's clean,
Our President told us we must be more green.

With the world's largest pocket book,
We must give products a second look!

A sacrifice in performance?, not necessarily,
Products can be greened ordinarily!

Cleaning Products Pilot Project Update

The Cleaning Products Pilot Project was the first EPP pilot project. It began in February 1993 as a cooperative effort between the U.S. General Services Administration (GSA) and EPA to establish a framework for comparing the environmental preferability of commercial cleaning products. As a part of that effort the GSA and EPA team developed an environmental attribute matrix that allows purchasers to select products that minimize local environmental impacts. The team's decision-making process and the original matrix were described in the February 1997 *Cleaning Products Pilot Project* (EPA742-R-97-002) case study and the *Cleaning Products Pilot Project Fact Sheet* (EPA742-F-97-001).



Since that time, the members of the pilot project have continued to promote their findings. Recent and forthcoming activities include:

- **Revised Cleaning Products Pilot Project Fact Sheet (EPA742-F-97-001)**

The fact sheet was reprinted in June 1997 to correct and update some of the environmental attribute information included in the February version.

- **Training Video**

EPA and the U.S. Postal Service (USPS) are finalizing a video entitled "Purchasing Environmentally Preferable Products." The video is introduced by Fran McPoland, the Federal Environmental Executive, and portrays Postal Service employees using the cleaning products matrix to select products for their custodial staff. After its release, the video will become part of the national USPS technical training program.

- **Interactive Internet Tool**

The cleaning products matrix is being adapted as an interactive Internet site. In addition to including information on the pilot project, the web site will assist purchasers in selecting cleaning products based on their environmental attributes. The site will be available at: <http://www.epa.gov/opptintr/epp>.

Put your purchasing power to good use. Select products with positive environmental attributes.

But how on earth can I tell what a Lorax might prefer?
To whom for such a decision can I defer?

GSA and DLA offer supply catalogs to assist,
EPA and others will help add to the list.

Demand is stimulating all sorts of new information,
Government suppliers respond with green formulations.

Be it by GSA Advantage or my IMPAC card,
Environmental performance is not to be barred!

Resist the temptation of being a Grinch,
Buying green can be a cinch!

Heed Uncle Sam's new found cry,
Let's put our money where our mouth is when we buy!

We all represent Uncle Sam,
We can green him yes we can!

I like Green Uncle Sam,
Green Uncle Sam I am.

With sincere apologies to Dr. Seuss. This poem was presented by Jim Aidala, EPA's Environmental Executive and Associate Assistant Administrator of the Office of Prevention, Pesticides, and Toxic Substances at the July 1997 EPP Symposium in Baltimore.

EPP Pioneers

The EPP Program is getting ready to launch its new pilot initiative:

"Pioneers in EPP." The Pioneers initiative will work to identify federal purchasers who are interested in being the "first out" in the consideration of multiple environmental attributes in their day-to-day purchasing decisions. Established to collect information on the most effective and easiest ways for all federal agencies to conduct environmentally preferable purchasing, the pilots represent an important step towards broadscale implementation of the EPP Program.

The Pioneers initiative originated from EPA's proposed Guidance on the Acquisition of Environmentally Preferable

Products and Services, which requests Executive agencies to select voluntary pilot acquisitions or demonstration projects to test out the con-

cepts contained in the seven guiding principles. Hence, the mission of Pioneers in EPP is to both evaluate and implement the seven guiding principles as well as to advance the goals of the greater EPP effort.

Through the end of 1997 and into 1998, EPA will be seeking pilot projects that represent different product and service categories so that tried and true approaches to environmentally preferable purchasing can be documented and translated into tools for federal purchasers to integrate into their purchasing activities. Three Pioneers are currently at work with EPA, representing cleaning products, latex paints, and parking lot renovations. New Pioneers will join the initiative by way of a customized Memorandum of Understanding that will define the parameters of each mutually beneficial project.

If you are interested in becoming a Pioneer in EPP or know of a federal colleague who is, contact Eun-Sook Goidel at goidel.eunsook@epamail.epa.gov or Ruth Heikkinen at heikkinen.ruth@epamail.epa.gov, or fill out the form on the right. ■

Environment

+

Price

+

Performance

EPP

Tell Us About Your Environmentally Preferable Purchasing Efforts

Name: _____

Agency: _____

Position: _____

Phone: _____

E-mail: _____

Current Efforts:

Please describe any current environmental purchasing initiatives within your agency that go beyond recycled content. Be sure to include the scope of the initiative and identify the product categories involved.

Has anyone documented these efforts in a case study? Yes No

Future Efforts:

Please describe opportunities to initiate or expand environmentally preferable purchasing within your agency.

Would you like EPA's assistance with this effort? Yes No

Please mail, fax, or e-mail your responses to:

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